



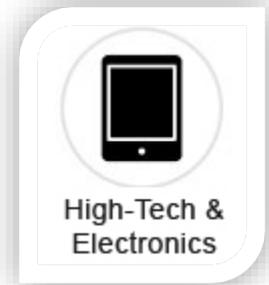
Leading Technology Company:

Measuring the Benefits of Informal & Online Learning Platforms

CASE STUDY

Measuring the Benefits of Informal & Online Learning Platforms

A leading technology company with a global workforce of approximately 38,600 acquired by Oracle is a major developer of computer servers, software, and storage systems. It released the Social Learning Exchange (SLX) through its education platform Sun Learning Services (SLS).



SLX is an online learning portal that features videos and user-generated learning materials. The platform is tagged and searchable and features a social network of online experts. When the company first launched the initiative, it set a 10-week goal. Within four weeks, usage doubled and far surpassed the goal. The portal enriches education in four areas – sales, collaboration, corporate communication, and learning.

Balaji Consulting Group: Learning & Development

Balaji Consulting Group looks at the benefits of a user-generated online learning portal. Balaji can measure the ROI of a platform and the overall success of the program as compared to older, more traditional versions.

Determining a ROI

The company aimed to determine the use of SLX versus the company's Instructor Led Training (ILT) and Web Based Training (WBT) programs. Before launching SLX, the enterprise had already logged 6 million hours of training through these two platforms within one year. Essentially, this research was to calculate the return on investment (ROI) of the SLX program in comparison to the other initiatives.

The SLX program was a more advanced way of connecting employees with education. The learning is informal and delivered in way that echoes social networking. The interactive platform allows Subject Matter Experts (SMEs) to share knowledge in an interactive manner.

The company hoped that by eliminating information technology needs and allowing for open source creation, it would improve the ROI over previous programs. Employees were allowed to access the platform from mobile devices, making the learning process faster and more convenient. The goal was to confirm that the new SLX platform had significant benefits over the previous versions.

The assessment posed the following questions:

- Does the SLX program allow for more content while decreasing costs?
- Does the SLX program allow more unique users to access content at a lower cost?
- Using the SLX program, are the SMEs used more efficiently and at a lower cost?

- Does the SLX program cut down development and delivery time?

Methodology

Researchers collected data from a variety of sources, including program usage records, reports of operational and development costs, and interviews with developers, program users, and SMEs. The company's investments were catalogued into learning initiatives over the course of two years. During this time, the learning content, participation rates, and content development time were analyzed. More than 4,800 unique content titles were created (including ILT, WBT, and SLX courses). The new courses resulted in more than 37,600 ILT, 756,000 WBT, and 115,700 SLX enrollments.

The Findings

The company wanted to identify the participation in SLX, the investment toward SLX, and the quality of content within the program, the results are presented this way.

Usage

During the year-long period of study, roughly 11,000 active Sun employees used the program at least once. This is nearly 40% of Sun's entire workforce. In this time:

- Unique content titles – (3,982) were released.
- Hours of content – (21,364) were used.
- There were 168,495 unique content viewings.
- The average employee used the tool 45 minutes per month.

Program usage was spread throughout the company. Because the platform was developed as a sales tool, the Global Sales and Service department made up more than 76% of program usage. That group and the Corporate Resources group actually viewed more content than they created; 45% of all content created was generated by Application Platform Software.

Investment

The company wanted to compare the costs of developing and implementing the three learning programs. For example, the ILT classroom-based initiative cost less to develop but more to deliver. The average total cost per hour for this program was \$292. The WBT online platform, however, cost less to deliver but took longer to develop.

On average, every hour of content through WBT took 200 hours to produce. But it does have a lower cost to develop and can be implemented faster than the ILT program. The average cost for each hour delivered through WBT was \$83, which is 70% less than ILT.

SLX has the same basic infrastructure as the WBT program. The cost to deliver each hour of content is the same, but development time and labor costs are lower for SLX. SLX screen captures and easy uploading cut developing time to two hours for every hour of content. The SLX program also eliminates the need for instructional designers and content experts. The program reduces development time and costs by an estimated 28%.

They calculated the ROI of the SLX program delivered through WBT. This was estimated by looking at the original WBT development times and costs in comparison to the SLX ones. The ROI was determined to be 7,505%. For every dollar invested in SLX, the need to invest in WBT was cut by \$75. This is a net benefit of \$25.9 million.

Quality

The way the SLX program is designed allowed for more informal user-generated content to be uploaded. The average length of content is 36 minutes, in comparison with 1.5 hours for WBT and 2.5 hours for ILT. The company wanted to ensure this content, although shorter and more informal, was still of high quality, so it looked at several factors to determine this, and found that the content was of good quality and provided utility.

The preceding chart illustrates the percentage of content downloaded or rated. Only 14% of the total user-created content wasn't viewed, excluding content creators. The chart shows the following:

- No action. A title was uploaded, but no one viewed or downloaded it.
- Embedded. The viewer embedded the title into another webpage to share it.
- Rated. The title was rated on a scale of one to five.
- Downloaded. The title was downloaded and was assumed to have been viewed.
- One or more actions; 51% of the titles had a combination of the previous actions.
- Overall, 86% of all titles were viewed.

The content was rated on a scale of one to five stars. The average rating for each was 4.5. Titles were used consistently, which suggest a high utility value for the content. In some cases, titles were active up to 12 months. On average, an individual title was viewed 41 times. Since its launch, the company released a pilot and has seen a dramatic increase in usage.

Inspiration for Future Learning Initiatives

The purpose was to find the cost and time benefits of the SLX program in contrast to other methods. Likewise, it hoped to assess the platform's quality and whether it was a good investment. It was found that Sun's SLX platform offers a fantastic option for informal learning in

a social network environment. The company used its expertise to develop a system that was relevant and innovative.

The program's model is particularly ideal for adult learners who need to access materials when the time is right for them. This approach almost guarantees participation and retention. Overall, the program was highly successful quality-wise in addition to providing a tremendous ROI.

Balaji Consulting Group encourages other companies to look to Sun's SLX initiative as inspiration for employee education.

