

OUT THINK. OUT DO.

**MOVING
FROM
TRAINING
TO PERFORMANCE**

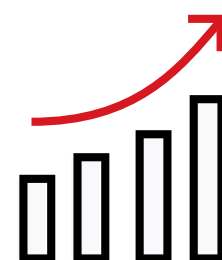
OUT THINK. OUT DO.

MOVING FROM TRAINING TO PERFORMANCE

Learning functions are being challenged to serve as strategic business partners. To make the transition from support service to strategic partner, HR/Learning executives need to reposition themselves so that they are clearly seen to add value to the business at several levels.

Leading business leaders are faced with making changes which will allow this transformation to occur. This includes alignment of their personnel and operations with the needs of their enterprise, an assessment of all HR/Learning activities and decisions on which activities are core to the business and which ones should be transferred to expert partners.

In effect, HR/Learning requires a more entrepreneurial approach to service delivery. Executives will begin to consider new operating models and become better at anticipating and responding to changes including shifts in customer demands, emerging technologies and outsourcing offerings.



RE-DEFINING THE FOCUS OF WORKPLACE LEARNING

GROWTH AND DIFFERENTIATION WILL HAPPEN THROUGH GREAT FOCUS AND ATTENTION ON PEOPLE. 75% OF CEOs BELIEVE THAT EMPLOYEE EDUCATION IS CRITICAL FOR FUTURE ENTERPRISE SUCCESS.



ARTICULATING BUSINESS VALUE CONTRIBUTION

Over the years, we have all seen the training industry experiencing growth and senior executive focus. Even during recent times when companies have been downsizing, training has continued to thrive as a business.

Even more exciting times lie ahead as training organisations begin to make the transition from support service to strategic partner. They are at a crossroads where the strategies that are implemented are inextricably tied to the business.

As HR and Learning Leaders prove their value and impact on their business, they will be empowered to control the destiny of knowledge and learning dissemination in the business. They will be sought after by business units to solve real business problems.



LEVERAGING THE LEARNING FUNCTION

In a recent study, researchers found that a single common denominator stands out in the learning field today. This single issue is:

How to leverage the learning function to make a business impact and achieve high performance.

Many of the senior L&D professionals we speak with want to focus more time and resources on activities associated with driving worker productivity and less time on daily operational tasks.

All executives indicate that they want their training professionals to do more performance consulting and manage key learning programs tied to the organisation's strategic initiatives, such as quickly bringing the sales teams up to speed on a new product or helping a line manager identify key learning initiatives to maximise talent management.



ENABLING TRANSFORMATION

Training delivery entails a huge volume of transactional tasks. For many L&D teams this becomes an unbearable workload of necessary but labour-intensive errands.

Studies show that over one-third of staff time and effort in learning is devoted to administrative tasks, such as organising training calendars, scheduling courses, booking venues, sending out program pre-work, booking facilitators and more. To deliver on CEO expectations, L&D professionals must make the conscious decision to focus their attention on performance consulting, needs analysis and strategy.

Outsourcing of training is not new. For many years organisations have used third parties to develop and deliver training on an ad hoc basis – in effect, projects have been out-tasked. What distinguishes a managed service from out-tasking is the ongoing nature of the service provision. Managed Learning Service providers take responsibility for learning processes for a set period of time.

This paper focuses exclusively on outsourcing training administration tasks (those that add no strategic value to the L&D function) to a Managed Learning Services provider.

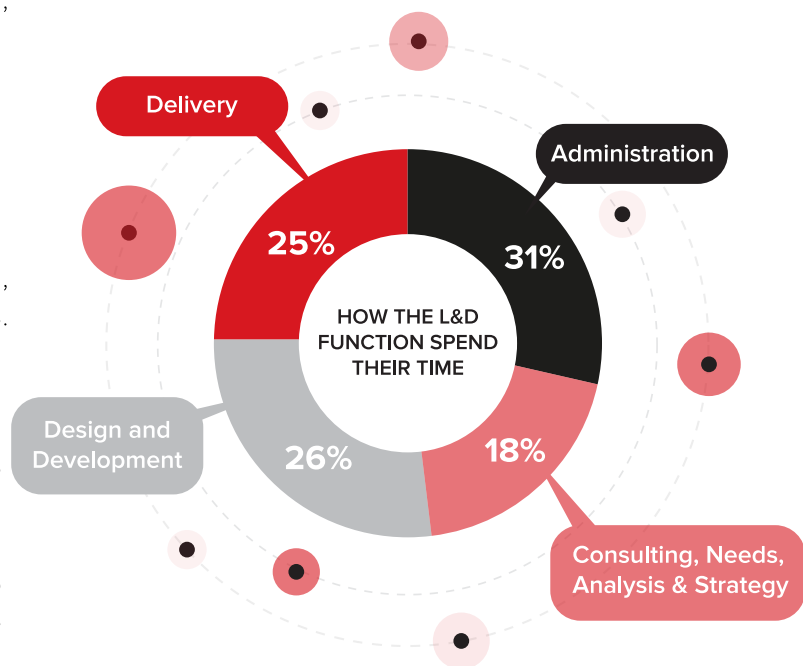


MANAGED LEARNING SERVICES

A new way is emerging to manage learning, which reduces costs and frees up resources. Specialist learning providers are now offering a managed service approach.

In the L&D field, this approach has come to be known as a Managed Learning Service (MLS).

There is a global trend for organisations to partner with a Managed Learning Service provider and to progressively outsource learning tasks that do not add any strategic value.



Source: American Society for Training and Development

TRAINING ADMINISTRATION RISES 900% TO BECOME THE TOP L&D PRIORITY FOR OUTSOURCING.

Some time ago, Knowledge Pool conducted a study with senior L&D managers in 39 UK organisations employing over one million people. Results show that the outsourcing of Training Administration is one of the key areas that leading L&D practitioners will be looking to outsource.



WHY THIS HUGE GROWTH?

With corporations focusing on growth and innovation, they want to see measurable returns on their learning investments. The challenge for L&D teams is how to take on the strategic work, without compromising the amount or quality of learning delivery.

Edward Trolley, co-author of 'Running Training Like a Business', advises companies to establish a strategic sourcing strategy for learning just like they do for all other departments. Trolley says outsourcing conversations typically boil down to two issues for the astute buyer - how to make costs acceptable and how to increase value from

the investment. Trolley says companies are increasingly eager to outsource learning-related activities that are of lesser value but which typically represent large investments. "If you look at a 200 person training organisation, you will probably see that between 30%-50% of the professionals spend their time doing administrative related work. The opportunity to improve their efficiency and productivity is significant," he says. Trolley believes the answer is to outsource activities that add little value and re-deploy resources in a higher value-added activity.

"For every dollar spent on training administration is a dollar less spent on actual training. Employee development has a positive bottom-line impact, while administrative work brings no incremental value."

Edward Trolley

40% OF COMPANIES ARE SPENDING 20% – 50%
OF TRAINING BUDGETS ON ADMINISTRATION.

TRAININGOUTSOURCING.COM AND EXPERTUS



TRAINING ADMINISTRATION SURVEY HIGHLIGHTS

- ✓ Results show that administrative expenses are high in most organisations. 40% of respondents said their companies spent 20% to 50% of training budgets on administration, and 7.3% said their companies spent more than 50%.
- ✓ Approximately 60% of respondents expect administrative spending to increase over the next two years. Only 5.4% predicted a decrease.
- ✓ Interestingly, only 14.8% of respondents thought administrative related spending was too high, and 65.2% thought it was 'about right'.
- ✓ The most common administrative and operational functions used for training are:- program scheduling (84.1%), program evaluations (77.7%), material fulfilment (75.5%), registration services (73.8%) and student and program reporting (73.8%).
- ✓ More than 70% of respondents said upgrading technology would make the biggest improvements to administrative efficiencies. 34.7% said adding staff members would help improve efficiency 28.4% said increasing staff training would help improve efficiency.
- ✓ 57.4% cited heavy workloads as an administrative challenge. 46.6% cited inadequate technical support. 40.4% cited a limited budget. 39.9% cited a lack of qualified personnel.

Training administration distracts learning professionals from value-adding activities. In addition to this research shows that administrative expenses are high for most organisations, in terms of training budgets.

TrainingOutsourcing.com and Expertus conducted a survey with companies running training administration internally.

Careful process and staff analysis usually uncovers significant inefficiencies in areas such as:- scheduling, registrations, facility management, material fulfilment, evaluations, and reporting.

TrainingOutsourcing.com

DEFINE. ALIGN. TRANSFORM.

FOCUS ON WHAT MATTERS MOST

Resourceful companies will exclusively focus time and investment on Training Front-Office, while driving costs and inefficiencies out of Training Back-Office.

THE TRAINING FRONT-OFFICE will be the strategic focus of every savvy training professional.

THE TRAINING BACK-OFFICE will be organised to eliminate duplicated efforts across the enterprise, leverage best practice processes, and apply the right technologies to deliver learning around the world and at the point of need.

Time spent on administrative and logistical tasks should be eliminated from the training professional's day. Outsourcing the Back-Office allows training professionals to focus their energies on strategic learning initiatives and redirect scarce resources to higher value-adding activities.



DEFINING TRAINING FRONT-OFFICE AND BACK-OFFICE

A complete corporate training function is made up of hundreds of well-defined and executed processes. Training Back-Office Operations comprise the administrative systems and processes that support organisational development. These set of services can be centralised into a shared-service model and done in a repeated fashion. Services include:

- ✓ Course management
- ✓ Training program logistics
- ✓ Training materials management
- ✓ Internal marketing of services and programs
- ✓ Venue procurement and management
- ✓ Vendor and facilitator identification and management
- ✓ Learning technology administration
- ✓ Tracking employee learning

These activities are distinct from Training Front-Office activities, which include:

- ✓ Learning strategy development
- ✓ Business linkage
- ✓ Oversight of key initiatives
- ✓ Curriculum planning and design
- ✓ Content development
- ✓ Live delivery of instruction

Internal L&D teams should focus on high-level client relationship management with their business unit leaders, helping them develop performance management strategies or learning intervention strategies that can get the whole team operating at a higher level.

TRAINING



BACK-OFFICE

Fulfilment & Logistics
Enrolment Management
Reporting
Vendor Management
Technology Management

TRAINING



FRONT-OFFICE

Strategy Development
Program Oversight
Training Delivery
Content Design/Development

"Training administration consumes way too many dollars in most companies, and despite the spending, there are still high levels of dissatisfaction in the services provided. The even bigger problem is that every dollar spent on administration is a dollar less spent on actual training."

Expertus



IMPROVE EFFICIENCIES AND SAVE MONEY

Forward-thinking companies are reinventing their training organisations around the concept of running training like a business, and are looking for tangible success.

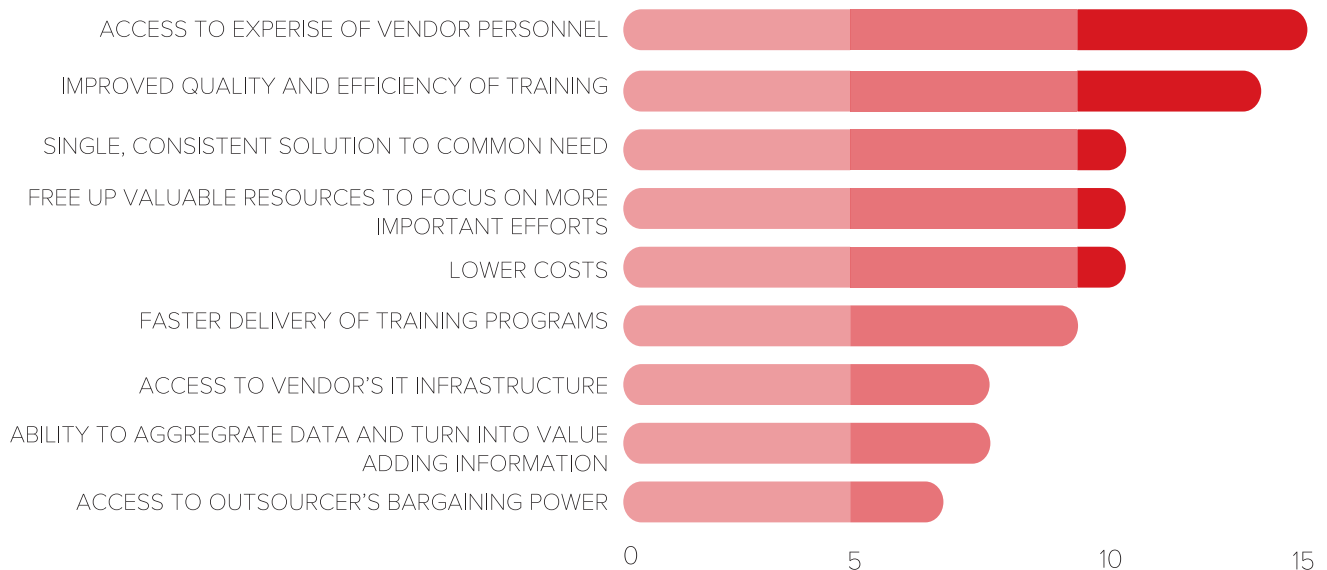
Administering training is complex and time-consuming. By outsourcing training administration to a Managed Learning Services (MLS) provider companies are consistently finding an improvement in efficiencies which result in cost savings. They are also experiencing an increase in internal customer satisfaction as internal staff focus on performance consulting with business units.



SCALABLE, FLEXIBLE MODEL

A major benefit of partnering with a MLS provider is the flexibility and scalability of the service offering. Most providers will offer a service that can instantly scale up or scale down its service to match client requirements – seamlessly increasing the available resources during periods of peak demand, then reducing them when the demand has passed.

This ability to switch additional capacity on and off means an end to inefficient, fixed-cost support and opens up a far more flexible and cost-effective way to provide training support



SUCCESS MEASURES OF TRAINING ADMINISTRATION OUTSOURCING - SOURCE: IDC

THE PERFECT FIT - FOR ORGANISATIONS OF ALL SIZES



SIZE DOES NOT MATTER

One perception of Training Administration Outsourcing is that it is a service only offered to large enterprises. Counter to this expectation, an outsourcing strategy can be more valuable to smaller organisations than large or mid-sized ones. All research shows that training administration and operations are areas where most companies - no matter what their size — can gain significant efficiencies.

The Training Outsourcing.com/Expertus survey shows that most companies view these expenses as necessary and fixed. However, it has been proven that companies can consistently reduce administrative expenses by as much as 40% - 45% through the effective use of technology, personnel resources and shared services.

Most MLS partners will offer a “program by program” service however the greatest leverage is gained from the relationship that is developed over time.

Since the needs of each customer are different, a good managed learning service must be extremely flexible – able to be tailored to each customer’s needs, rather than imposing a standard solution to all customers.

Global Knowledge

CASE IN POINT: AN EXAMPLE

The Learning Factor has been responsible for training administration for one of Australia’s largest banks. Our services have included:

- ✓ Centralised “Learning Services Contact Centre”, providing a dedicated and easy access point of contact for all training requirements through client-specific phone, web and email contacts
- ✓ Scheduling of training programs and participant wait list management
- Internal marketing and promotion of all training services to end users
- ✓ Managing participant bookings
- ✓ Manage external facilitators or training suppliers
- ✓ Organise all participant pre-work
- ✓ Administration of psychometric tools for training programs
- ✓ Venue sourcing and booking of training rooms
- ✓ Booking of additional training requirements such as TV’s, cameras etc.
- ✓ Send out all day training materials
- ✓ Management reporting to provide visibility of enterprise-wide training spend





"It's true - you can expect a managed learning service to save money or control costs, but a good managed learning service company will offer much more than that."

Global Knowledge

Combining rigorous analysis with pragmatic business judgment, the Learning Services team are able to ensure that further cost saving opportunities are identified, savings implemented, success tracked and targets realised.



ONSITE OR OFFSITE?

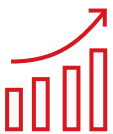
A good managed service provider will be able to locate the Learning Services team onsite or offsite to the enterprise. With an onsite solution, team members work at client premises and can access the MLS provider technology remotely or they can use client specific technologies (programs). This solution is usually adopted by larger organisations that have a high volume of training transactions.

Smaller organisations with lower training volumes can still access expert services with an offsite team using the MLS provider technologies. This eliminates the need for companies to make capital investments in expensive technologies that will be outdated quickly.

CASE IN POINT: GLOBAL SOLUTION

The Learning Factor has been responsible for training administration for one of Australia's fastest growing global companies.

With a Training Administration team located on-site at the client's premise in Canada, we have been responsible for program scheduling, participant, training tracking and reporting.



TYPICAL COMPONENTS FOR SUCCESS

There are a number of core components that a service provider will offer when outsourcing the training administration function which can improve efficiencies, processes and reduce costs.



LEARNING SERVICES TEAM

Central to any managed service solution is access to a dedicated Learning Services Customer Service Team. This full-service approach provides a rapid and robust solution backed by a best-in-class delivery team and a scalable, reliable infrastructure.

The goal of any Learning Services team is to deliver timely and comprehensive day-to-day support on both tactical and strategic levels. Simply put, the mission of a Learning Services Team is to deliver "world class" client support.



DEFINING TRAINING FRONT-OFFICE AND BACK-OFFICE



TECHNOLOGY

All good MLS providers will either have their own technology solution, as this is essential to automate repetitive process, or they will have the ability to integrate with an existing Learning Management System (LMS). This leads to improved efficiencies and reduced costs. Technology also delivers management information – at the press of a button, reports can be provided with valuable information which helps management teams with decision-making and allows the control of costs associated with all L&D activities.

With the click of a mouse, employees can search the entire range of approved learning and development opportunities which could include face-to-face training programs, e-learning options and coaching solutions. They can also access the training calendar and download training program details including program learning outcomes, objectives and mandatory course requirements.

As last minute course cancellations can have a significant impact on training costs, automatic reminders can be sent to all participants just prior to the course start date. After the course, an evaluation form can be sent to the participants.



ACCESS TO TRAINING CALENDAR FROM THE DESKTOP

At the core of the system is a catalogue of training courses/events. With one central catalogue of training courses, the MLS system can ensure that every employee within an organisation can book training from a computer, just using a web browser.

Depending on how the system is configured, all employee training requests can automatically be sent to a line manager who can authorise a training request from an employee. All program joining instructions, pre-work specifications, links to e-learning resources or on-going changes to events/arrangements can be sent out automatically.

At any time, participants can refer back to the web portal for details of training program date, time and location, as well as view their training history.

Nominated authorised managers can access important training statistical data across the organisation including:

- ✓ Number of participant bookings
- ✓ No-shows
- ✓ Evaluation feedback
- ✓ Supplier comparisons
- ✓ Costs per program



MISCONCEPTIONS ABOUT TRAINING ADMINISTRATION BPO

Training professionals are being compelled to focus their attention on driving business improvement. That means shifting the work effort from managing tactical logistics and performing administrative functions to becoming true performance consultants.

Finding a partner to manage the Training Back-Office can be a great alternative. However there are a number of misinterpretations and misconceptions about Training Administration BPO. Some of these include:

We are only a small company – we would never see any benefits from partnering with MLS provider

All research shows that training administration and operations are areas where most companies, no matter what their size, can gain significant efficiencies. By forming a strategic alliance with a company whose core competency is learning, all organisations can also benefit from the superior network of industry professionals, courseware, expertise, contacts, vendors, and other resources that an MLS provider has developed over many years.

Our organisation could not afford it

Managed Learning Service solutions are customised to meet the exact needs of the client. This means you only pay for the services you require and many providers offer a “program by program” service fee for training administration. Most clients save money by improving efficiencies.

“If we outsource, I will lose my job.”

The goal is not to eliminate internal L&D teams. It shifts the focus on value-adding by enabling internal L&D teams to take a more strategic role by reducing administrative tasks.

Senior L&D executives often gain a more tangible and visible impact on the business, and they are more likely to be appreciated by senior management contributions.

We are going to invest in a robust LMS system. This will do everything for us

A world-class delivery model is made of three key components:

1. Tools and Technology
2. People
3. Business Processes

Managed Learning Service providers have a deep expertise in these areas with a particular focus on learning. They continue to be source of innovation. By definition, a successful outsourcing partnership is two companies leveraging each other's core competencies while staying focused on their own.

We use our own technology and programs so we could not work with an external MLS partner

An on-site Learning Services Team can use a client's own systems solely, yet still have the flexibility to use other resources, if required.

The quality of work is delivered by the expertise of the MLS team members and through the implementation of processes dedicated to continuous improvement.

THE DRAMATIC GROWTH OF MANAGED LEARNING SERVICES

With increasing pressure on training budgets and senior management emphasis improved ROI of training infrastructure, strategic outsourcing proves to be the answer for many organisations.

The global Learning BPO business is growing 15-20% annually. According to IDC, the top reasons for pursuing training outsourcing include:

1. A desire to cut costs and create a variable cost structure
2. Focus or refocus on the organisation's core business
3. Access required skills
4. Increase effectiveness of learning

In a study conducted by Bersin & Associates, it was found that companies which outsource functions have much smaller administrative staffs per learner. In fact, they had 30-40% lower staffs (per 1000 learners) for program administration and nearly 25% lower for support.



TYPICAL COMPONENTS OF A TOTAL MLS SOLUTION

An MLS solution will have a number of key functions at its core. The solutions are designed to be flexible and scalable and clients are able to customise a solution to meet their exact business requirements. The typical components include:

Training Diagnostics – The capability to analyse skill gaps, performance deficiencies and develop competency frameworks.

Design and Development – Instructional design and development services to prepare training materials.

Training Delivery – Provision of facilitators, coaches, trainers and specialist consultants.

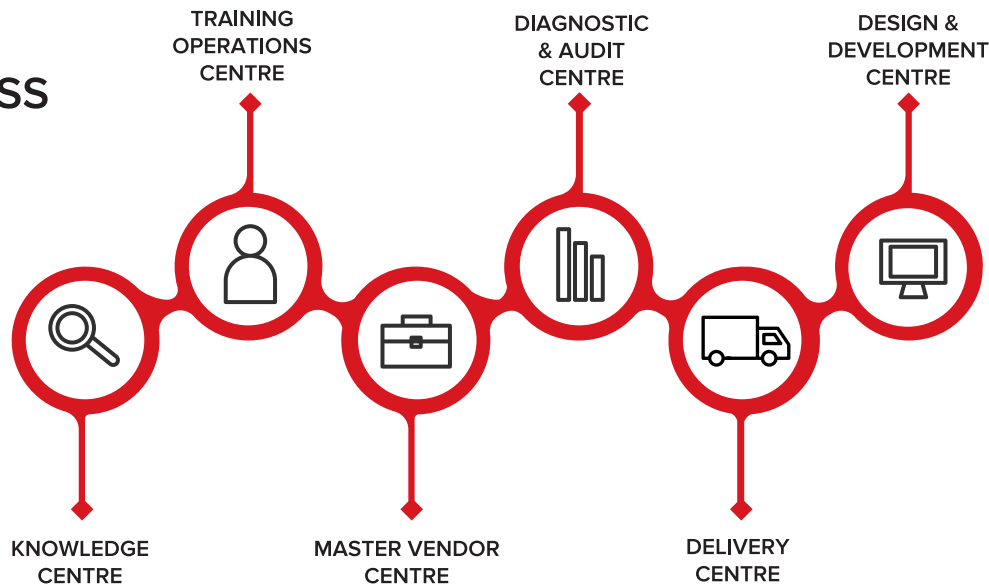
Training Administration - The essential capability to enrol learners onto formal training, whatever structure it takes, then monitor and record that training activity.

Supplier Management - The management of a wide range of supplier relationships including matters such as quality control, issue resolution and invoicing.

Reporting – The capability to measure, analyse and report on the alignment of learning initiatives.

THE LEARNING FACTOR TOGETHER. ACHIEVE MORE.

FIRST CLASS LEARNING SERVICES



The Learning Factor offers an integrated suite of learning services that help companies transform the learning function to make a business impact and achieve high performance. We form collaborative partnerships enabling internal L&D teams to take a more strategic role.

End-to-End Learning Services

The Learning Factor provides a highly flexible approach to source, develop and manage all learning services including training design, delivery, administration and evaluation.

We provide a range of managed learning services which are available individually or as a complete tailored managed service.

Collaborate. Trust. Multiply.

We can collaborate on a project or program basis. Our preference is to work in a long-term partnership so we can seek to deepen our relationship and affirm the importance of trust as a key to success.

Scalability to Perfection

Our scalable service fits all of our clients' diverse needs. With one point of access to the best learning & development solutions and training providers in the world, our clients can easily

source training solutions for individuals or for the whole organisation.

The Learning Factor

The Learning Factor is a global provider of end-to-end learning services, serving customers ranging from medium sized businesses to ASX 100 and Fortune 100 companies.

Our solutions range from learning strategy development, instructional design and program development, facilitation of face-to-face training courses through to e-learning and virtual training global rollouts.

We are the best in the industry at assembling global project teams who all exude commercial specialisation and business acumen.

We are the only Asia Pacific company that has won 14 consecutive global awards for innovation and creativity.