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**An electronic information letter by BNH Expert Software.**

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**Does eLearning Improve Performance and the Bottom Line?**

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*"Time is money."  
-Benjamin Franklin*

The debate continues. How do you measure the impact of eLearning on your organization? You must have heard by now that eLearning provides just-in-time access to training material when and where it is needed. Moreover, it reduces travel costs and in some cases time required to complete the training. On the other hand, questions on the effectiveness of this delivery medium are being raised. Some claim that eLearning is boring and as a result individuals are not completing the courses, and it is more difficult to motivate people to take online courses. Moreover, if a customized courseware is required, then how can we justify the high up-front investment?

The main confusion arises from the fact that we are dealing with two key questions - not one. The first has to do with the value of training - regardless of the delivery method, and the second with the advantages and limitations of eLearning. If we are trying to measure the value of eLearning, then we should assume that the need for training has been demonstrated - through a needs analysis or other means - otherwise, the value of training is in question, and individuals will not be motivated to learn. Once the need for training has been established, we can limit the debate to the second question, what is the added value of the eLearning delivery medium?


There are two primary reasons for considering the eLearning delivery option. First, can we accomplish the same performance objectives at lower costs, and second, can we improve the performance (productivity) of employees. The costs of a training program can be divided into 6 main categories, namely: development/purchase of courseware, hardware required for the delivery of training, administrative staff, delivery costs - which includes instructors and trainees fees, time and travel costs; long distance charges, course license fee and facilities rental, maintenance of courseware and hardware, and support staff. By computing and comparing the cost of eLearning - over the life of the course - versus alternate delivery options the impact on the organization's bottom line can be determined.

If eLearning meets organizational, training and learning needs and the development of the course is based on sound instructional design principles, then performance can be directly linked to time. That is, would eLearning allow individuals to complete the training in a shorter period of time? A number of studies have concluded that a well designed CBT or WBT course that allow trainees to direct their own learning - i.e., skip over sections they already know and focus on areas of difficulty - can reduce the training time between 25% to 60% of an equivalent instructor-led course. In this case, gained productivity (performance) can be measured by multiplying the average daily cost of trainees by the reduction in training time by number of trainees in the course.

Measuring the value of eLearning is not a simple task. Hundreds of factors can impact the results - whether we are dealing with performance or cost issues. Moreover, it is not the answer to all our training needs. In many cases, alternate delivery options may provide a

more effective and economical alternative. You can gain a better insight into the process and factors that can impact your decision by reviewing ADVISOR Enterprise "Select the Right Blend of Delivery Options" module •

<http://www.bnhexpertsoft.com/english/products/advent/overview.htm>.

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