

# Driving results with learning technologies in the Automotive sector



**A Towards Maturity Industry Sector Benchmark report**  
**Supported by Toyota Europe**

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Today  
Tomorrow  
Toyota

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*Our thanks go to Toyota Europe, Autonomy Multimedia, CERTPOINT Systems, Line Communications and Online Educa Berlin for promoting participation in this research.*

## Foreword by Toyota

Toyota Motor Corporation has a strong company culture of fact-finding and Plan-Do-Check-Act. We also believe in sharing best practices, not only internally but in and outside our industry. Some years ago Toyota Motor Europe embarked on an ambitious project to roll out a learning management system across all our markets, enabling us to share content regionally while allowing national Training Managers localisation and implementation flexibility. However it is always useful to stop and make a check of where we are, what we could be doing better, and what we might need for the future. This report contains findings that will help us all do just that.



The good news is that the automotive sector is embracing learning technologies as an effective way to reach our network with valuable knowledge. The not-so-good news is, clearly not enough of our learner population has access to PCs or good network connectivity and many are not getting the time needed to learn. This is probably truer for technicians whose time is billed out and who are strongly measured on shop floor productivity. A challenge for us all is to continue searching for the link between knowledge transfer and critical business indicators that will convince first line supervisors up to retail management of the value of investing in human resource development.

We would like to thank all of those companies who contributed to this benchmark as the answers here will make us all more efficient and effective, as well as better prepared to meet the demands of our learners in the coming years.

***Sann René Glaza,***

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## Executive summary

Generally compared to other sectors, the automotive sector is relatively experienced in their use of learning technologies, the majority have been using them for over 3 years.

**Drivers** – the main drivers for the sector to invest in learning technologies include

- Efficiency improvements (including reduced time, reach, improved administration flexibility and access)
- Improved quality of learning and learning outcomes (including increased staff retention, and developing a better qualified workforce)
- Improved business agility, including providing a faster response to change and the ability to roll out products faster

**Technologies** - Learning technologies are mainly used in the sector for developing bespoke self paced content, improved administration and delivery and improving the targeting of learning interventions. Overall the automotive sector is less likely than others to be using virtual classrooms, mobile learning, and off-the-shelf e-learning programmes.

The automotive sector does not have the interest in social media and podcasting that other sectors do for capturing conversations and sharing user-generated content (with only 35% of the sector using media or planning to compared with 76% of the general benchmark planning to use social media). The penetration of mobile learning in the sector is also lower than in others. 11% of participants in the automotive sector are currently using mobile learning either to support or replace classroom training (compared with 36% generally). However, 50% intend to introduce mobile learning within the next 2 years.

**Content strategies** - 50% of organisations develop over half of their content in-house using rapid e-learning tools. 50% also have to ensure that their learning is provided in multiple languages and the report explored various translation models used within the sector. The automotive sector e-enables twice the amount of formal learning than average (55% vs. 22%).

**Audience** - The study found that all companies target learning for their customer-facing and technical staff, middle and line managers and shift supervisors and all but one are using technology for rolling out product training (for technical and sales) and general technician training.

**Skills/Training areas**- Compared with others, the sector is much more likely to focus on general sales and customer service skills, and slightly more likely to focus on Leadership and management, induction and industry specific regulatory requirements. With the exception of industry regulatory needs, they are also more likely than others to e-enable those skills.

- 68% offer manufacturer-specific formal qualifications
- 58% offer training leading to nationally recognised qualifications
- 42% link their assessed training programmes to a 'licence to practice'

Not every organisation provides customer training but those that do are looking to shift to online models.

**Benefits** - Learning technologies are adding tangible benefits to the automotive sector:

- As a sector they are engaging a higher % of staff with e-learning than other sectors (69% vs. 57%)
- They are much more likely to report efficiency savings than other sectors
  - They are achieving a greater saving in study time than others 27% vs. 22%
  - Whilst they are more likely to report cost savings, they are actually achieving fewer cost savings than others (saving 10% as a result of embedding technology vs. 18%)
- They are more likely to report improvements in staff satisfaction and engagement than others (reporting 11% improvement vs. 8%)

However they are less likely to report improvements in induction training or compliance training than other sectors.

**Barriers** - The top barriers to adoption are linked to ICT infrastructure and access - a barrier that has been declining in other sectors as access improves and are less likely to have garnered the support of senior managers. However they are much less likely to report lack of skills of learners and lack of skills of L&D as a barrier than other sectors.

**Effective implementation practices** - Previous Towards Maturity studies have highlighted 6 workstreams of effective implementation practices that correlate to results with learning technologies. 2 workstreams were specifically investigated in this study. We found that the automotive sector is particularly strong at ensuring engagement of learners through stakeholder engagement. They are 4 times as likely to equip line managers with resources to provide local support and twice as likely to work with senior managers to endorse programmes.

Within the workstream of 'demonstrating value' we found that the sector is 4 times as likely to publicise individual's success and over twice as likely to report against key performance indicators for learning. These factors will contribute to higher staff take-up and reports in staff satisfaction.

Despite the fact that 78% in the sector are looking to technology to help speed the rollout of new products, only 20% link performance to new sales KPIs and only 27% link to customer retention.

**Budgets** - Despite the recession, most organisations in the sector have seen their overall training budget increase over the last 2 years, and anticipate further increase over the next 2 years. Most anticipate that the proportion allocated to learning technologies will continue to increase.

**Working with dealerships** - 75% (12) manufacturers surveyed were responsible for providing learning centrally across a distributed dealer network and 11 out of 12 have a model for sharing cost across the network.

## Introduction

The automotive industry has been hard hit by the recession with production levels down and falling sales. Yet the sector continues to innovate with competitive advantage going to those who are able to quickly respond to market demand and provide excellent customer service. Maintaining and building the skills of key customer-facing staff is critical in achieving this and the sector is looking beyond the classroom to new learning models and media to address these skills more efficiently and effectively.

This study looks to investigate the new approaches to learning that are being adopted within the sector and the impact that they are having on business performance. Whilst many companies have started to use learning technologies to address pressing skills challenges, not all have achieved the benefits that they have expected.

This report looks at:

- What are the drivers behind learning technology usage?
- What technologies are being used in learning?
- How is technology being used?
- What impacts are learning technologies making?
- Barriers to change
- Implementation approaches
- Models for engaging the dealer network

The aim of the research is to help all participants and the industry as a whole understand the opportunity and improve the impact of learning technologies in the workplace.

For the purpose of this study we define the term e-learning and/or learning technologies as: *“the use of any technology across the learning process, including skills diagnostics, learning delivery, support, management (of learners and content), informal and formal learning”*.

This independent study has been carried out by Towards Maturity, a not for profit benchmarking practice, and builds on their benchmark research over the last 7 years with 1200 organisations. This in-depth study been sponsored by Toyota Europe.

This automotive sector report not only considers ideas from 15 of the largest automotive manufacturers operating in Europe but also compares activity within the automotive sector with wider industry benchmark data gathered from over 400 organisations that have completed Towards Maturity research over the past 12 months<sup>1</sup>.

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<sup>1</sup> See [www.towardsmaturity.org/2010benchmark](http://www.towardsmaturity.org/2010benchmark) for more information on participant profile in the current benchmark

## Methodology and profile of respondents

A series of interviews and online surveys were conducted with 22 senior learning and development professionals from 15 manufacturers in the automotive sector. Where there is more than one respondent from an organisation, any numeric values are averaged to give a single value for the organisation.

The invitations to participate were distributed by a number of organisations within Europe who have worked with companies in this sector. Thanks go to Autonomy Multimedia, CERTPOINT Systems, Line Communications and Online Educa Berlin for their support in distributing the benchmark.

### Company size and location

This report predominantly represents the views of larger European organisations working with staff spread across regions and nations. 45% of respondents answered from their perspective of the multinational company operation.

Figure 1 Responsibility of respondent by location

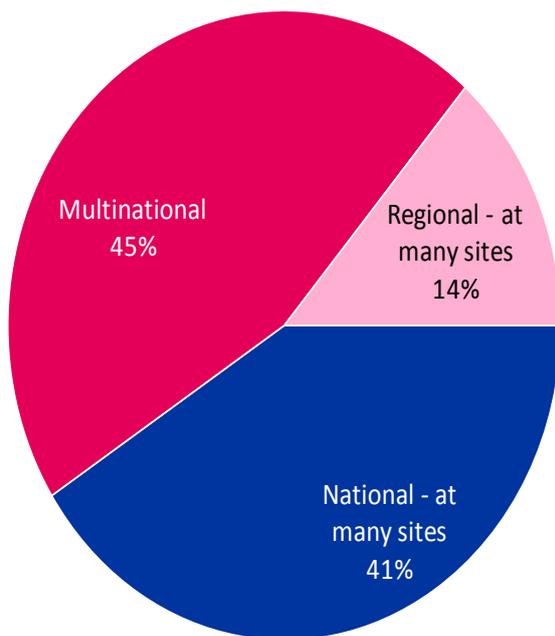
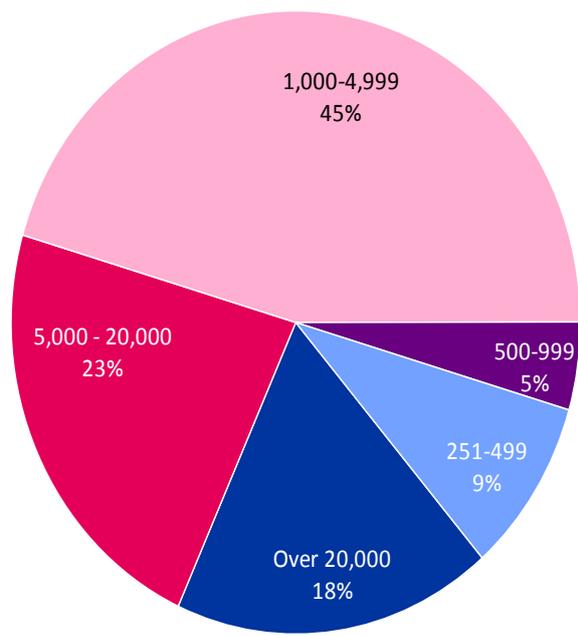


Figure 2 Responsibility by number of learners

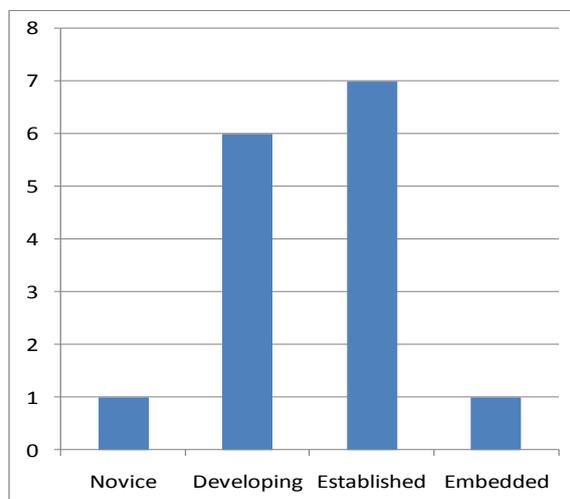


Some manufacturers outsourced the majority of their technical training to one or more specialist companies or to suppliers: the number of directly employed L&D team members was low.

### e-learning maturity

Towards Maturity research has consistently shown that those organisations that are more mature in their use of learning technologies are able to report greater impact on their organisational goals – delivering greater volumes of learning, at lower cost and with better results as they gain more experience in implementing learning technology solutions. Generally compared to other sectors, the automotive sector is relatively experienced in their use of learning technologies.

Figure 3 e-Learning maturity



Of the automotive companies surveyed, one described themselves as new to using e-learning, having been using e-learning for less than one year. The majority have been using e-learning for over 3 years and were either ‘Developing and coordinating’ their use of learning technologies, or e-learning was well ‘Established in the organisation’.

Just one respondent felt that learning technologies were ‘Embedded’ in every aspect of their company.

## What benefits are the sector looking to achieve?

Whilst all respondents were looking to achieve a number of benefits from their implementation of learning technologies, not all were realising these benefits in full.

Table 1 illustrates that most organisations in the sector are indeed achieving efficiency benefits and significant numbers are also achieving benefits in terms of improved quality of learning.

Table 1 Benefits sought and achieved through the use of learning technologies

Area	Benefit	% of the sector achieving benefit (partially or in full)
Efficiency	Improved administration and management of learning	78%
	Increased access to learning	89%
	Increased flexibility	89%
	Reducing time	89%
	Reducing cost	83%
	Extend the reach of learning	83%
Quality	Improved quality of learning	78%
	Improving staff satisfaction to aid retention	67%
	Develop a better qualified workforce	61%
Agility	Improved induction training by reducing time to competency	61%
	Provide a faster response to changing business conditions	78%
	Speed rollout of new products and services	78%

The top benefits most likely to be achieved are:

1. Reduce time away from the job
2. Reduce training costs
3. Increase access to learning
4. Increase flexibility in providing staff training
5. Extend the reach of training

56% are also looking to ensure that their staff understand and comply with industry regulations. 28% are looking for technology to help them support compliance issues within their supply chain as well.

See section later for further discussion on the impact of learning technologies within the sector.

## **What learning technologies are being used in the sector?**

What learning technologies are being used within the sector to deliver these benefits? Automotive sector organisations are using a broad mix of technologies with their learners.

Stand-alone learning management systems, custom e-learning content and online assessments are in use by over 80% of participants and 50% of participants are also using competency management systems, content management systems, skills diagnostics, rapid development tools, and enterprise information sharing systems such as SharePoint within the mix. This list highlights that the main focus for the use of learning technology in the sector is bespoke self paced content, improved administration and improving the targeting of learning interventions.

94% of respondents were using custom-built e-learning courses – indicative of the lack of high quality content off-the-shelf appropriate for the technical and product specific needs of the sector.

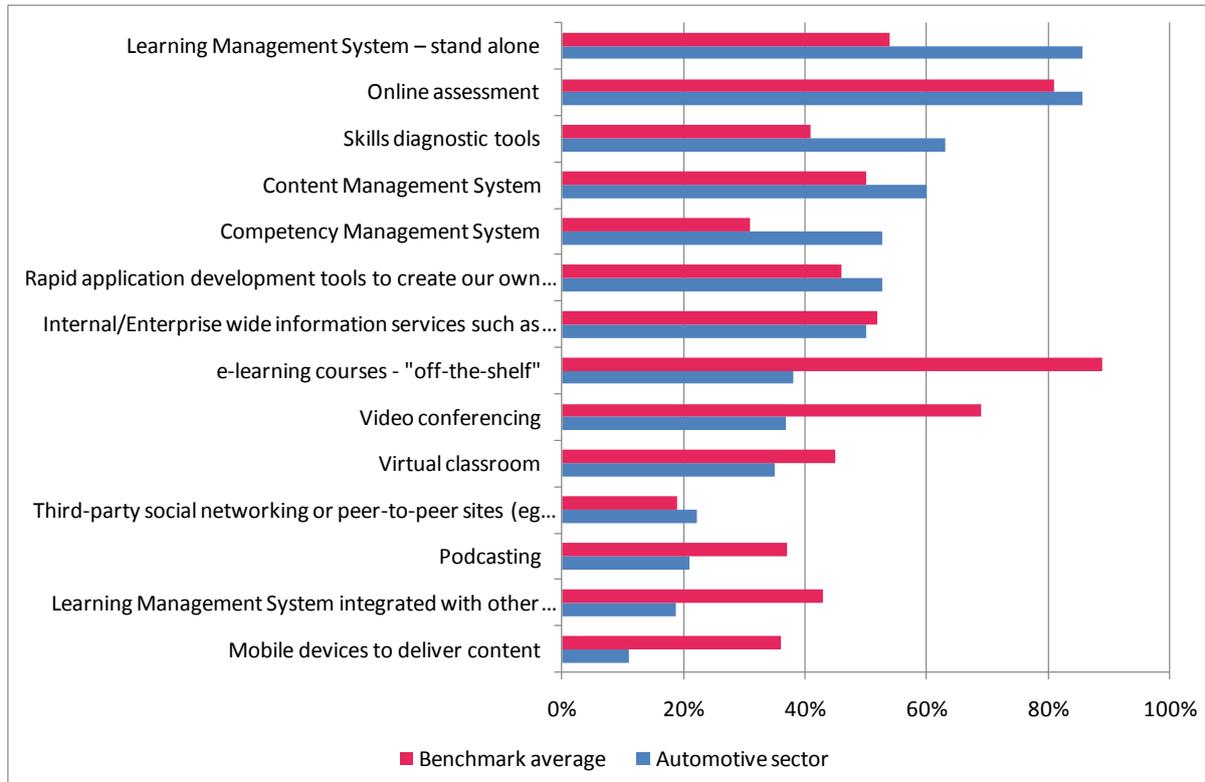
In comparison with averages across all industry sectors, they are using significantly more:

- Standalone learning management systems
- Competency management tools and
- Skills diagnostics

However, compared with other sectors they are using less:

- Off-the-shelf e-learning courses
- Video conferencing and
- Mobile learning
- Podcasting

Figure 4 Use of learning technologies – comparing the automotive sector with benchmark values



Learning Management Systems are more likely to be stand-alone systems although some manufacturers are now starting to integrate them with their HR and other IT systems <sup>2</sup>. No single supplier stood out in the sector as the preferred provider of learning management systems.

Virtual classrooms are in use in 37% of organisations but again no single provider stood out within the sector<sup>3</sup>.

Moving forward, the technologies with significant future interest for the sector include virtual classroom and mobile devices (for both assessment and content delivery).

Only 2 organisations (11%) are currently using mobile learning either to support or replace classroom training, however, 50% intend to introduce mobile learning within the next 2 years.

Mobile learning is being used for ‘just-in-time’ job support to give job aids and technical or product knowledge information. Only one organisation is using special tools for developing mobile apps and is integrating mobile learning within their Learning Management System.

The current benchmark value across all sectors for using mobile learning is 36%.

<sup>2</sup> LMS suppliers in use within this sample included- CERTPOINT Systems, Agresso, ,Absorb by Blatant Media,Digits ,LEMA - Supplied by Gec SA, In house bespoke systems, Connect - Viewpoint , Coloni and Sage

<sup>3</sup> Virtual Classroom providers within the sector included RTS Consultants, Webex, Adobe Connect and DreamTek

The automotive sector does not have the interest in social media and podcasting that other sectors do for capturing conversations and sharing user generated (with only 35% of the sector using, or planning to use social media, compared with the 76% benchmark value for those planning to use social media). One organisation however, is planning to get users to upload their own video content in the future:

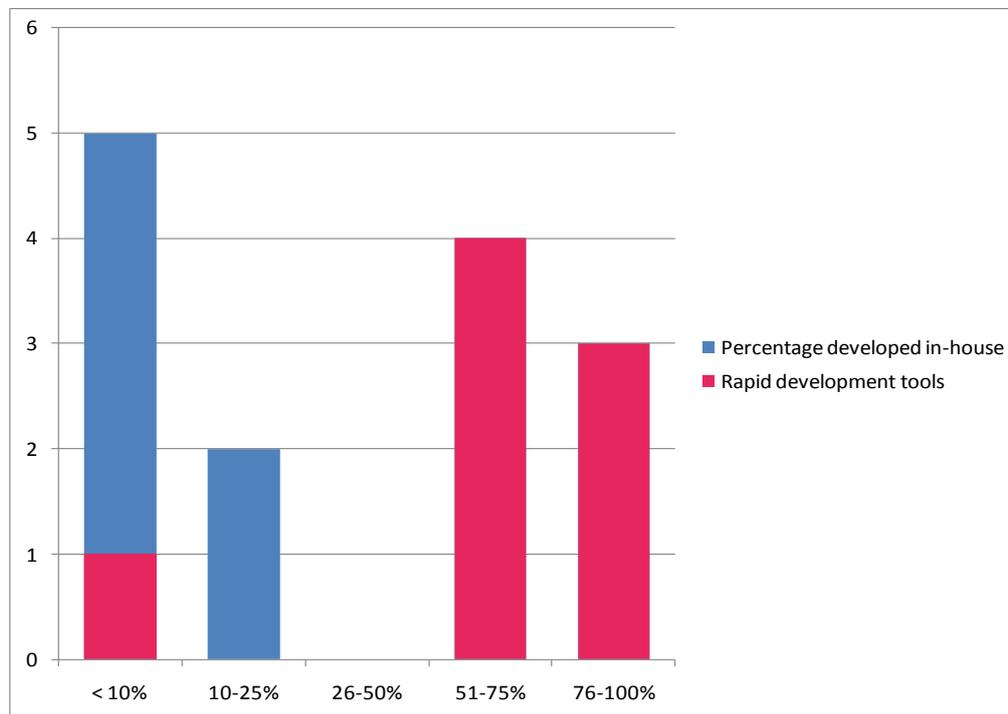
*“We launched an internal video channel in 2010. We offer video-based information and a training portal as well as an LMS. We upload all content centrally at present but plan to allow users to upload in the future “*

## Models for content development

With 60% of companies using Content Management Systems and 53% using Rapid Application Development tools to develop content in-house, we were interested to understand the proportion of content that was developed in-house.

50% of participating organisations are developing over half of their own content in house. All of these were using rapid development tools and planning to continue to use them or to use them more.

Figure 5 Percentage of content developed in house



All but one organisation was planning to continue or increase the proportion of content being developed in-house. Those that do develop content are developing platform independent content.

Costs for content development varied wildly dependent on the programme and degree of interactivity offered.

Estimates for the actual costs of development for one hour of e-learning content vary from £50 to £90,000!

*“Without translation, about £15,000. With, about £30,000”*

*“Very varied. Cost for 10 minute video £2,000-2,500”*

### *Availability of learning in other languages*

The majority of organisations offer learning in a range of languages. The model for translation varies widely.

At least 7 organisations provide at least some of their learning in foreign languages, all of whom outsource some or all of the course translation work:

- 6 translate learning centrally at European level
- 4 also translate locally at country level
- 4 recharge translation costs to the country
- 3 use a centralised memory for course translation
- 3 use integrated translation tools

## How is technology being used in learning?

We consider how technology is being used in the automotive sector by looking at who is using it, what skills are being enabled and the extent to which learning technologies are supporting either in-house or external qualifications or accreditations.

### Who is using learning technologies?

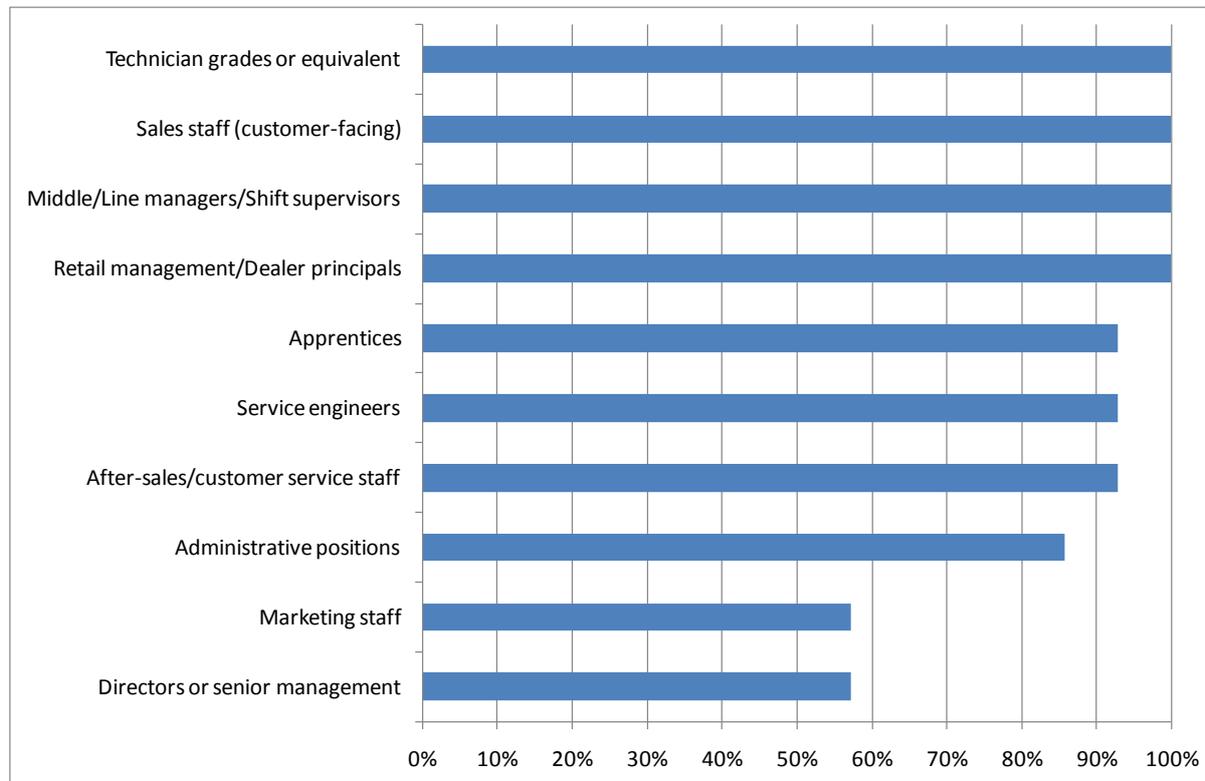
There was little differentiation between automotive manufacturers in terms of who has access to learning technology with the exception of the one company that was new to e-learning. On average 69% of staff access learning technologies.

- All companies were using learning technologies with their customer-facing and technical staff, middle and line managers and shift supervisors
- Just 57% of directors or senior managers were using e-learning
- Only 36% offer access to their suppliers.
- Only 29% are offering access to their learning programmes to their end customers.

*“E-learning is part of new model training delivery for non technical staff. It is very successful in providing the technical detail of the product prior to the training taking place.”*

In the automotive sector directors or senior managers were the least likely to be using e-learning (although in our main benchmark, we found that when this audience uses technology in their own learning, this has a significant impact on the results and benefits achieved).

Figure 6 Who is using e-learning within the organisation?



## Customer learning programmes

Those automotive companies that offer learning to their customers are gradually shifting to more online provision and to centralise the delivery.

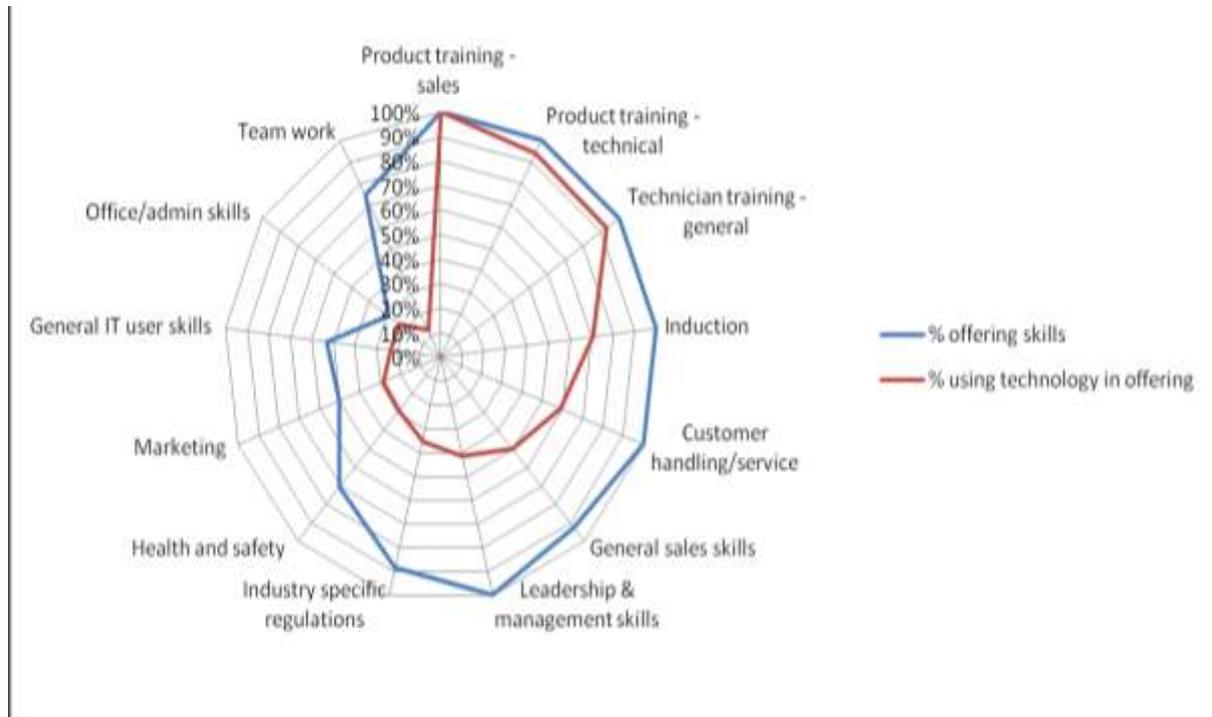
However, each organisation offers a different model for delivery, variously using local delivery partners, or regional delivery centres. Only one organisation reported that their central training staff travel to customer locations.

## What skills and training are being e-enabled in the sector?

In the figure below, the blue line represents the skills that automotive organisations are delivering to their staff and distributor chain regardless of media and the red line flags the skills that are being enabled in some way by technology.

**Almost all participating organisations are using technology for rolling out product training (for technical and sales) and general technician training. These skills are unique to the sector.**

Figure 7 Skills programmes enabled by learning technology in the automotive sector

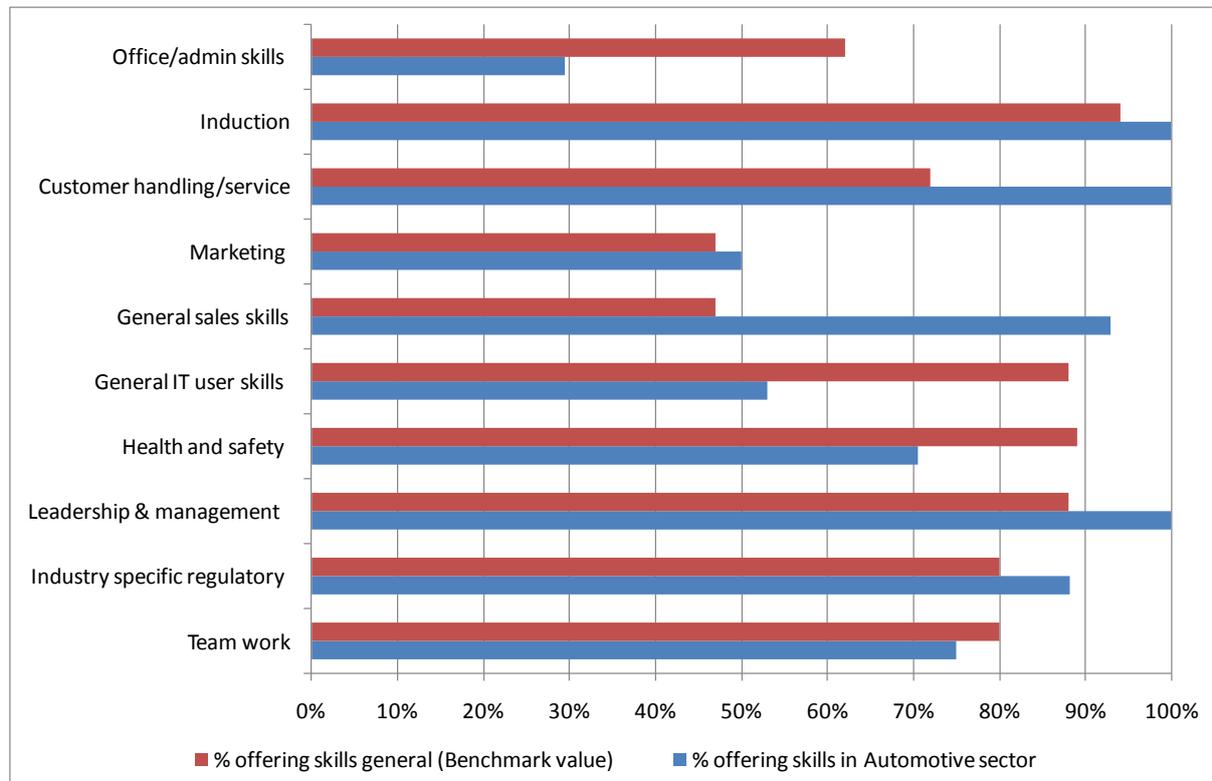


**For generic skills offerings, how does the automotive sector compare with other sectors?**

The sector is much more likely than others to focus on general sales and customer service skills, and slightly more likely to focus on leadership and management, induction and industry specific regulatory requirements. Overall the automotive sector is less likely to focus on general IT user skills, health and safety and office administration (note that this may reflect the focus of the respondents on the delivery of training programmes for their customers as opposed to centralised L&D departments).

The figure below illustrates the skills delivered by the automotive sector (regardless of media) compared with others.

Figure 8 Skills offered by the automotive sector compared to benchmark values



There are certain subject areas where the automotive industry delivers more skills and is more likely to e-enable those skills:

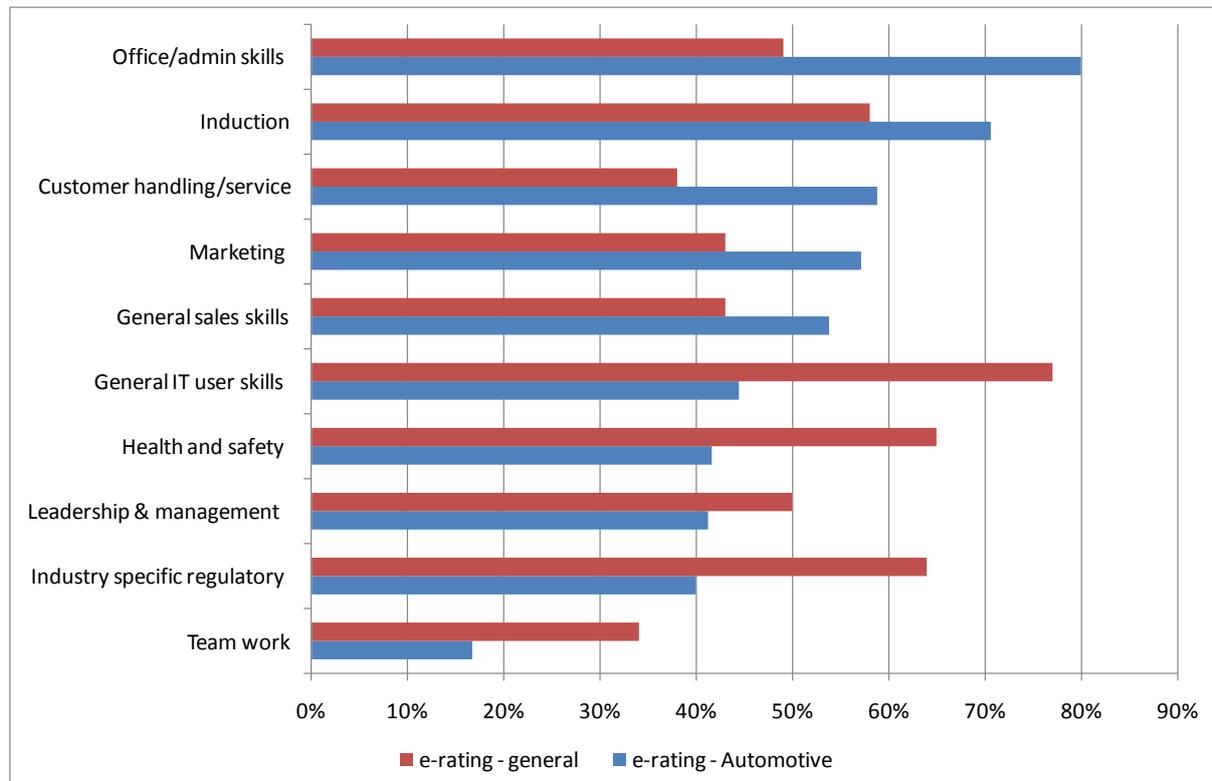
- Customer service/handling – also higher e-rating
- Induction – higher e-rating
- Marketing
- Sales

In the following skills areas, the sector delivers more skills but uses less technology than other sectors – providing an additional opportunity to deliver more value:

- Leadership and management
- Industry specific regulation

The following graph uses the concept of an e-rating to consider the probability of a subject being delivered with the help of technology (even if that subject is not widely used within the organisation). So, for example, if 10 organisations deliver a subject but only 3 include technology in the programme then the skills rating for that programme will be 0.3. The higher the rating, the more likely the subject is to be e-enabled.

Figure 9 Comparison of the e-rating for the automotive sector with benchmark values



The automotive sector is much less likely than others to offer skills programmes for office administration (29% vs. 62%) but 8 out of 10 are likely to e-enable this offering compared to 5 out of 10 organisations from other sectors.

The sector is also much less likely to offer the following skills and when they do they are more likely to be via face to face training than other sectors, again indicating potential areas of savings and efficiency moving forward.

- General IT skills
- Health and safety
- Team work

## Blended learning

There is a general trend to decrease the amount of face to face 'traditional' classroom training and to increase the amount of blended learning or entirely online training offered.

On average

- 45% of all learning is face-to-face
- 41% is blended
- 14% is entirely online

In total 55% of learning within the sector is e-enabled which is significantly higher than the industry norm where on average 22% of formal learning is e-enabled.

*“We want to offer e-learning not only as a pre-requisite to participating into a classroom session, but also to offer a minimum training to those staff which traditionally do not get the opportunity to participate in classroom courses.”*

## Qualifications

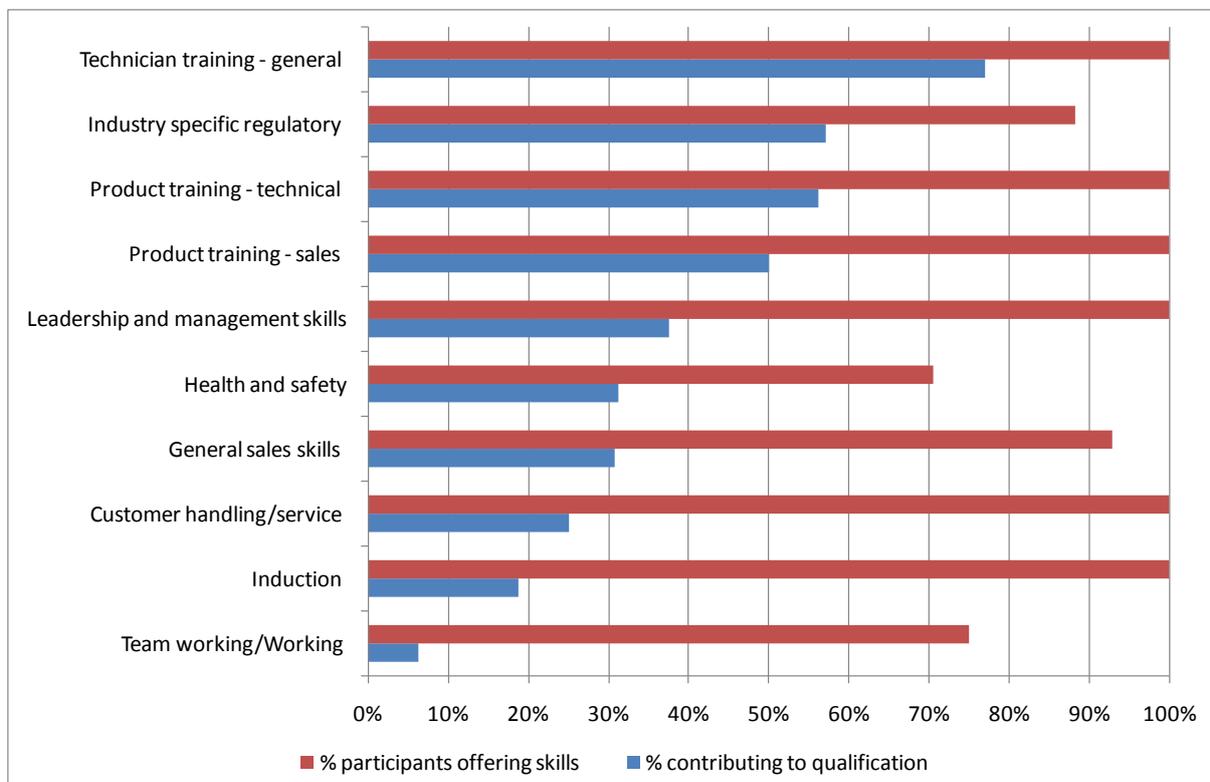
The initial review indicated that both face-to-face skills delivery and e-enabled delivery were being used to support qualifications in some shape or form: neither delivery method was more likely than another to support qualification programmes.

Figure 10 illustrates the percentage of those organisations that offer learning in particular skills areas leading to an externally recognised qualification or internal certification programme.

The most likely subjects to lead to a qualification for over 50% of sample are technical skills (both technician and technical product skills) and industry regulatory skills programmes.

- 68% offer manufacturer-specific formal qualifications
- 58% offer training leading to nationally recognised qualifications
- 42% link their assessed training programmes to a ‘licence to practice’

**Figure 10 Organisations offering skills leading to a qualification**



A number of organisations use their own internal certification programmes and also link to externally recognised qualifications as the quote below shows:

*“Our main e-learning is for product and technical training. The Certification programme is internal for Certified/Expert/Master level. Dealers must complete the training and the training element is written into our operating standards for franchisees. Apprentices do NVQ2 and 3 technician qualifications.”*

## What impact is learning technology having in the sector?

*“For the first time, we are able to measure the uptake of training across all our markets with one simple report”*

*“Many like to use the e-learning option as it’s less time away from business and easy to access.”*

### General benefits

The automotive sector is more likely to report efficiency savings than others (e.g. reduced time away from the job, reduced training costs, extended reach ). They are also more likely to report that they are able to respond faster to business change. However there are some lessons to be learned from other sectors that are more likely to report improved induction processes, improved quality and even faster rollout of products and services (a core driver for the sector.) Figure 11 highlights the general benefits reported by the sector compared with benchmark values.

Figure 11 Benefits achieved from the implementation of learning technologies



It is interesting to note that more organisations in the automotive sector report cost savings as a benefit but overall are reporting smaller cost savings than the benchmark average. This may be due to the tools and approaches taken.

### *Performance indicators – Automotive vs. benchmark*

We looked at a number of Key Performance Indicators that illustrate the positive impact that many are making on their business through the implementation of learning technologies. We provide feedback on the following Key Performance Indicators:

- Efficiency KPIs – calculated from those who provided specific feedback on efficiency through cost or time saving
- Business agility KPIs – calculated from those providing feedback on time to competency and speed of delivery.
- Reach KPIs – calculated from those who provided specific feedback on improvements to access and volume of learning delivered

The following table outlines how the automotive sector compares with the benchmark average and also against those in the top quartile of implementation behaviour as measured by the Towards Maturity Index (TMI):

	Indicator	Average for automotive sector	Benchmark Average	TMI Top Quartile*
<b>Efficiency</b>	Cost saved	10%	18%	20.7%
	Reduction in study time	27%	22%	27%
	Reduction in time to competency	Not measured, but reported as 'More quickly than before'	9%	12%
<b>Reach</b>	Percentage of employees using e-learning	69%	57%	76%

*\* Those realising the greatest impact from implementation of learning technologies as measured by the Towards Maturity Index (TMI)*

## Additional benefits

Despite the fact that many expect technology to deliver benefits, few organisations are specifically measuring the impact of learning technologies directly on those key areas and instead rely on estimates. We asked a series of questions to understand if these benefits could be quantified.

To simplify the response, we asked respondents to rate improvements as:

- Greater than 15% improvement
- Less than 15% improvement
- No change
- Not measured or not relevant

The answers were aggregated to provide a conservative estimate of improvement which could then be compared with other sectors from our benchmark average:

**Table 2 Tangible benefits from the implementation of learning technologies**

	Sector average improvement*	Benchmark average
Qualifications/certifications gained	9%	8%
Our measure of customer satisfaction	8%	8%
Our measure of learner satisfaction/engagement	11%	8%
Our ability to change procedures or products	8%	9%
Our efficiency in demonstrating compliance	9%	12%
We have extended the reach of our learning offering	11%	13%
Our ability to speed up the rollout of new IT applications	4%	11%

\* An improvement of >15% was treated as 15%; <15% was averaged at 7.5%, 'no change' was included in the number of responses for the average. Not measured were excluded.

Although the improvements noted are conservative estimates, over one third of companies were realising tangible improvements as a result of implementing learning technologies.

## Barriers to successful e-learning adoption

The top barriers to implementation of e-learning in the sector are

1. Unreliable ICT infrastructure/technical restrictions/firewall/low bandwidth
2. Insufficient learner access to computers to be worthwhile
3. Reluctance by line managers to encourage e-learning
4. Lack of knowledge about its potential use and implementation
5. = Reluctance by senior managers to adopt e-learning  
= Lack of skills amongst learners to manage own learning

Whilst senior and line managers were reluctant to promote e-learning, the Learning and Development staff were generally more willing to change than in other sectors. However this is not true across all trainers:

*"Some trainers are reluctant to change whilst others are embracing new methods"*

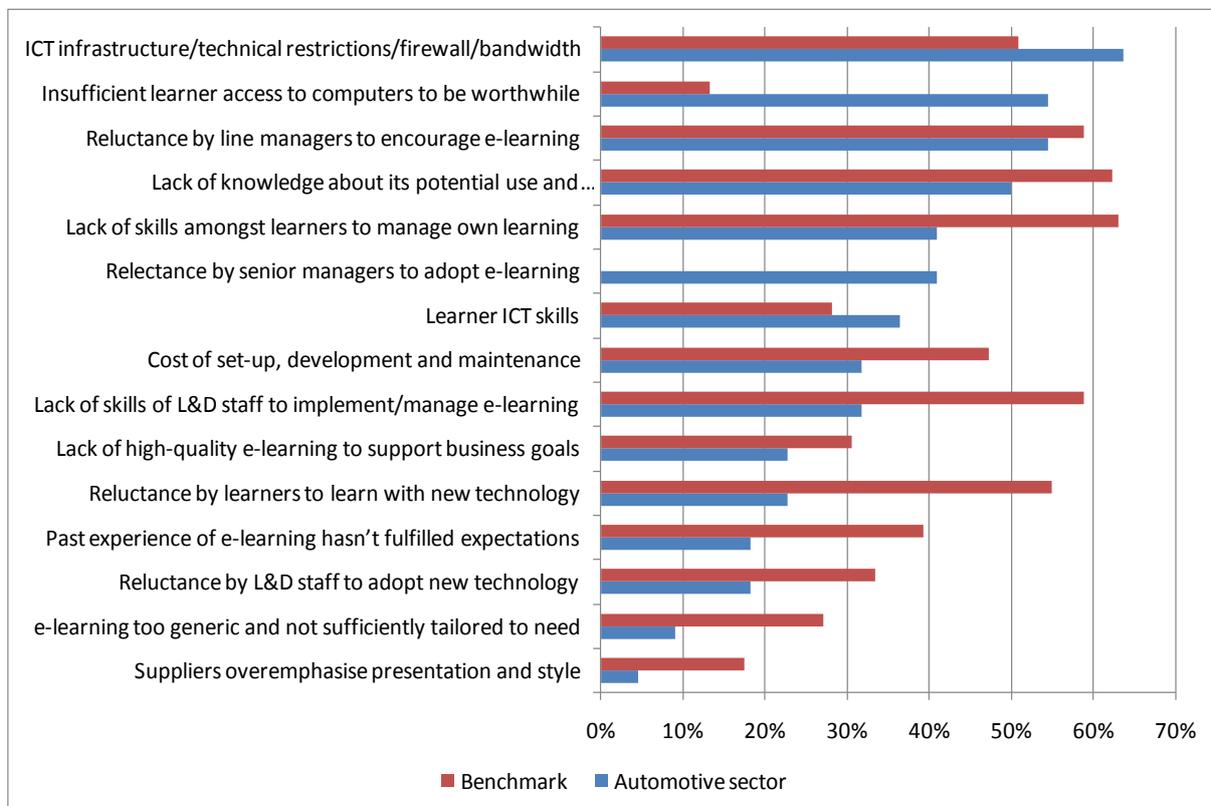
Access to reliable IT infrastructure and learner access to computers are greater barriers in the automotive sector than many:

*“At dealerside, many dealer owners do not allow technicians to do e-learning during business hours.”*

*“We have more engagement on customer facing courses than on technical based ones as technicians have less access to computers.”*

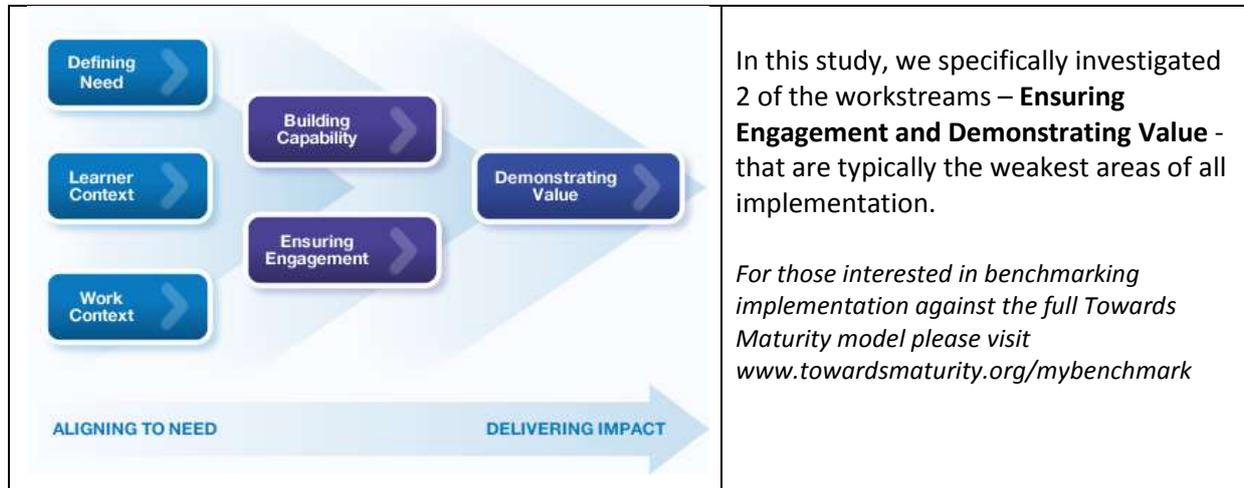
Many of the respondents were responsible for global learning operations and course translation was an issue as well.

**Figure 12 Barriers to implementation of learning technologies**



## Implementation

Over the years, Towards Maturity have identified 6 workstreams of implementation behaviour that influence ongoing success:



## Ensuring Engagement

The sector is gaining significantly more take up than other sectors so it is not surprising that the automotive sector is much stronger in the Ensuring Engagement workstream. Here are some examples of effective implementation practices that previous studies have shown to correlate to results:

- 81% provide local managers with resources and advice to encourage local engagement (compared with 19% of other sectors)
- 81% ensure that there is a communication plan in place for all key stakeholders
- 59% work with Senior Managers to endorse learning – although 2 other organisations reported trying this and it didn't work for them (compared to 29% of other organisations)
- 40% collect individual success stories and communicate them to users
- 31% target local training and HR staff to engage users (compared to 28% of other organisations that engage local champions)

Automotive organisations vary in the incentives offered to their dealer networks and to their learners to motivate them, and to ensure completion of programmes. This might be linked to, for example, future discounts for the dealers or to high quality reward and recognition programmes for the learner.

*"We set up programmes specific to a course to reward staff for passing the end test. This only applies to some courses. Some countries also use a points system to reward staff."*

*“We assign to dealer network training targets including e-learning penetration.”*

A range of strategies are in place for engaging learners. Respondents indicated they use a mix of carrot ....

*“We communicate the benefits of completing the e-learning, monitor who has completed and target those dealers who have not historically completed much.”*

*“Our Area Aftersales Teams are speaking to service managers to encourage them to allow technicians time to complete the training.”*

*“We have Competence Coaches locally.”*

*“We provide the possibility to skip some classroom training in case of online test success.”*

*“Show them and encourage via cost base analysis and proven sales results.”*

*“Create buy in for all new programmes and link to success stories.”*

...and stick!

*“Some brands make the course mandatory as part of a qualification route or Brand standards.”*

*“We link achievement of standards to bonuses.”*

## Demonstrating Value

100% of automotive organisations in this study are recording course registrations, course completions, course assessment results (where applicable) and qualification outcomes (where applicable).

When it comes to demonstrating value back to the business:

- 40% collect individual success stories and communicate them to users (compared to just 9% of other organisations);
- 75% report progress against Key Performance Indicators agreed for e-learning (compared with only 30% of the general benchmark). However, they are more likely to report against learning indicators than business indicators (see below);
- Half record learner satisfaction (which is about average compared with others) and only 13% are recording line manager satisfaction (19% of other organisations do this).

The Kirkpatrick evaluation method is being used in one organisation:

*“We report dealer access and course completion every two weeks to the senior managers so they can report back to their peers in the organisation to boost access figures. We also are planning to send the reports out to field area managers so they can follow-up on dealers which fall under their territory.”*

## Key Performance Indicators

Despite all companies using learning management systems, only 56% of respondents set specific KPIs for e-learning adoption. The most likely areas for monitoring include:

- Learner numbers (cited by 4 organisations)
  - Course participation
  - Number using e-learning vs. total population
  - Number completing a competency profile
  - Number of training days per individual
- Pass/completion rates (4)
  - Numbers gaining accreditation/score
  - Pass rate
  - Final assessment of each e-learning course
  - Course achievement
- Other areas monitored by one or 2 organisations include staff turnover, popularity of media, % knowledge transfer, sales or financial performance.

However, whilst many organisations are measuring the volume, take-up and reach of their e-learning programmes, there was less evidence that they are linking their e-learning KPIs to their overall business indicators.

For example:

- 50% link to product quality KPIs
- 36% to customer satisfaction KPIs
- 30% to dealer satisfaction KPIs
- 27% to customer retention KPIs
- 20% to sales performance/market share KPIs
- 11% to financial KPIs (turnover/costs/profit margin)

However on average 29% are linking learning results to business indicators.

In previous studies we have found that just 24% of organisations overall even identify specific business metrics with senior managers yet this activity consistently correlates to improved results.

## Budgets and business models

Most organisations have seen their overall training budget increase over the last 2 years, and anticipate further increase over the next 2 years. Most anticipate that the proportion allocated to learning technologies will also continue to increase.

Figure 13 Change in overall training budget

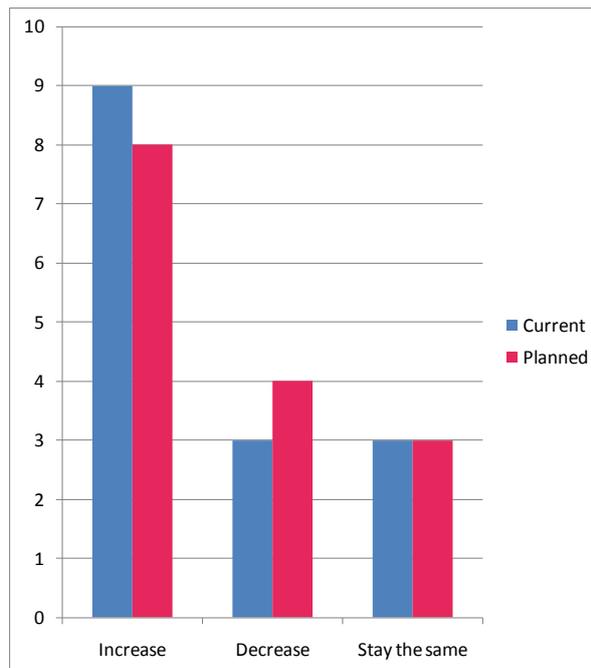
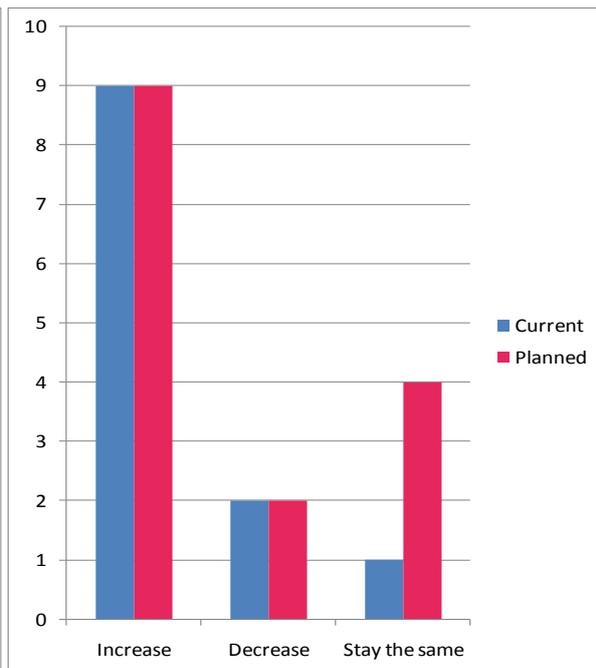


Figure 14 Change in % allocated to e-learning



## Working with dealer networks

12 manufacturers surveyed were responsible for providing learning centrally across a distributed dealer network.

- 5 have an annual charge to their dealers
- 4 have a monthly charge
- 2 based their charging on the number of active courses
- 1 provided this service free

*“We charge for use of our LMS system annually based on active users loaded - no charge for content.”*

*“Training levy – a set amount per dealer gives them unlimited access to LT and F2F courses for a 12 month period.”*

*“Dealers pay 200 Euros, but this could rebate to 100 Euros on completion.”*

7 manufacturers offer their learning platform and content to other users outside their captive networks:

- 2 have an annual charge to end users
- 1 has a monthly charge
- 3 base their charging on the number of active courses
- 1 provided this service free

*“Vendors - no charge; we charge a one-off 50 Euro access per independent dealer.”*

## Conclusions

### *Lessons that other sectors can learn from the automotive sector*

**Focus on business needs.** Many manufacturers in the automotive sector have been using e-learning for over 3 years, and learning technologies are well established in their organisation. Over time, much of this use has been to support key business training - product training and technical training for those in customer sales and service roles.

**Focus on learner needs.** The automotive sector is also ahead of other sectors in addressing learner motivation which may contribute to the higher staff satisfaction reported. For example, the sector is more likely to use skills diagnostics and competency management tools and often link success to achievement of industry-wide or company-specific qualifications.

**Developing content that is adaptable and meets local needs.** The sector is well ahead in terms of developing industry-specific learning content that is suitable for the highly technical and product-related nature of the skills demand. Over 50% are developing e-learning courses in-house using rapid e-learning tools. The translation/localisation strategies of many ensure that the content remains relevant at a local level.

**Learner engagement.** There is a significant focus on change management and communication with many dealer networks celebrating individual success and working with both line managers and local champions to ensure local engagement of staff.

This focussed attention on business and learner needs down to a local level, married with effective change management and communications has been remarkably successful. As a result, the automotive sector is ahead of others in terms of the audience levels accessing e-learning and the study time being saved as a result.

### *What can the automotive sector learn from others?*

There is considerable scope for development in a number of aspects of implementation that have been proven to have a major impact on organisational success. Whilst the automotive sector is strong in many areas, they are not quite in the top quartile of effective implementation practices which our research has shown makes a significant impact on results.

#### **Alignment with business strategy and engagement with senior managers.**

Whilst most reported measuring success in terms of learner numbers and programme achievement, this was not being related back to overall business goals. On average only 29% are linking learning results back to business KPIs.

#### **Integration of e-learning technology with other ERP systems**

Many of the learning management systems within the sector are still stand-alone so it is difficult to use the technology to help improve business alignment by integrating with data

from other systems. Other sectors are more likely to be integrating their platforms with ERP to improve reporting and integration with HR processes.

#### **Breadth of skills programmes delivered**

The sector lags behind others in delivery of the 'soft' skills of leadership and management, team-working, induction training, IT skills and customer service. This may be due to the excellent focus on company specific products but, now that learning technologies are more established, additional cost efficiencies might be made by extending the reach of skills programmes offered.

#### **Technology infrastructure and access to IT**

Many reported that IT was the greatest barrier to the roll-out of learning technology – either because of unreliable infrastructure or insufficient bandwidth, limited or no access to computers or the weak IT user skills of their target audience. This is an area that has been decreasing as a barrier in most sectors, for example, by using mobile devices to get around lack of access to computers for engineering staff in workshops during their working day.

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#### **Measurement of impact and demonstrating value**

Few organisations are monitoring the impact of e-learning on development and delivery costs, loss of productive time spent in training or time to competency. Whilst there was an overall shift towards increased use of online programmes and away from more traditional modes of delivery, it was not backed up by clear articulation of the comparative benefits.

#### **Informal and mobile learning**

Although one or two manufacturers are starting to use more social media and informal learning (for example, introducing user-generated content to their video channel), the sector is slow to adopt newer techniques such as podcasting and mobile learning which allow for more immediate sharing of good practice. Specifically, much could be gleaned from the IT /telecoms industry in the use of mobile and social learning for those interested in extending technical learning to their customers and beyond.

## About Towards Maturity

### Towards Maturity

Towards Maturity's benchmarking practice provides independent advice and support in applying learning innovation to accelerate business performance. Uniquely among research-based organisations in this space, Towards Maturity leverages the wealth of data provided by its ongoing benchmark survey – an internationally recognised, vendor neutral, longitudinal study based on the input of over 1200 organisations and 3000 learners since 2003. This benchmark powers an authoritative standard of measurement, the *Towards Maturity Index*.

The 2010-11 Towards Maturity Benchmark Report is available to all, free of charge, from [www.towardsmaturity.org/2010benchmark](http://www.towardsmaturity.org/2010benchmark).

### Benchmarking Centre

TM online benchmark centre applies everything we know about good practice to provide you with personal practical time saving advice. Taking you through a 3 step continuous improvement process, the Benchmark Centre enables you to build a unique snapshot of your organisation and then helps you to take the best actions to deliver positive business benefits.

[www.towardsmaturity.org/mybenchmark](http://www.towardsmaturity.org/mybenchmark)

### Towards Maturity Step Change Programmes

Towards Maturity Step Change programmes help organisations turn good ideas into good practice. They include:

- *Head Start - how to deliver better results, faster* [Find out more](#)
- *First Steps for Trainers* - - [Find out more](#)
- *Next Steps - building an effective e-learning strategy* - - [Find out more](#)

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