

Blended Learning: *What Works*TM

An Industry Study of the strategy, implementation, and impact of Blended Learning in corporate applications.

Executive Summary

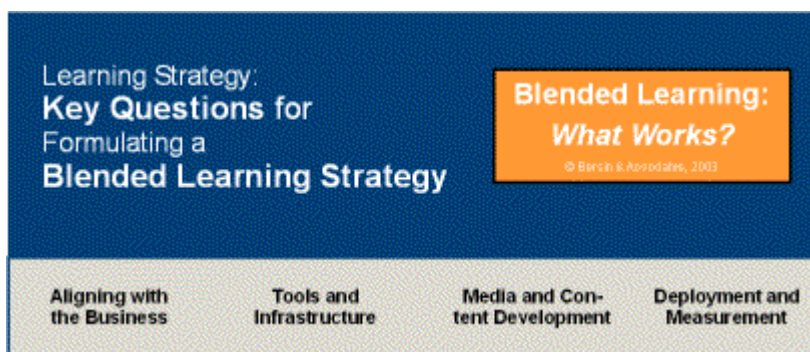
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In 2002 and 2003 Bersin & Associates conducted one of the industry's largest studies of corporate blended learning programs. This study reviewed more than 30 major corporate implementations and detailed 16 blended learning programs to identify business strategies, implementation strategies, content development techniques, LMS implementations, measurement strategies, and lessons learned.

Results include summary findings, detailed profile of each corporate implementation, and valuable "lessons learned" which can be used by corporate training organizations in many industries throughout the world.

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In early 2002 we set out to understand "What Works" in corporate blended learning programs.

Introduction:

As corporations throughout the world start implementing e-learning programs to complement and replace their traditional training curriculum, the topic of "blended learning" has become paramount. "Blended Learning" refers to the combination of a wide range of learning media (instructor-led, web based courseware, simulations, job aids, webinars, documents) into a total training program designed to solve a specific business problem.

The Study: Largest and most Complete of its Kind

In early 2002 we set out on an industry-wide study to understand "What Works™" in blended learning.

Our premise is that for a given business challenge, there are repeatable methodologies and tools which companies can share which provide measurable results. The study proved this to be true.

Our focus throughout this work was to identify programs which had measurable business objectives and demonstrated measurable business results.

In our research we conducted detailed interviews with 17 large corporations who had developed and rolled out major blended learning programs. More than 30 companies were pre-screened to make sure that they had:

- A specific measurable business objective for their program
- A complete program which had been deployed
- A large audience (1000s of people)
- A significant business-critical problem to solve.

Through a series of interviews with these companies, we identified many critical components in their blended learning strategy. Specifically we identified:

- The business problem and how it was identified
- The training organization and corporate sponsorship
- The blended learning program components in detail
- How these components were build or authored
- Tools and infrastructure used
- The company's LMS and ERP integration strategy
- The total cost of developing and deploying the program
- The company's measurement strategy
- What measurement results were obtained (Level 1, 2, 3, and 4)

- How ROI was computed and what ROI resulted?
- What lessons were learned and what were next steps?

Our goal in this study was to develop a methodology and understanding for “What Works™” in blended learning. We have used this methodology in other applications, and find that through this detailed research companies can learn what tools, methodologies, and strategies are likely to be the most effective to solve their particular business and training challenges.

Methodology and Study Size

We sought out companies who had developed major blended learning programs, rolled them out, and obtained some measurable results. Initially we contacted 30 companies in a variety of industries. After a web-based survey and many interviews, 16 were selected for more detailed analysis. These 16 met the requirements of having developed a major program, rolled it out successfully, and had measurable results which they were willing to share.

Some of the overall study methodology:

Study Size and Characteristics	
Study Size	30 Companies
Companies Profiled in Detail	16 Companies
Total Audience Addressed	1.2 Million learners
Industries Studied	Manufacturing, insurance, telecommunications, high technology software, consulting, retail, business services
Content Development Strategies	Outsourced as well as In-House
Media Strategies Studied	Web-based courseware, simulations, conference calls, traditional instructor-led training, video and audio, CD-ROM distribution, tent-cards, and many other media users.
LMS/Infrastructure	Many LMS systems, some with no LMS, some hosted, some in-house
Successes	Some had ROI's over 700%, many high impact business metrics provided

These companies have delivered high impact, large-audience blended learning programs in a wide variety of application areas.

You will learn “What Works” in Blended Learning.

Companies Studied

The final companies who were included in the study are listed below. These were companies who successfully rolled out major programs with major business impact.

Company	Business Problem
Bell Canada Enterprises (BCE)	Enterprise conversion to e-learning and blended learning curricula
British Telecom	Corporate initiative to enter internet based services
Cisco	Reseller certification and sales training
EMC	Product sales training.
InstantTrain	Customer education on IT and softskills
Large Semiconductor Manufacturer	Manufacturing floor personnel training on new processes
Kinko's	Field sales training on new products, services, and selling techniques
Major Engineering Software Provider	Field sales product training
NCR	Field service training on networking and Cisco products
Roche Pharmaceuticals	Major ERP application rollout
Royal Sun Insurance	Field insurance agent training
Tellabs	Major new field application rollout (field project management)
Siemens	Corporate Change in Accounting Practices
WW Grainger	Massive new application rollout (SAP)
Verizon	Field service training throughout the US

Format of the Study and Topics Covered

The study consists of a 50+ page overview and 200+ pages of detailed descriptions of each case. The case studies themselves are each 7-10 pages long and detail the business strategy, development strategy, infrastructure strategy, measurement strategy, and results obtained. Every company shared their "lessons learned" with us.

The study includes valuable charts and tables summarizing costs, rollout strategies, tools, LMS implementations, how external vendors have been used, and what measurement strategies were used.

Reports include content screen shots, graphs, flowcharts, and process diagrams which clients have developed to help you understand the details of their programs.

Individual Case Studies

In each case, we cover the following topics. Cases are a result of many interviews with various constituencies in each company, and include charts, graphs, architecture overviews, and sample content.

- Case Synopsis
 - Company Overview:
 - Business Problem:
 - Solution Overview:
 - Results Summary:
 - Lessons Learned:
- Case Details
 - A Distributed Organization
 - Understanding the problem
 - Program objectives and sponsorship
 - Program Components and content
 - Tools and infrastructure
 - LMS and ERP Integration
 - Program Deployment
 - Solution Providers
 - Program Costs
 - Measurement Strategies and Results
- Business Impact and Next Steps
- Lessons Learned

Summary Findings

The findings were enlightening and surprising. Despite the fact that e-learning has been a real market for many years (from the CD-ROM days), blended learning is still in its infancy. Some of the summary findings we uncovered were:

- In the face of a global recession, we found that companies are “tightening their belts” and developing large, highly effective blended learning programs which enable their workforces to be more competitive, efficient, and effective. The returns-on-investment of these programs was huge – over 700% in some cases.
- Blended learning is the highest impact way to deliver corporate training on mission critical business initiatives. Companies are finding that “just e-learning” is not a viable solution for any business-critical problem.
- The nature of the media mix is very dependent on the problem and audience being addressed. There is no “general” blended learning strategy. Different application types need different blends. Companies have developed methodologies for making these decisions – and these methodologies are described in the report.
- When implementing a blended learning program, companies can easily change the cost per learner (or cost per instructor hour) by changing the media they use – from job aids to webinars to web based courses. Simple events like conference calls have a major impact on results and total student satisfaction.
- Methodologies exist for determining which media to use for which parts of a learning problem. We describe these methodologies in the case studies. The difference between success and failure is often the methodology used.
- The cost of blended learning programs can be very high. One company spent several million dollars to develop a critically important program which was “business critical” to a major transformation. Another spent tens of millions of dollars to significantly revamp their field training program – but had ROI of more than 400%. In the study we highlight where and how these large investments were justified.
- In other cases, very small investments had large results. Some business problems can be solved with simpler media. The actual cost of a blended learning program is a function of audience size, media, and infrastructure. The report details how you can understand these costs and budget accordingly.
- The use of LMS infrastructure varies widely. Infrastructure is a critical part of every solution – yet most companies found that the infrastructure was an enabler, not a solution. Several companies found critical components in their LMS/LCMS were needed for success – things which are not well marketed by providers. We identify these in detail in the study.

Why should you be interested in this study?

This study will show you exactly what works in blended learning today.

It provides current, up to date strategy, implementation, and results details in a wide variety of industries. What business problems should we focus on? What infrastructure should we use? What deployment strategy makes the most sense? What assessment strategy should we use? What measurement strategy makes sense? How much should our program cost? You can learn from these studies – and you can contact us or these organizations directly to learn more.



Testimonials

Many of the companies involved in the study will attest to its value. A few are listed below:

“Blended Learning: What Works is a breakthrough study on how major enterprises are using blended learning to improve performance and reduce training costs. The report is packed with useful information that will save time and help ensure a successful training program”.

Mick Taylor
People Development Services, British Telecom

"The Bersin & Associates Blended Learning Study is one of the most important and useful research works in e-learning I have read. It is a 'must read' for people embarking on blended learning programs."

Dane DeQuina
Curriculum Development Manager, Intel

How to Purchase the Study

License	Subscription Fee
<p>Blended Learning: What Works™ Study</p> <ul style="list-style-type: none"> • 300+ Page Study, license to 1 copy, PDF and color printed version • Free subscription to “What Works™” Newsletter 	<p>Check www.berstin.com/research For latest price.</p>
<p>Blended Learning: What Works™ Series Subscription</p> <ul style="list-style-type: none"> • 300+ Page Study, license to 1 copy, PDF and color printed version • Access to Study Web Site • 1 Year Subscription to future Blended Learning Research, Case Studies, Methodologies, Tools, and webinars • 2 Hours Advisory Services Consulting • Free subscription to “What Works™” Newsletter 	<p>\$1,995 per year</p>
<p>Blended Learning: What Works™ Series ENTERPRISE</p> <ul style="list-style-type: none"> • 300+ Page Study PDF and color printed version, with unlimited distribution rights within the company • Access to Study Web Site • 1 Year Subscription to future Blended Learning Research and Case Studies • 4 Hours Advisory Services Consulting 	<p>\$15,000</p>

Note: Single Copy license does not permit multiple copies of study.

You can purchase the study by calling us at (510) 654-8500 or through our website, www.berstin.com.

Advisory Consulting Services

We want this study to *impact your success*. With the purchase of the study we provide advisory services to help you understand the results, strategize on your own programs, or review the results with your e-learning team. You can use the advisory services to ask us any questions about your strategy, vendor selection, cost analysis, or help in identifying other resources. You could also

use that time to ask us to walk through the study in detail and discuss the lessons-learned section with your development or management team.

We regularly provide these services to companies at a fee of \$5,000 per day. The advisory services will be worth the cost of the study alone – and will likely save you tens to hundreds of thousands of dollars and valuable time in developing your own e-learning programs.

Upcoming Future Research

As a subscriber to our research, you will have access to our Blended Learning web site, which contains ongoing tips, updates, and breaking information about blended learning programs and strategy. If you subscribe to our subscription services, you will receive additional case studies and updates to the study for one year. We typically provide up to 10 additional case studies every year, and also schedule periodic webinars describing important topics or new findings.

As a subscriber we also welcome your input on other topics to explore – so if you have a burning question we can easily ask our research participants and get you new information – or we can incorporate it into future studies.

Conclusions

We hope that you purchase the study and review the case studies in detail. All the case studies and findings are grouped by both business application and by industry, making it easy for you to find examples of programs which replicate problems you may be facing.

Our conclusions after this research are that Blended Learning is still in its infancy. There are some major breakthroughs going on – but they are occurring in hard-working, innovative training departments on a program by program level. Companies can save huge amounts of money and headaches by taking lessons from these pioneers, sharing stories and methodologies, and watching for new approaches.

No single technology is the answer. No single infrastructure is the answer. The real impact of Blended Learning is a combination of tools, techniques, strong focus on business problems, understanding of the audience, and methodologies for development, measurement, and deployment. We try to highlight these in detail throughout the paper.

We always welcome feedback and more information on this important topic. If you have a case study of your own or feedback on our research, please call us at (510) 654-8500 or email us at info@bersin.com.

About Bersin & Associates

Bersin & Associates is a leading provider of corporate and vendor consulting services in e-learning technology and implementation. With more than 20 years of experience in e-learning, training, and enterprise technology, Bersin & Associates provides a wide range of services including product development, product marketing, industry research, corporate workshops, corporate implementation plans, and sales and marketing programs. Some of Bersin & Associates' innovations include a complete methodology for LMS selection and application usage, an end-to-end architecture and solution for e-learning analytics, and one of the industry's largest research studies on blended learning implementations. Bersin & Associates can be reached at www.bersin.com or at (510) 654-8500.