

Ideas & Insights from

expertus®

TrainingIndustry, Inc.

2008 Training Efficiency Masters Series

Survey Results

Measuring Learning as Budgets Tighten



trainingefficiency.com

TABLE OF CONTENTS

SURVEY OVERVIEW	3
KEY FINDINGS	3
DATA CHARTS:	5
A) Metric Collection & Decision Support	
B) Cost Reduction Pressure & Budget Changes	
ABOUT THE SURVEY RESPONDENTS	10
ABOUT EXPERTUS	11
ABOUT TRAINING INDUSTRY, INC.	11
ABOUT THIS RESEARCH	11

SURVEY OVERVIEW

In November 2008, Training Industry, Inc. and Expertus partnered to conduct the last of four surveys in the Training Efficiency Masters Series. We asked training professionals about which metrics they collect and use to measure learning. We asked specific questions about the relationships between types of decisions and metrics and pulse questions around budgetary pressure and changes in training budgets from 2008 to 2009.

Readers can use the results to better understand what metrics learning leaders use to influence budgetary and other important decisions. The pulse data will give you a perspective on the current business environment's impact on training budgets.

The survey was completed by 84 corporate and government training professionals in organizations with varying sizes throughout 19 industries. Technology companies represented 25% of all survey-takers, while banking and finance companies were represented by almost one in six respondents.

KEY FINDINGS

Finding #1: Types of Metrics Collected

More difficult-to-collect metrics are used less often.

Return on investment and other types of business impact metrics, which are arguably the most difficult to calculate, are used the least often – by one in four respondents or less. Conversely, simple metrics such as numbers of course completions and registrations are among the most often used.

Finding #2: Types of Metrics Used to Influence Budget

Volume & cost metrics are most used for budget decisions.

The most frequent metrics collected are also most often used to influence budget decisions. However, cost-based metrics are used more frequently in the budgeting process.

Finding #3: Types of Decisions Supported by Metrics

Current metrics and reporting best support decisions about course offerings.

This includes both the strategic decisions about what general types of courses to offer and also tactical decisions about what specific course topics and levels to offer. However, only about half or less of the respondents had the metrics or reporting capabilities to support budgetary, operational, course improvement or compliance decisions.

Finding #4: Biggest Measurement Challenges

Lack of time and data accuracy are top challenges.

Compared with data from a previous survey (April 2007), the current study suggests that lack of time and staffing has become more of a challenge and lack of data is becoming less of a challenge.

Finding #5: Cost Reduction Pressure Changes

Throughout 2008, cost reduction pressure is rising.

Survey data from early February 2008 and early November 2008 indicate that more respondents say their cost reduction pressures in November are "significant" (45% vs. 41% in Feb.) or "intense" (15% vs. 13% in Feb.) while fewer describe it as "mild" (31% vs. 37% in Feb.) The majority of respondents (60%) feel at least significant pressure.

Finding #6: Training Budget Changes in 2008

Over twice as many budgets went down than up in 2008.

During 2008 (through early November), 38% reported training budget decreases compared with only 11% who reported increases. About half of the budgets remained the same.

Finding #7: Budgets Changes: 2008 & 2009

Fewer learning leaders expect budgets to increase in 2009.

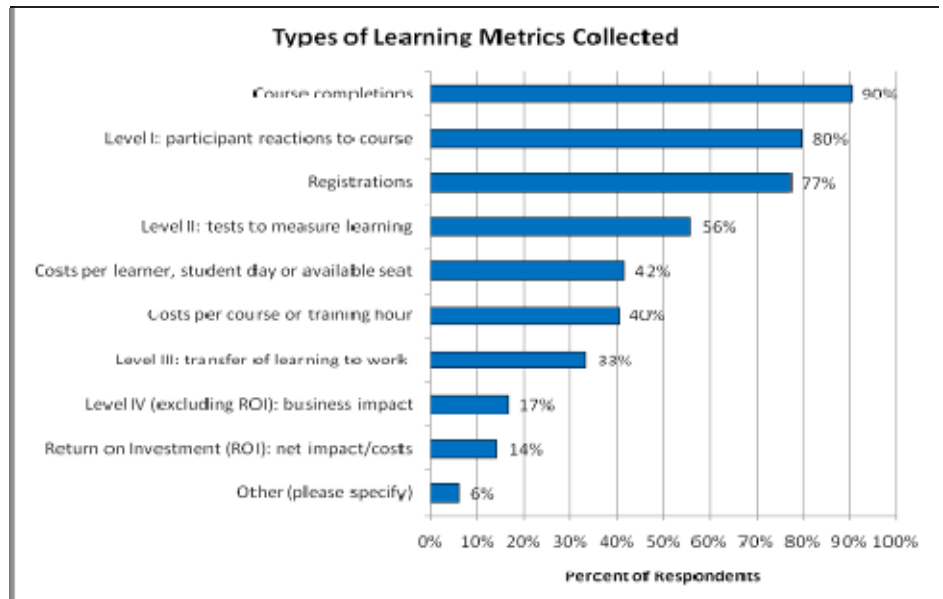
Only 17% reported budget increases from 2008 to 2009 compared with 31% who reported budget increases from 2007 to 2008. 2009 budgets changes are more likely flat or lower.

DATA CHARTS

A) Metric Collection & Decision Support

1. What types of metrics does your training department currently collect?

Note: References to "Levels I-IV" refer to Kirkpatrick Levels I-IV.

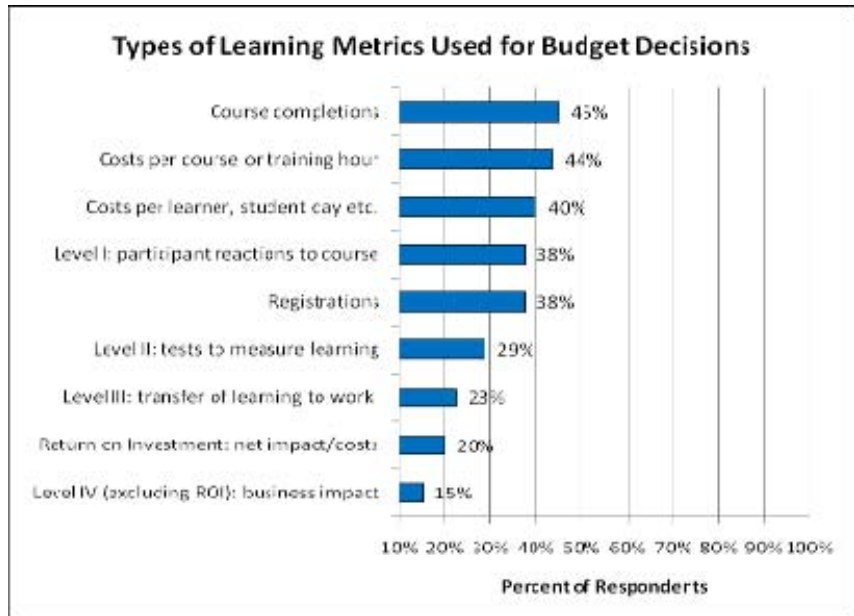


N = 84

"Other" Types of Metrics collected for question #1 include:

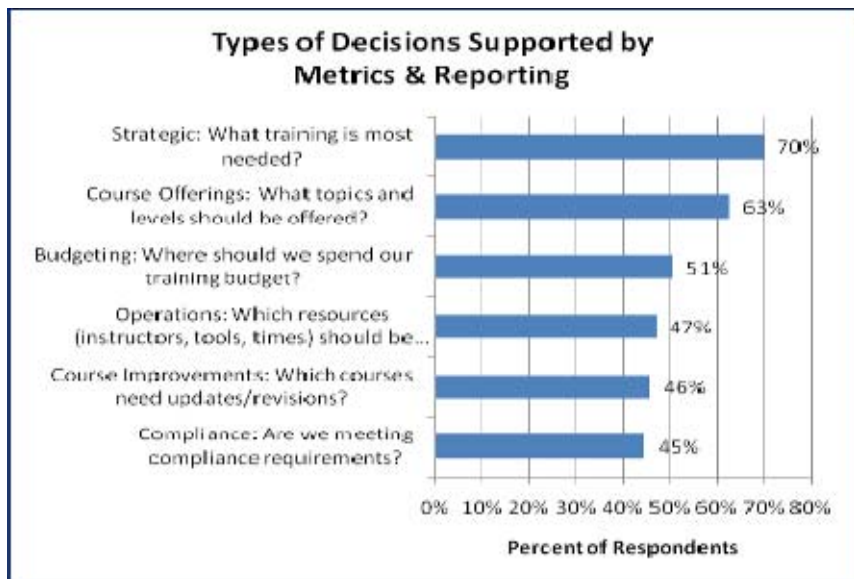
- Self-Reported Level II and III: Self-report effectiveness, self-report intent to increase behavior
- Level III-Related: Competency assessments & Transfer Skills Agreements between trainee and supervisor
- Level IV-Related: Qualitative feedback on training impact on performance improvement

2. Which metrics does your training department use to influence budget decisions that are made by leaders outside of the training department?



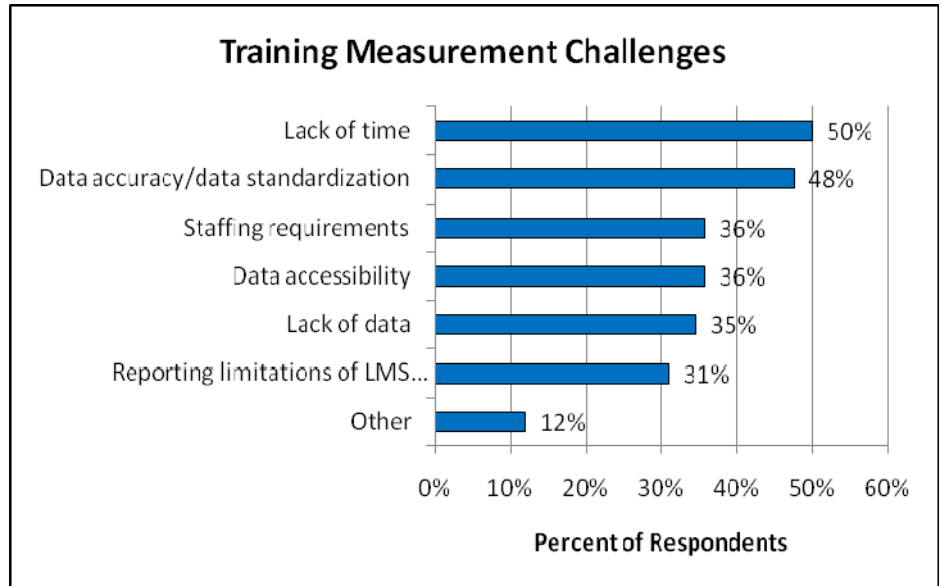
N = 84

3. Which types of decisions are well-supported by your current metrics and reporting capabilities?



N=84

4. What are your biggest challenges when it comes to training measurements?



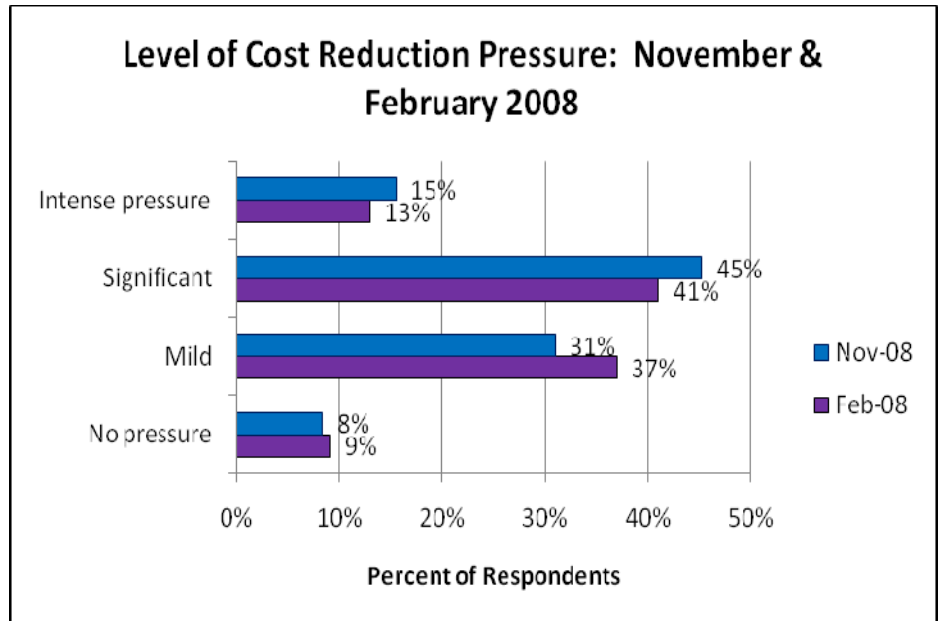
N=84

“Other” types of measurement challenges include:

- Difficulty measuring impact or ROI and isolating the impact of training vs. other factors (e.g., connecting sales training effectiveness to increases in sales/productivity)
- Non-existent or poor LMS or reporting tools
- Interpreting data and presenting to upper management
- Collection difficulty due to lack of buy-in on the importance of collecting data by instructors & coordinators
- Worldwide privacy requirements regarding reporting data across country borders (especially Europe)

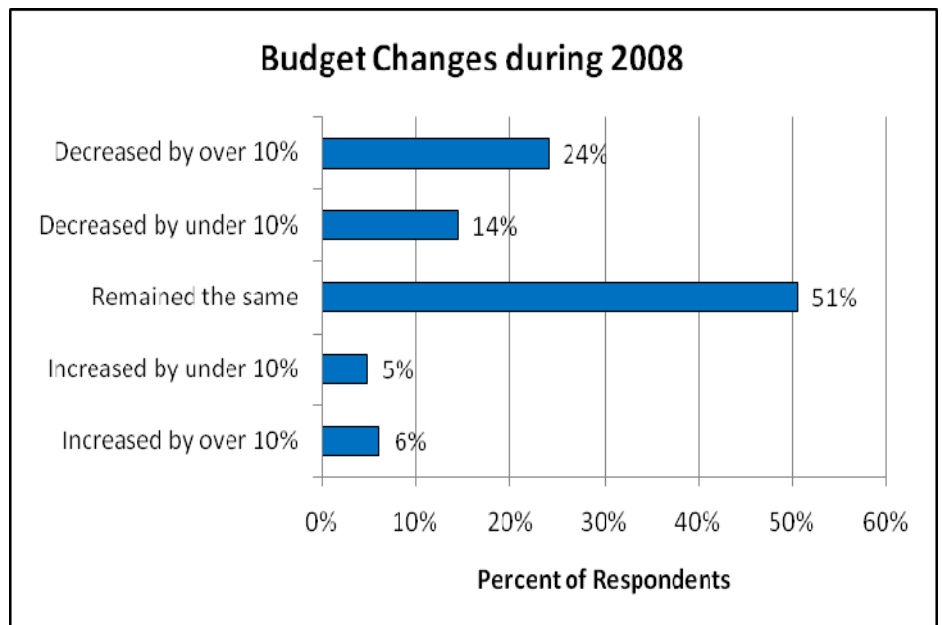
B) Cost Reduction Pressure & Budget Changes

5. Which of the following best describes the level of external pressure (e.g., outside your training organization) that you have experienced in the past year to reduce training costs?



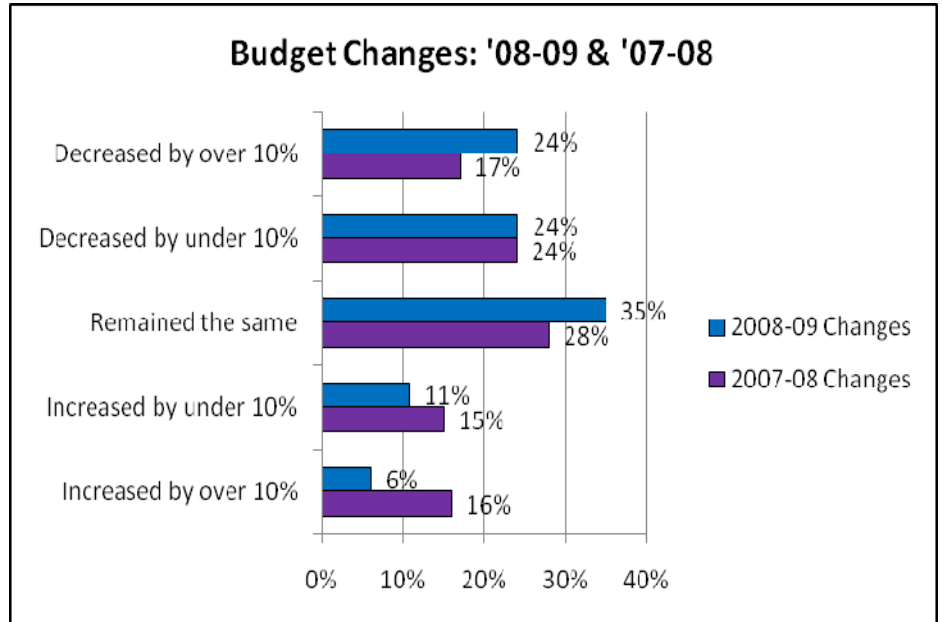
N= 84

6. Since your 2008 budget was first approved, how has the amount you are allowed to spend changed?



N= 84

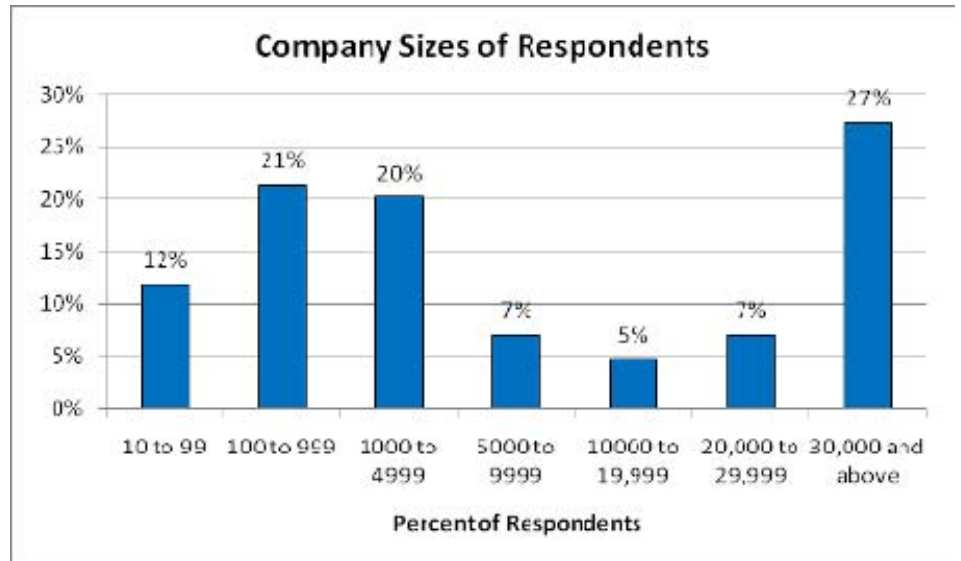
7. Please indicate the percentage increase or decrease you expect in your 2009 training budget compared to your 2008 budget.



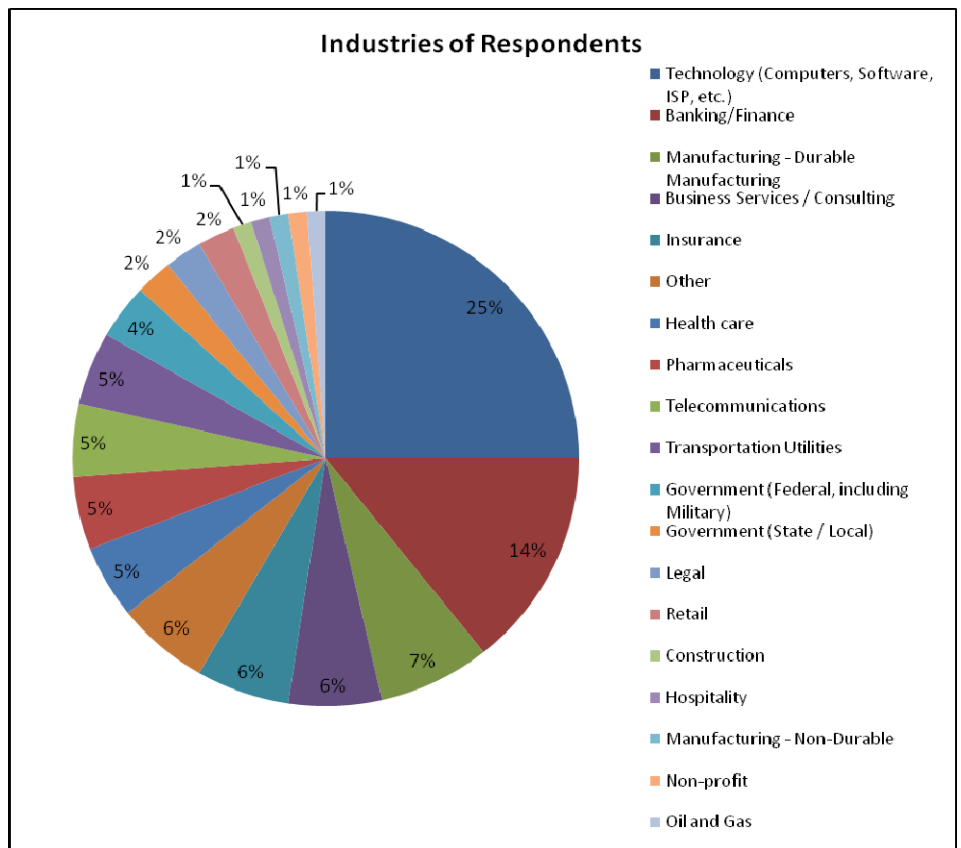
N= 84

**ABOUT THE SURVEY
RESPONDENTS**

8. Please indicate your industry and company size.



N = 84



N = 84

ABOUT EXPERTUS

Expertus is the leading global provider of services that optimize the business impact of learning. For more than a decade, the firm's 500+ learning management professionals have defined and implemented plans, processes and technologies that transform training organizations – creating measurable value for the world's most successful corporations. Clients include ADP, Cisco, ConocoPhillips, EMC, NetApp and Schlumberger. Every day at these and other companies, more than a million employees, customers and business partners are educated as a result of Expertus' innovative business strategies, outsourcing services and technology-rich solutions.

Based in Silicon Valley, Expertus serves its clients from offices in the US, UK and India. For more information, visit www.expertus.com, or call toll-free 1-877-827-8160.

ABOUT TRAINING INDUSTRY, INC.

Training Industry, Inc. is an objective and trusted expert on the marketplace for learning. Its mission is to make the marketplace more efficient through the world's largest online community of training communities and through services such as Training Industry Conferences, Training Industry Quarterly Ezine, Training Industry Webinars and Training Industry Research. Through these channels, Training Industry, Inc. provides news, articles, strategies, practices and processes.

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ABOUT THIS RESEARCH

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