



# Developing a Balanced Scorecard Approach to Measure the Performance of Your E-Learning Initiatives

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# Presentation Outline

- Making E-Learning Relevant in a Balanced Scorecard Approach
- E-Learning E-Survey Results
- E-Learning Barriers
- E-Learning Best Practices
- A Balanced Scorecard Model



# Underlying Problems

- E-Learning efforts are not addressing fundamental business objectives
- E-Learning efforts are not being rigorously evaluated
- E-Learning is being approached as a *technical* solution as opposed to a *learning/business* solution



# Balanced Scorecard Approach

- Aligns human resource investments and performance metrics to organizational strategy.
- A strategy for making e-learning *more relevant* to the organization, and for *measuring its effectiveness*.
- The Conference Board E-Survey indicates that e-learning efforts are not usually aligned to key organizational objectives and are poorly evaluated.
- This limits effectiveness and uptake.

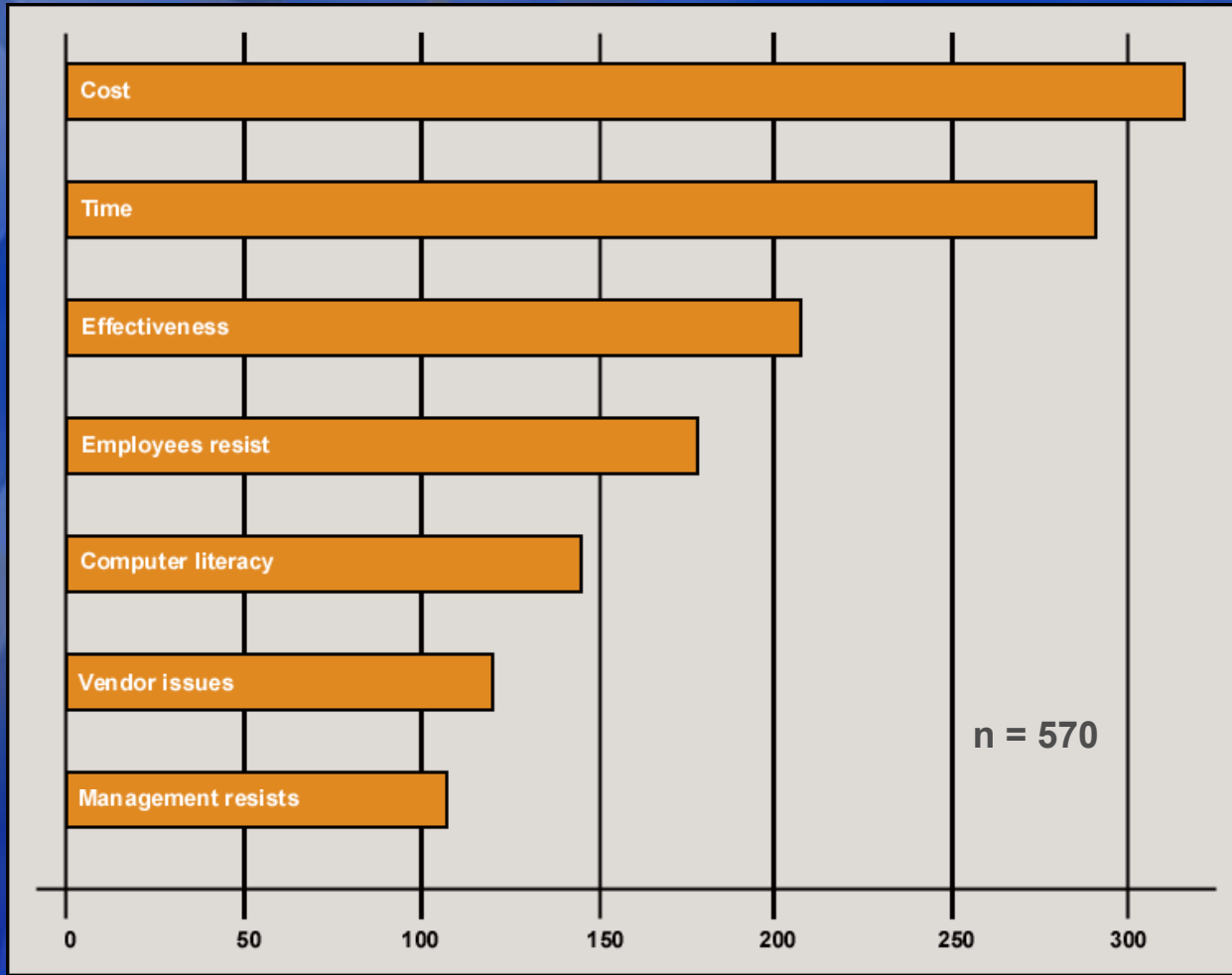


# E-Survey Results

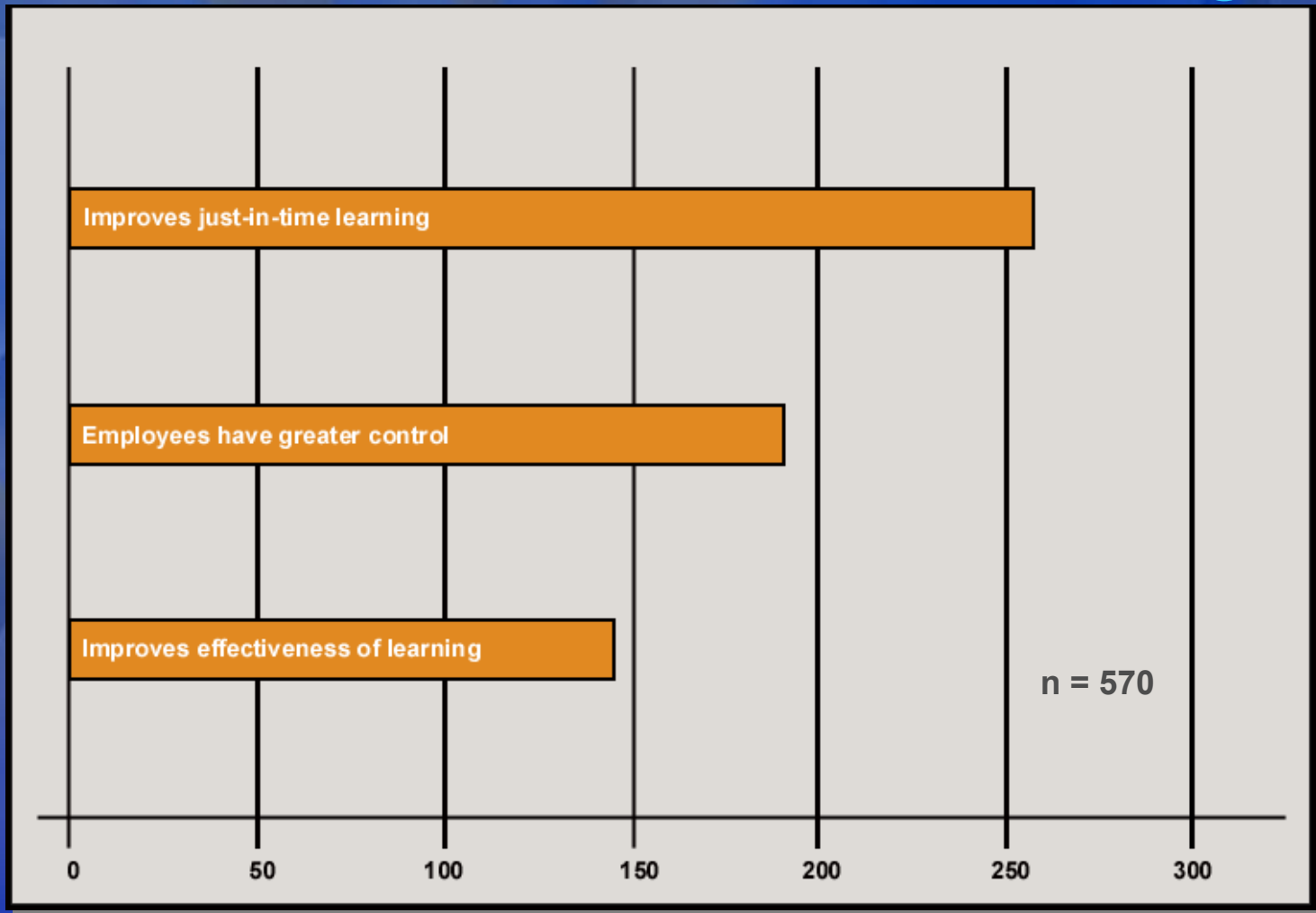
- 570 responses—Conference Board customers
- 77% currently using e-learning



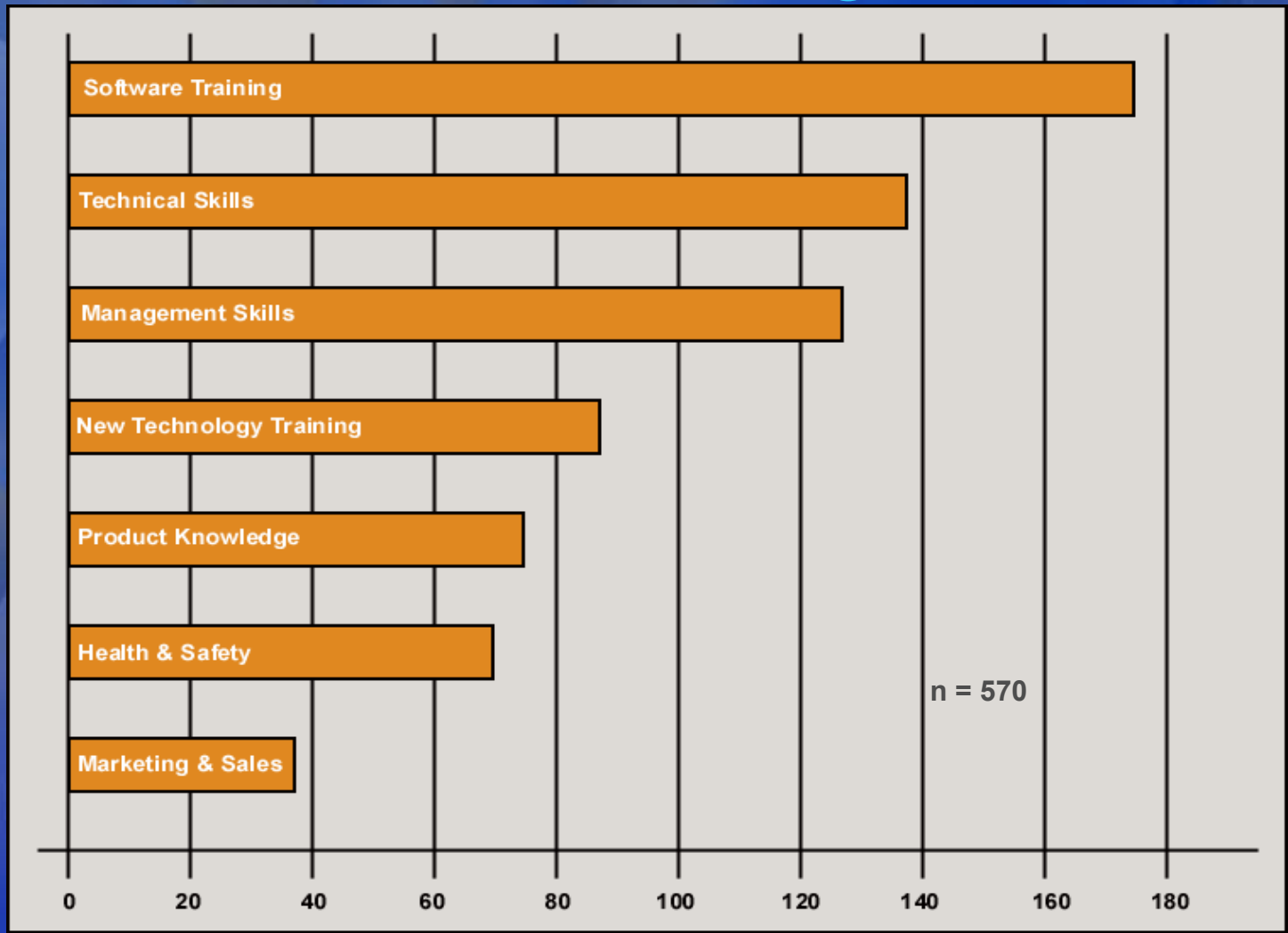
# Perceived Barriers/Challenges to Implementation of E-Learning



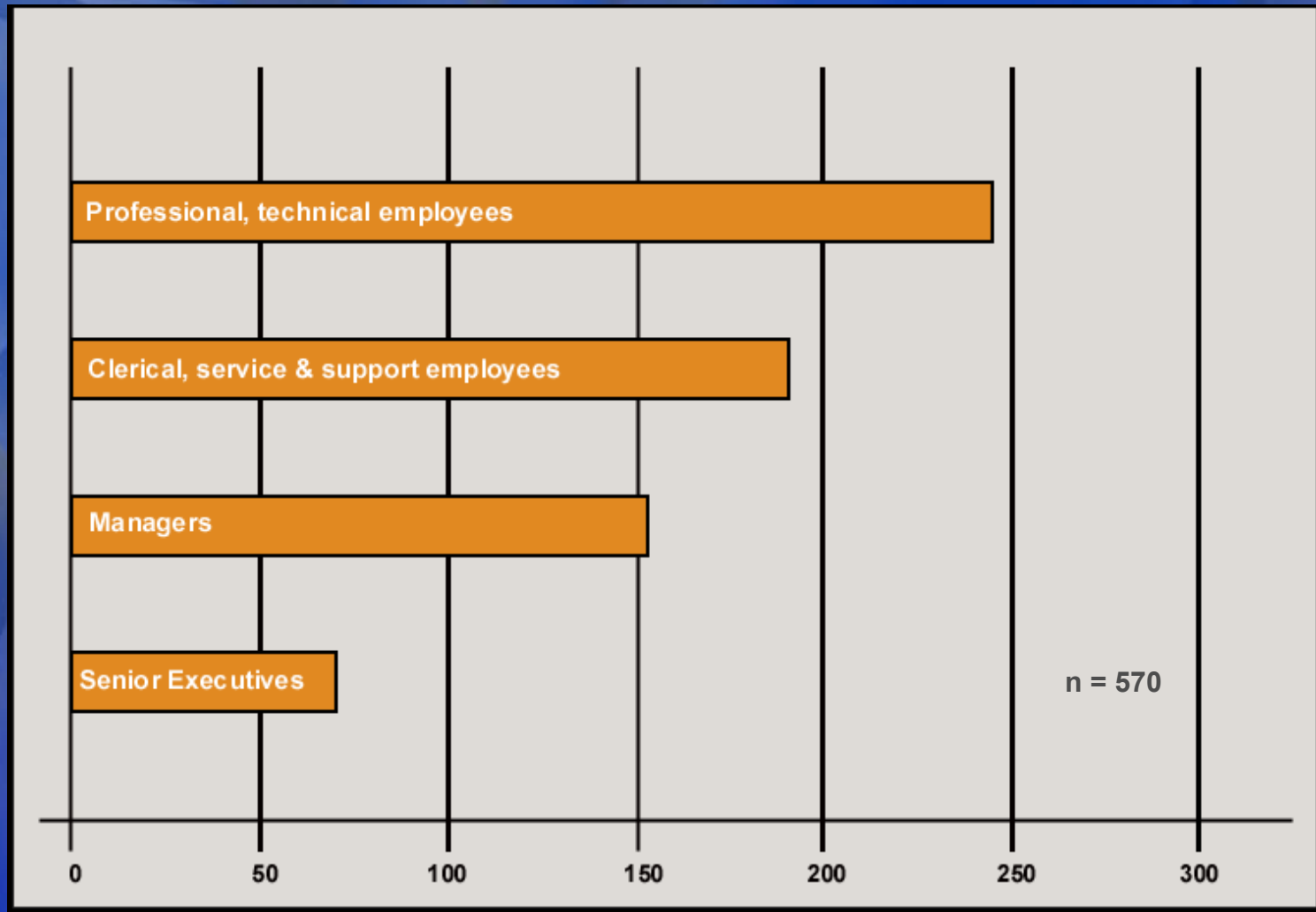
# Perceived Benefits of E-Learning



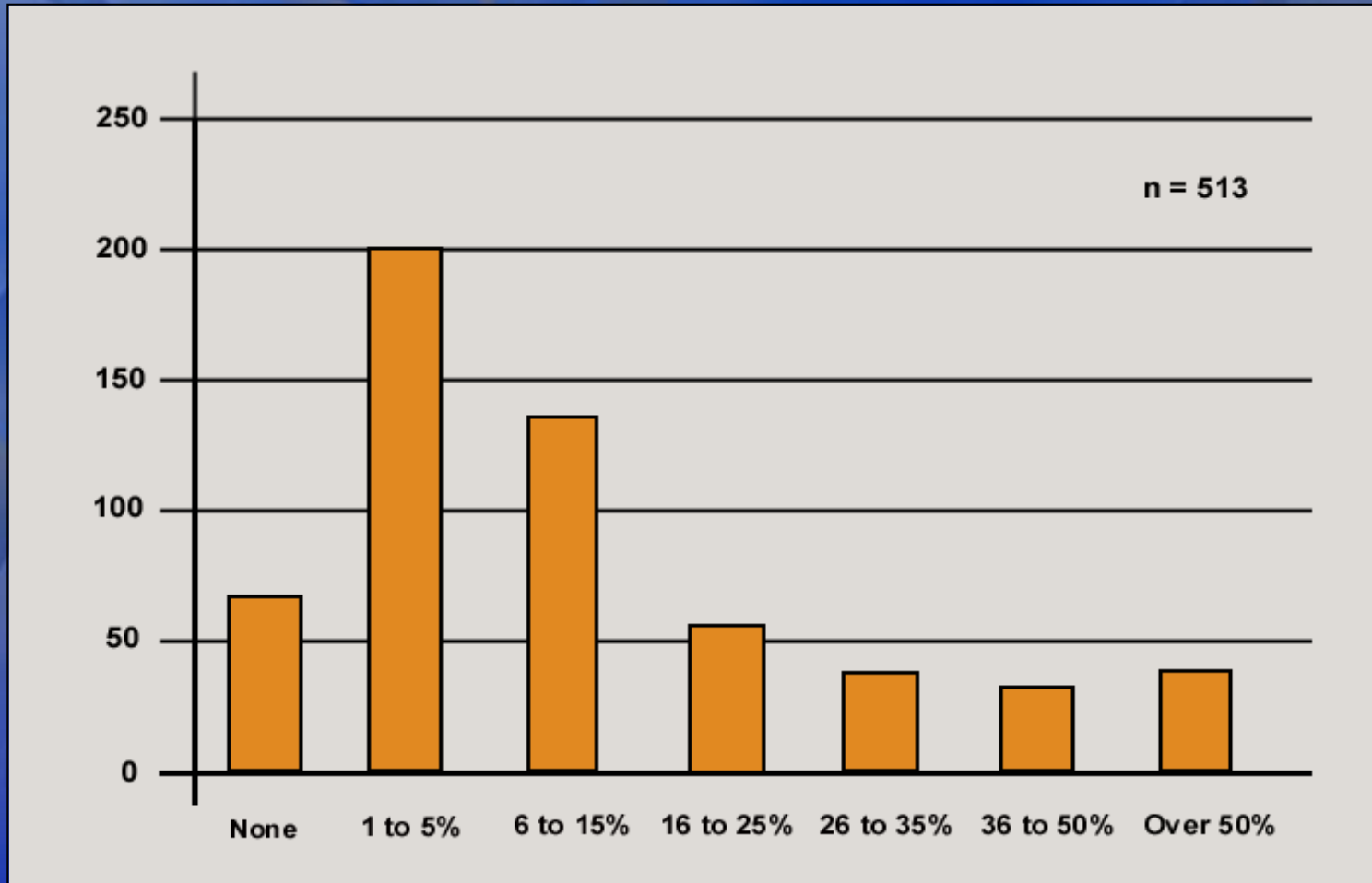
# Focus of E-Learning Efforts



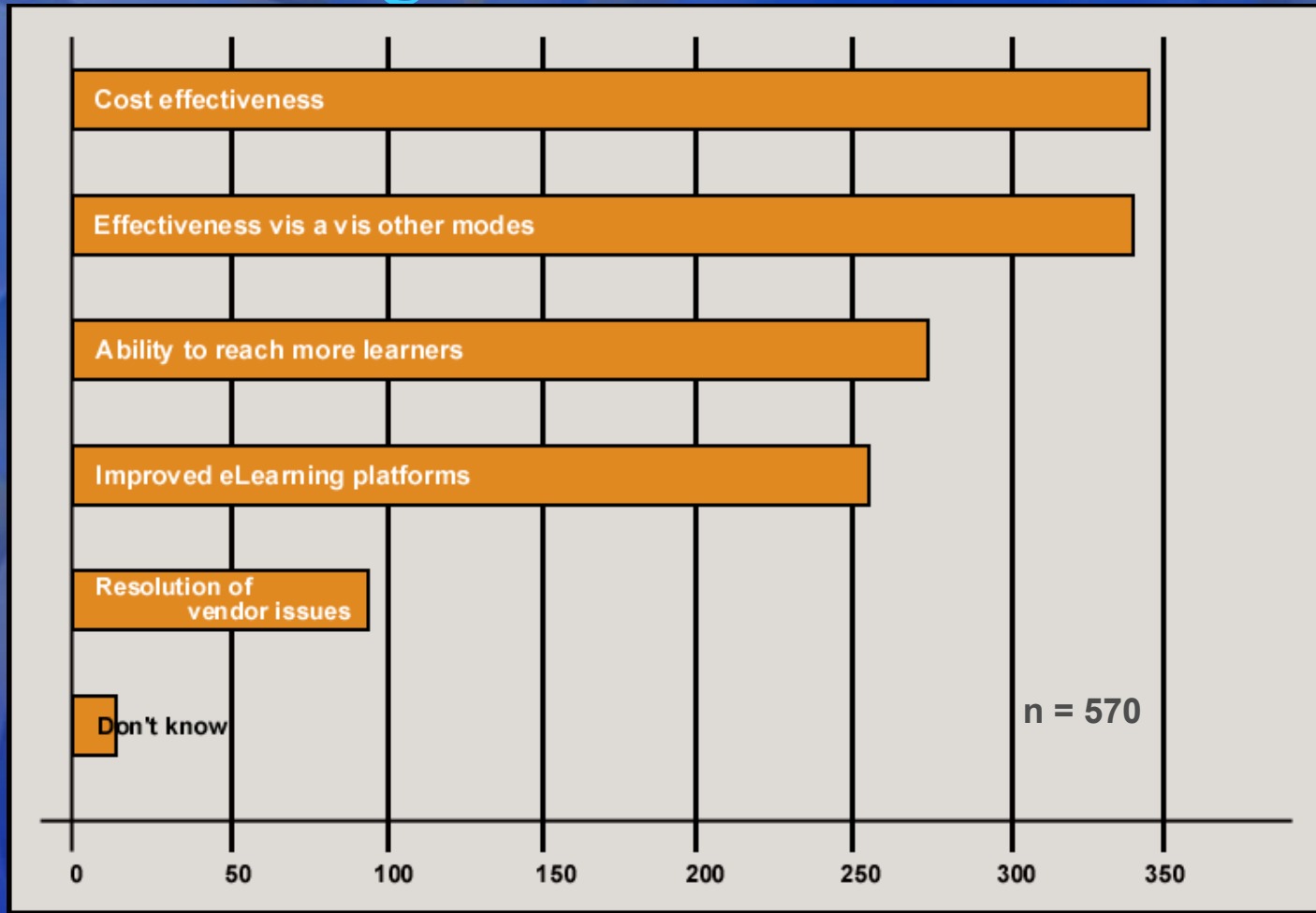
# Who is Being Trained via E-learning?



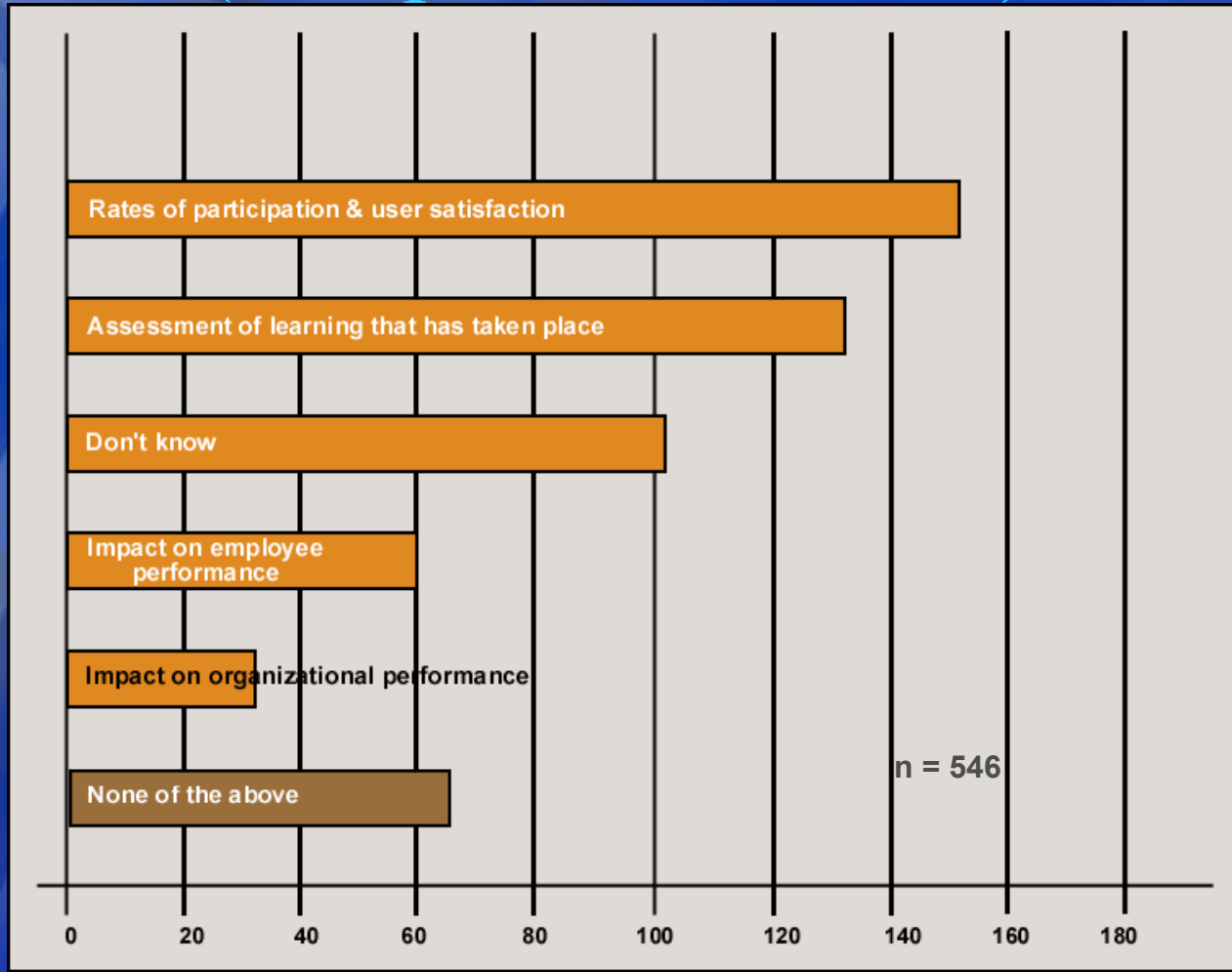
# Share of Overall Training Effort Delivered via E-Learning



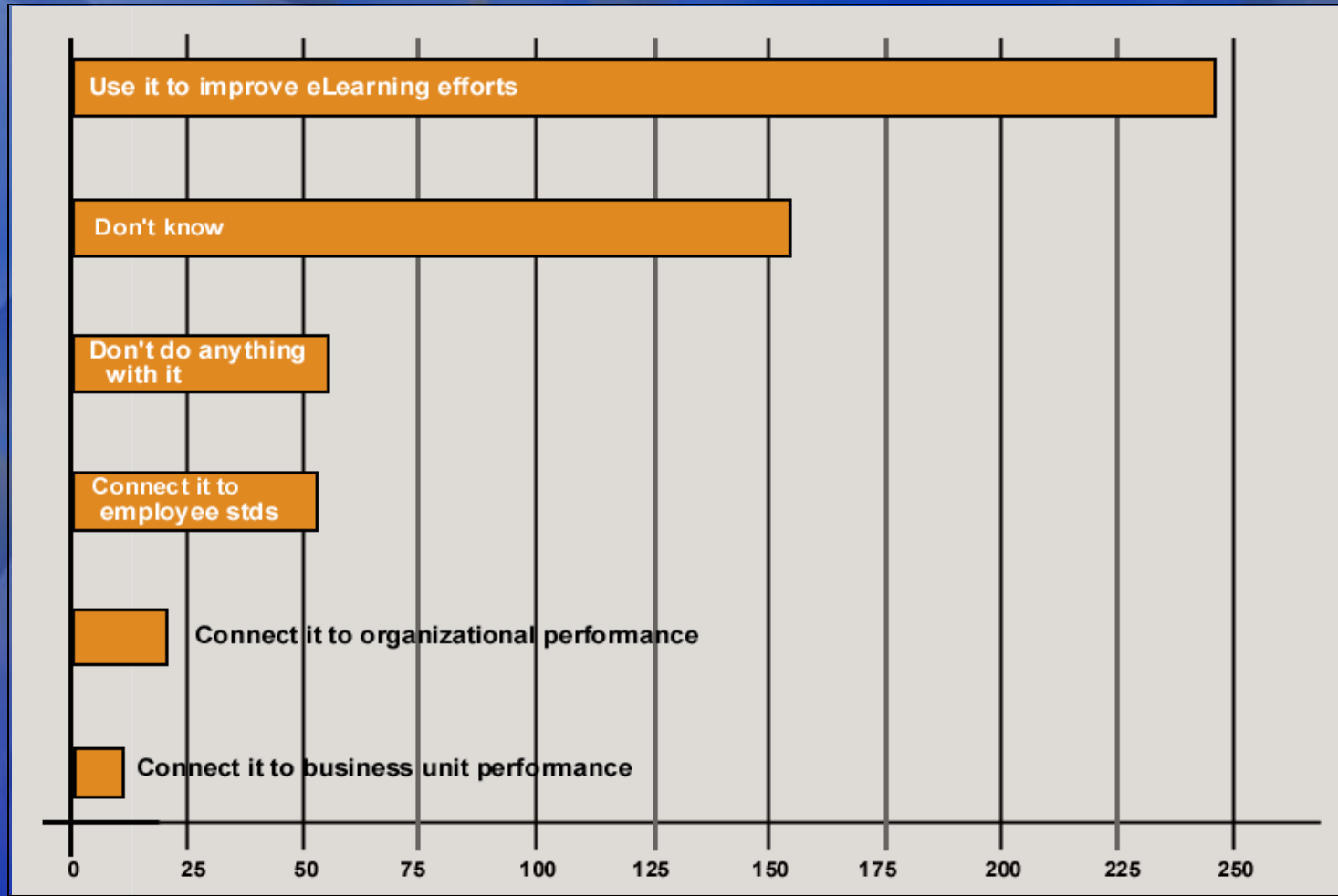
# Forces That Will Determine Future Use of E-Learning Within Next Two Years



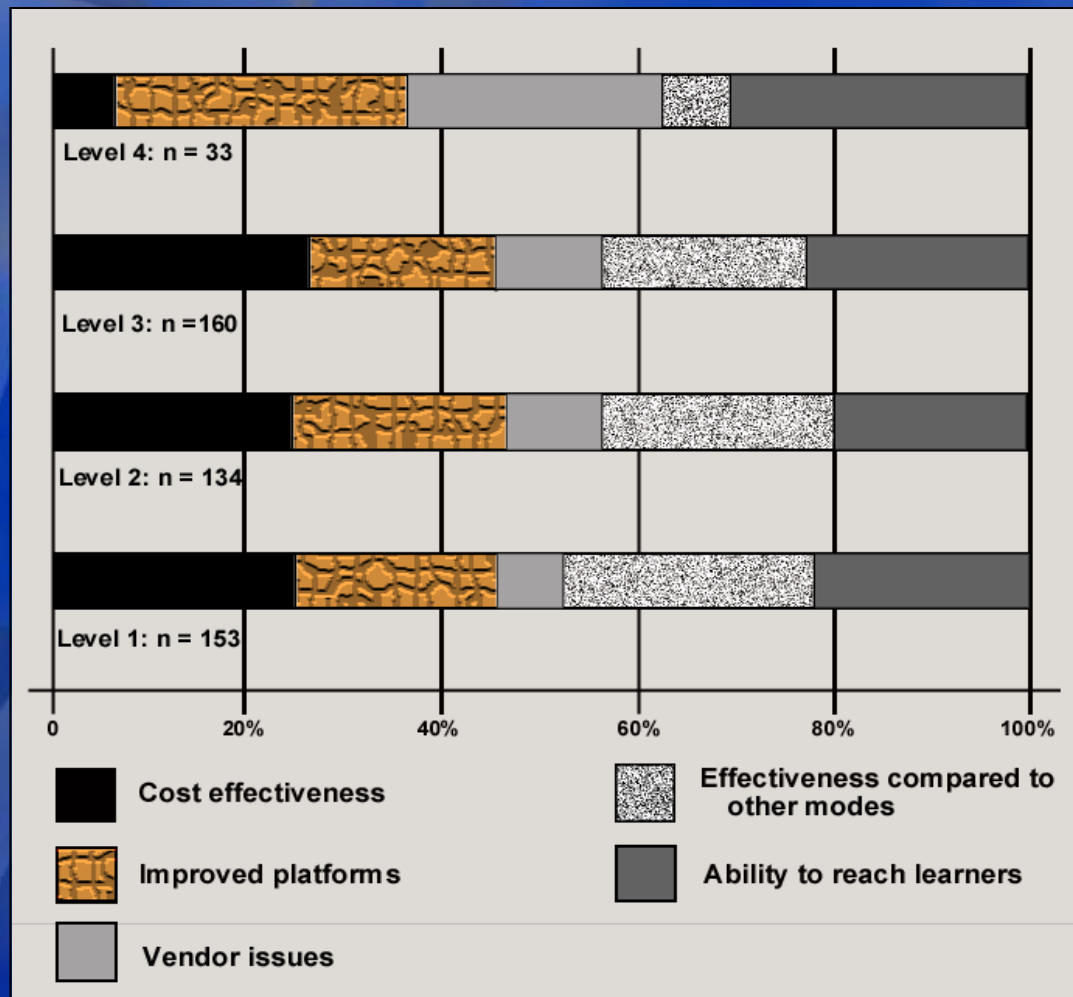
# Highest Level of Evaluation of E-Learning (Kirkpatrick's Model)



# What is Done with Evaluation Information?



# Level of Evaluation of E-Learning Efforts vs. Drivers of Future Use of E-Learning



# E-Learning Barriers— What the Literature Says

- Poor instructional design
- Poor or unfocused objectives—not properly tied to organizational goals
- Poor evaluation procedures—not measuring effectiveness or return on investment
- Lack of needed internal skills within organization



# E-Learning Barriers— What the Literature Says

- Lack of time, not enough time provided to employees for e-learning.
- Lack of management commitment and support
- Poor technical infrastructure and support



# Big Picture—What's Happening?

## Four Phases

- Phase 1: Discovery (1990s)

E-Learning is an exciting panacea! It will lead to 'free, perfect and instant' learning for our organization! Let's go for it!

- Phase 2: Confusion (c. 1997-2001)

So how do we actually use it? Where, when? Who can apply the quality and dependable service we need? What's the best choice? Help!



# Big Picture—What's Happening?

## Four Phases

- Phase 3: Rejection (c. 2000-2003)

It doesn't work like we were promised. It's too expensive. What happened to that vendor we bought our system from? Let's get out and cut our losses!

- Phase 4: Renewal (c. 2003-Future)

Ok, it's not a panacea. Let's use it where it really suits our organization. With the right strategy and metrics we can get outstanding results!



# Best Practices in E-Learning— The Best Literature

Marc J. Rosenberg (2001)

*E-Learning: Strategies for Delivering Knowledge in the  
Digital Age*

The 4 C's

- Culture
- Champions
- Communication
- Change



# Best Practices in E-Learning— The Best Literature

Roger C. Schank (2002)

*Designing World-Class E-Learning*

- Learning by doing
- Make it real—utilize real-world context
- Use cases and simulations



# Best Practices in E-Learning— The Best Literature

Jay Cross and Lance Dublin (2002)

## *Implementing E-Learning*

- Planning and leadership
- Manager change
- Provide incentives



# Best Practices in E-Learning— The Best Literature

Brandon Hall and Jacques LeCavalier (2001)

*E-Learning Across the Enterprise: The Benchmarking of Best Practices*

- Make the business case
- Invest time in planning and strategizing
- Get executive commitment
- Integrate with knowledge management and performance support
- Communicate with stakeholders



How can you align your e-learning efforts more closely to your organization's goals, and measure effectiveness?



# Balanced Scorecard Approach

- Developed by Kaplan and Norton
- Measure organizational performance in four key areas:
  - Financial
  - Customer
  - Internal Business Processes
  - Learning and Innovation



# Balanced Scorecard Approach

By aligning e-learning efforts to the things that get measured in these four key areas, you can make e-learning central to your organization's efforts to achieve its objectives.



# Balanced Scorecard Approach Planning Framework

<b>Balanced Scorecard Category</b>	<b>Main Objective(s)</b>	<b>Key Measure(s)</b>	<b>Targets</b>	<b>Initiative(s)</b>
<b>Financial</b>				
<b>Customer</b>				
<b>Internal Business Process</b>				
<b>Learning and Innovation</b>				



# Balanced Scorecard Approach Planning Framework

Balanced Scorecard Category	Main Objective(s)	Key Measure(s)	Targets	Initiative(s)
<b>Financial</b>				
<b>Customer</b>	How are we perceived by our shareholders?			
<b>Internal Business Process</b>	What is the strategy for growth, profitability, and risk viewed from the perspective of the shareholders?			
<b>Learning and Innovation</b>				



# Balanced Scorecard Approach Planning Framework

Balanced Scorecard Category	Main Objective(s)	Key Measure(s)	Targets	Initiative(s)
Financial				
<b>Customer</b>	<p>How do our customers perceive us?</p> <p>What is the strategy for creating value and differentiation from the perspective of the customer?</p>			
Internal Business Process				
Learning and Innovation				



# Balanced Scorecard Approach Planning Framework

Balanced Scorecard Category	Main Objective(s)	Key Measure(s)	Targets	Initiative(s)
Financial				
Customer	<p>At what processes must we excel?</p> <p>What are the strategic priorities for the various business processes, which create customer and shareholder satisfaction?</p>			
Internal Business Process				
Learning and Innovation				



# Balanced Scorecard Approach Planning Framework

Balanced Scorecard Category	Main Objective(s)	Key Measure(s)	Targets	Initiative(s)
Financial				
Customer	How do we sustain our ability to be innovative and to change?			
Internal Business Process	What are the priorities to create a climate that supports organization change, innovation, and growth?			
Learning and Innovation				



# Balanced Scorecard Approach

## **Main Objective(s)**

What do you wish to accomplish in each Balanced Scorecard category? (This can be defined fairly broadly)

## **Key Measure(s)**

How will you define and measure your objectives for each Balanced Scorecard category? What metrics will you use?



# Balanced Scorecard Approach

## Targets

After you have defined your organization's objectives and determined the metrics to be used in each Balanced Scorecard category, you must also set definite measurable goals or targets in each area.



# Balanced Scorecard Approach

## Initiative(s)

What specific steps will be taken to realize your organization's Balanced Scorecard targets in each category?

What new programs, processes, initiatives, technologies, policies, systems, educational programs, etc. will be implemented to help ensure that targets are realized?

E-Learning could be one of the key initiatives to help the organization reach its targets.

This approach also forces you to evaluate your e-learning efforts at a higher level.



# Balanced Scorecard Approach

## Scorecard for Skills.com

Measuring the effectiveness of workplace education programs

The Conference Board of Canada has developed a resource site for the U.S. Department of Education that helps organizations tie their workplace education efforts to organizational objectives in a Balanced Scorecard framework.

This site will 'go live' in the very near future.

<http://www.ScorecardforSkills.com>



# Balanced Scorecard Approach

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Address <http://www.rkd.ca/test/scorecard/index.asp> Go Links >>

## ScorecardforSkills.com

Measuring the effectiveness of workplace education programs

Home | Orientation | Resources | Checklist & Journal | Survey | Tools | Help | Feedback

Stage 1 - Improving Workplace Education Evaluation  
Stage 2 - Understanding the Balanced Scorecard  
Stage 3 - Creating Your Own Balanced Scorecard

Thursday, March 27, 2003  
WELCOME!

**WHAT?**

The [Conference Board](#) created [ScorecardforSkills.com](#), with financial support from [U.S. Department of Education](#), to help U.S. organizations' measure and demonstrate the relationship between their workplace education investments, including workplace basic skills, and measures of organizational performance.

By working through this site, you will be able to produce your own balanced scorecard.

**FOR WHOM?**

Employers who want to get more out of workplace education programs. This site has something for people at every stage of development, from beginner to advanced.

Workplace educators who work with companies to help them improve the effectiveness of their workplace education efforts. This site addresses workplace basic skills, technical skills and soft skills assessment and instruction.

**WHY?**

Only by properly measuring the effectiveness of workplace education and aligning these to key business strategies and goals, will organizations be able to know if these investments are worthwhile.

ScorecardforSkills.com gives you the analytical tools to provide action-oriented information to management about workplace education programs.

By navigating this site, you will gain knowledge, skills and tools to help you measure [workplace education effectiveness](#) and to tie workplace education to business strategies via a [balanced scorecard approach](#).

Internet



# Balanced Scorecard Approach

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**ScorecardforSkills.com** ✓ Measuring the effectiveness of workplace education programs

Home | Orientation | Resources | Checklist & Journal | Survey | Tools | Help | Feedback

> Stage 1 - Improving Workplace Education Evaluation  
 > Stage 2 - Understanding the Balanced Scorecard  
 > Stage 3 - Creating Your Own Balanced Scorecard

Thursday, March 27, 2003 **STAGE 3**

**Objectives**  
**Background**  
**Case Study**  
**Application - My Balanced Scorecard**  
**Summary**

**STAGE 3 - Creating Your Own Balanced Scorecard**

**APPLICATION - My Balanced Scorecard**

**Aligning My Workplace Education Efforts with My Balanced Scorecard**

([Click here](#) to download an electronic version of this worksheet.)  
 OR  
[Click here to download this document in Word \(.doc\) format](#) (or right click the link and save "target as" or "link as" to your drive), if you wish to edit it for your own use. (Please note that some browser versions may prompt you to "Enter a Network Password" before downloading . Simply click "cancel" to proceed with the download.)

Balanced Scorecard Category	Target(s) (From Your Balanced Scorecard Worksheet Above)	Workplace Education Initiative(s) to Help Achieve Target(s)	Type(s) and Level(s) of Evaluation of Workplace Education Efforts
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Internet



# E-Learning Benchmarking Service

- New Conference Board ‘for-fee’ research service
- Launch September 2003
- Delivery to funding members four times annually
- Discount if your organization participates
- Reports and analysis based on quarterly *National E-Survey of E-Learning Practices and Trends*



# E-Learning Benchmarking Service

- Funders receive analysis of top-line findings 3 days after survey ‘closes’
- Detailed analysis follows within 10 days
- Focus on a special topic/issue every quarter
- Supports organizational decision-making:
  - Uncovers what e-learning leaders are doing
  - Generates longitudinal data for trends analysis
  - Provides structure and basis to benchmark your organization’s performance



# Conclusion

- E-Learning is not a panacea—but it can be hugely beneficial to your organization
- Think of e-learning as a tool to achieve corporate performance targets and to build human capacity for utilization—not an end in itself
- Key strategies for success:
  - Learn from leaders—avoid mistakes and profit from successful experiences
  - Benchmark yourself for reality check
  - Use e-learning only where it suits your needs—and where it is more effective than other methods in supporting performance

