



Whitepaper: Online Training and the Public Sector

Submitted to:
Iowa State Government Reorganization Commission
October 19, 2009

Summary

An emerging trend in the training and education sectors is the increased use of online training to enhance or replace in-person training. The trend exists in business, academia, and to a lesser extent, government at all levels.

There are three reasons behind this trend.

1) **Online training works.** Studies show that online training improves employee knowledge and confidence -- and ultimately their workplace performance. There are several reasons why including: uniform message delivery, increased retention of material due to greater interactivity, and instant feedback on test questions. In addition accurate, real time record keeping increases participation rates and easy access to test results allows trainers to easily construct and deliver refresher and follow up/remedial training on topics missed most frequently.

2) **Online training saves money.** The 24/7/365 accessibility of web based training via the Internet reduces both direct and indirect costs of online training when compared to traditional in-person training.

- *Direct savings*, with online training there are no rooms to rent, no mileage to pay or meals to be purchased. Printing costs can also be reduced as many people will read online or print documents on their own.
 - See Attachment A for a cost comparison.
- The *indirect savings* are equally compelling. With online training employees do not take time away from work to attend training. Instead, they simply find a few hours over a few weeks to sit at a computer and take courses. Employers spend far less time organizing and managing logistics for online training than they do in person trainings.

3) **Employees are ready for web based technology.** Increasingly more people, in all age brackets, expect to find information and services on the Internet. Whether it is doing research, sharing photos or information, shopping or banking, Americans are increasingly comfortable accessing the Internet. It is convenient and saves time and money – both precious commodities in today's world.

For these and other reasons online training produces a greater return on the investment for all parties involved. Governments at all levels should be using more online training.

Online Training in the Private Sector

Online delivery of training is a key component of the training equation for private business and education. In the mid 90s online training was virtually unheard of outside of a few universities. Now, there are virtually no classes offered at the post secondary level that are not supported by a web based delivery mechanism.

In a December 2008 survey American Society for Training and Development members responded that 59% of their training content was available online; making online delivery the fastest growing sector of the training industry.

Businesses are now using more and more online courses to increase the reach, impact, and cost-effectiveness of their in-house universities. Dunkin' Donuts' Dunkin' Brands University's Kevin McNamara told participants in a recent SkillSoft Webinar that the return on the investment of upfront costs in online training are recouped in the saving realized by for-going travel and loss-of-work expenses of traditional in person instruction. Once a course is developed, he said that, for example, one course that would cost \$450 per person to deliver in a classroom setting is delivered via Dunkin' Brands University for about \$180 per person.

Among the benefits of online training reported by Dunkin Brands' representatives include improved employee productivity and proficiency. Also, since all personnel receive identical training materials and learn the same procedures, customer service is consistently better. Since "online training" began developing in the mid-1990's significant strides have been made in the sophistication of online training courses. Today, online courses are recognized as effective complements, or replacements, to traditional face-to-face training programs.

Online training is seeping into government

Government at all levels have embraced e-government to the extent they are making information available via the web to improve service, make information more widely available and reduce costs. And now they are beginning to take the next step. Whether training their employees or a segment of the population, such as Election Day poll workers, web based instruction is seeping into the public sector.

Some governments have begun to adopt a familiar corporate training practice of the "employee only university" to equip employees with the skills and expertise they need to take on new tasks. One successful example is Chesterfield County Virginia's university which offers hundreds of instructor-led and online courses that aim to align training efforts with the county's needs and strategic goals. It is the only public-employer program to be ranked in the top 125 employer-sponsored workforce development programs by Training Magazine in 2008 and 2009.

Online training increases knowledge and confidence.

A study conducted by Brigham Young University researchers for Pew Charitable Trusts' *Make Voting Work* initiative in 2008 found that poll workers who participated in online training were more knowledgeable at their jobs, made fewer errors and had more confidence. The study also showed that when at least half the poll workers assigned to a polling location had participated in online training the overall performance on Election Day improved.

When to use online training

The flexibility and accessibility of online training make it very attractive for all types of training content. But clearly some situations fit the medium better than others. Below are some examples.

Large audiences: There are upfront costs associated with online training. The more people who taking the training, the lower the cost per worker.

Disbursed workforces: The more disbursed the workforce the more time and cost there is associated with getting the in person training to the workforce or the workforce to the training. With a web based delivery system, distance is not a consideration. This is especially important when new developments create a need for rapid disbursement and training.

Certifying participation: Often when considering appropriate penalties, courts will look at the effort of the employer to prevent such behavior. A good example is sexual harassment prevention or diversity training. If the employer can show that he did everything reasonably possible to prevent such behavior – such as - frequent training, the courts will reduce the penalties. For this affirmative defense to be successful, the employer must have reliable records of who took the training, when and how frequently.

Certifying knowledge: The flip side of certifying participation is certifying that workers have the knowledge to comply with the law as it applies to their industry. An example in Iowa is the Alcohol Bureau Division (ABD) which also regulates tobacco sales. ABD offers training and testing to employees of tobacco retailers. An untrained employee caught selling tobacco to minors results in a fine for the first offense. For a second offense the employer receives a fine plus their license to sell tobacco products is temporarily suspended. Tobacco retailers who show their employees took the ABD training and passed the test can use this certification to have their fine or suspension waived, saving the retailer considerable money.

When training can't wait

As online training is available 24/7/365 from any computer with access to the internet new employees do not have to wait for annual training to come around in order to acquire the knowledge they need to do their jobs and employers do not have to wait for the legal protection that comes with certified training. Updates to online training can be posted and disseminated instantly. Online training also delivers the same information to all users in the same way – no variation depending on the instructor or the class participants.

Government Provided Training as a Revenue Stream

In these times of tight budgets and increasing regulation, its time government thinks outside the box. One idea is to offer training as a source of revenue. As discussed above, employers use training and proof of training as an affirmative defense or to reduce insurance premiums. Government should consider charging a small fee for providing the training that saves business money. A good example of this is the ABD and the tobacco training.

Another example is poll watcher training. A recent trend with political parties is to train poll watchers to not just track who votes but also to document challenges to voter eligibility at the polling locations. The two parties spend tens of thousands of dollars on these activities, often with competing interests and different training goals. As chief election official in the state the Secretary of State could offer a course on poll watcher rights and responsibilities and make it a requirement to receive poll watcher certification. The state would benefit from both the revenue and having poll watchers trained in a non partisan way.

As the training would be to large numbers, distributed across the state with certification of completion required, this would be an obvious candidate for a robust online training program.

There are several other areas where business benefits from legal compliance training from the state.

Conclusion

Online training is both an effective and cost efficient way to train employees and the public in general on how to comply with the law. For these reasons it is increasingly the training method of choice in the private sector and academia. Government is slowly adopting online training. Given the cost pressure and increasing demand for training government at all levels, should consider increasing its use of online training.

References

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Cost Comparison In Person vs. Online Training

Assumptions

1. Company with 1000 employees in multiple locations attending one training session.
2. Each session lasts a full day requiring one night stay in hotel.
3. Estimated average hourly wage is \$18.50 based on annual salary of \$40,000 or \$150/day.
4. In- person training lasts 3 hours but with travel requires 8 hours.
 - Indirect costs for in-person training is \$ 148,000 based on for in-person training is $\$18.50 \times 8 \text{ hrs} = \148×1000 employees.

Category	In person Training	Online	
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- Online training requires two hours totaling indirect costs of \$37,000
5. Travel includes one night at hotel at \$80/night (shared rooms) meals \$25/day at 2 days and gas (shared vehicle) Assumes training room available at hotel i.e.; no charge

Instructor Fees	25,000	NA	
Print materials	2,000	NA	
Create course content/ materials	5,000	25,000	
License, support, hosting learning management system	NA	48,000/ yr	
Employee Travel/meals	\$195,000	NA	
Total direct cost	\$ 229,000	\$73,000	
Direct cost per employee	\$ 22.90	\$7.30	
Indirect Costs			
Lost productivity (see above)	\$148,000	\$37,000	
Grand Total Costs (direct + indirect)	\$377,000	\$110,000	
Savings using online vs. in- person			\$ 277,000
Saving per employee			\$ 27.70

About the Authors

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Brad Knott founded Legal Compliance Training, in 2004 to increase organizations' success by training their staffs quickly, uniformly and effectively. He is a pioneer of online learning having taught and designed online courses as an Associate Professor since 1996 at the University of Maryland University College (UMUC), School of Business Administration. Knott is a former Administrative Judge at the U. S. Department of Labor. An Iowa native, Mr. Knott earned his Bachelors and Masters Degrees from The University of Iowa and his law degree from Catholic University of America.

From 1993 to 1996 Knott was a Clinton Administration appointee at the U. S. Department of Labor (DOL) working as senior staff in the *Office of Reinventing Government*. His duties included working with DOL agencies, such as OSHA, to improve productivity by re-engineering work processes, investing in technology and redirecting resources to the "frontline of agency work."

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About Legal Compliance Training, LLC dba HAVA Partners is an online training business that specializes in working with state and local governments and election administrators in particular. Started in 2004, the business has offices in Silver Spring, MD and Des Moines, IA. Past or current clients include:

Texas Secretary of State
Ohio Secretary of State
Virginia Board of Elections
Ohio Attorney General
Polk County Auditor
Principal Financial Group

More information about HAVA Partners, including a complete list of clients, can be found at havapartners.net.