

Analysis for the American Express Learning Network (AELN)

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Introduction

It is the quality, not quantity of training that makes a difference for an organization. Great training should be active, engaging, contextual, outcome oriented, and most important about something—not about everything (Rossett, 1999).

American Express (AmEx) is a \$64bn financial services company with 65,000 employees worldwide. AmEx is primarily a card services business that has a well known brand name and a strong market share. The American Express Learning Network is responsible for the training of employees, outside vendors, and ultimately, the end customers as well.

A period of change is currently occurring within the American Express Learning Network (AELN). The organization is in the midst of transforming its instructional design model and processes. A critical step identified in this transformation is the ability to identify the most appropriate training delivery methods and performance interventions for different business situations.

Goals and Objectives

The goal of this analysis is to identify the best way to train the employees located in different business units, and finding the most appropriate training delivery methods and performance interventions to support AmEx with conducting its business.

Sources of Analysis

In order to gain a more thorough understanding of the organization, its mission, and training needs, telephone interviews were conducted with key members of the AELN. Training designers, managers, and operating committee members were solicited for information on their take of the current situation, knowledge of how training is currently administered to the different business units within the organization, and the overall process of how training is delivered. After speaking with the different members of the AELN, it was established that content trained by the organization falls within the two categories of technical training (learning the job, how to use different software, process forms, etc) and soft skills (customer care principles, speaking and listening skills, dispute resolution, etc).

Current State of Training

Currently, most technical training is delivered via computer based training (CBT) modules, and also supported by the Point of Reference Tool (PORT) electronic performance support system (EPSS). Employees usually engage in 30 minute modules of CBT on the desired topic, and also receive coaching and support from their supervisors. PORT is used as a “just in time” intervention, akin to an online job aid. Soft skills training, on the other hand, are primarily delivered via facilitator led instruction. This training involves getting the employees into the classroom, (or, into a simulation setting for “mock” phone calls), and is usually of a longer duration (one example noted was an eight hour facilitator led instruction dealing with listening skills and sales).

Identified Barriers to Training Delivery and Selection Methods

During the interview phase of the analysis, some common themes and barriers were identified by different interviewees. It became apparent that most barriers have been previously identified and most are currently being address as the AELN continues in the transformation of its instructional design model and processes. These barriers are listed below:

- Currently, not every training request that comes into the various AELN centers is being “processed” within the same database. The ideal situation (and the reality that the AELN is moving towards) is for all training requests to be submitted utilizing the same request template and routed up through the governance committee within the same database.
- Training content delivery and design is not uniform among the various business units. There is at this time no real standardization of training.
- PORT is a very content oriented online tool, and has been identified by numerous members interviewed as not being very “user friendly”. The PORT system is a static tool, with no screenshots, no sound, etc. Some of this cannot be avoided, as, for example, by having software screenshots in the PORT, as screenshots would

continuously need to be updated as changes occurred, which would not be cost effective.

- Customer service representatives have no sound cards in their workstation computers, which prevents audio in CBT training to be delivered to them at their workstations.
- Incoming call volume hinders the ability to get employees “off the phone” for training sessions.
- Time. Designers interviewed saw time to design and develop the training as the overall barrier to producing the most engaging, relevant training possible.

After discussing with the different members within the AELN, a literature review was conducted to determine the most appropriate training delivery methods according to extant sources.

Literature Review

The literature review focused on the types of training delivery methods best used in the workplace. Two major “best practices” emerged from the review:

- E-Learning
- Blended Learning

Effectiveness of E-Learning

“Training is on one of the most pervasive methods for enhancing the productivity of individuals and communicating organizational goals to new personnel (Winfred et. al, 2003).

As corporations look for more cost-effective ways to deliver training to their employees, E-Learning is increasingly becoming the answer. E-Learning is less expensive than traditional facilitator led classroom instruction, reduces travel costs for employees or trainers, and shortens employee time away from their job (Strother, 2002). In 1999 alone, IBM saved \$200 million by converting their traditional facilitator led programs to e-learning, providing five times the learning at one third of the cost of their previous methods (Strother, 2002). One of the greatest advantages of e-learning is that it can be conducted either synchronously (at the same time with other individuals) or asynchronously (self-paced). This type of learning opens up

many opportunities as to when the training can occur, and allows for much more flexibility than traditional classroom training. Some advantages to e-learning include:

- Travel to and from training is minimized or even eliminated
- One can learn in a self-paced fashion at one's convenience
- The material can be absorbed in smaller portions
- The speed of rollout and delivery of the training can be much quicker
- The ability to update the content with new material is quicker
- There is a consistent training message to multiple sites and participants

Of course, there are some disadvantages associated with e-learning:

- Without human interaction it can be less engaging, possibly even "boring"
- Learning by reading off a computer screen can be difficult to train on for some employees
- Hands on experiences and interactions are often difficult to provide to the learner

While CBT can be relatively inexpensive and often quick to develop, the end product can, if not careful, be non-engaging and ultimately fail to deliver the intended results (Munger, 1996).

Flexible e-learning in the workplace is unlikely to be successful if it is resource based only.

There needs to be learner support and scaffolding techniques to bring about the learning of procedural and strategic knowledge. Successful e-learning must include interaction between learners and between learners and their instructors (Smith, 2003), possibly in the form of coaching, discussion groups, or other interactive group activities.

Blended Learning as the Answer?

More and more business are moving towards a blended learning approach to conduct the training within their organizations. Blended learning has been defined as using a combination of e-learning and other forms of training such as classroom (facilitator led) and on the job training (Mackay & Stockport, 2006). Blended learning was born out of the idea that the "experience gained from the first-generation of e-learning, often riddled with long sequences of 'page turner' content and point and click quizzes, is giving rise to the realization that a single

mode of instructional delivery may not provide sufficient choices, engagement, social contact, relevance, and context needed to facilitate successful learning and performance” (Singh, 2003). There is always, in the corporate world, the focus on the “bottom line” when it comes to workplace training. Companies such as Ernst & Young changed from a traditional, facilitator led training approach, to a blended web-based (80% of training) and classroom (20%) approach. By adopting this blended approach, Ernst & Young reduced their training costs by 35% while improving consistency and scalability of the training (Strother, 2002). With a company as large as Cisco, whose reseller certification program needs to reach out to nearly 900,000 people, a blend heavy on web-based curriculum and training is needed. In regards to blended learning, the key is “selecting the right combination of media that will drive the highest business impact for the lowest possible cost” (Bersin, 2004).

American Express has already used the blended learning approach with fantastic results. The AmEx Leadership Development Program went through a recent experiment. Three different modes of delivery were evaluated:

- Online only
- Classroom training
- Blended mix of both formats

While AmEx concluded that all three methods resulted in successful results in key areas, it was the blended learning approach that by far produced the best results. The blended approach “achieved a productivity increase over standalone online courses of some 240 per cent. And, at half the cost, it also achieved more than double the return on investment (ROI) than that of the classroom based training” (Howells, 2008). Other key findings with this evaluation:

- The training received higher “high improvement” on the job performance with the blended approach (32% with online training, 42% via the classroom method, and 51% via the blended method)
- Cost savings using the blended learning approach translated into a ROI 75% greater than using either the online or classroom facilitator led methods on their own.

In the case study, the researcher created an example based on actual but confidential operating data, and stated that “AmEx found that the instructor-led and online learning alone provided a 972% and 923% ROI respectively. The blended learning method, offering higher impact at a lower cost, delivered a 1,599% ROI, some 75% higher than the other two delivery methods (Howells, 2008). With corporate training programs existing primarily to “improve business performance”, and the bottom line always having to be taken into account, clearly there is research that strongly supports utilizing a blended learning approach whenever possible.

Recommendations

After a review of the literature from extant sources and the interviews conducted with various employees of the AELN, the following recommendations are proposed. As previously discussed, some of the barriers identified are currently in the process of being addressed:

- Create more context sensitive capabilities to the PORT system. Users require quick, intuitive ways to access EPSS for just in time training. This researcher has received word that there is a strong possibility that the PORT EPSS will be replaced by a new EPSS within the next few months. If this in fact does occur, recommend that the new system purchased be context sensitive and intuitive.
- Involve instructional designers more in the process of choosing delivery methods as well as content of the training. The earlier in the process members of the instructional design team are engaged, the more input they can provide on how to deliver the training in the most effective way possible. The end result of more collaboration will be higher quality delivered training products.
- Move to a more standardized training delivery format among the different AELN locations. While total standardization may be impractical, a more uniform delivery will assist in the quality of training delivered.
- Ensure the single source training request database is implemented. This will assist with the processing of requests by the Governance Committee, and reduce delay in training approval.

- Use follow up performance interventions to the training administered, such as job aids, EPSS and supervisory coaching where appropriate.

Future Action

After conducting this analysis, a follow-up deliverable will be a training delivery method selection matrix to assist members of the AELN to decide the appropriate training delivery method for varying business situations. Delivery of this selection matrix is scheduled for December 5th, 2008.

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