

Retail E-Learning: *What Works*TM

The Best of Both Worlds: Ensuring Corporate Consistency with a Locally Controlled New Hire Program

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Case Overview

The subject of this case study is a leading, national large-format retailer of home textiles, accessories and housewares. They operate over 400 stores in the U.S. and Canada and employ over 15,000 associates in these retail stores.

Challenge: Reduce costs and time away from the home store for new hire training, while maintaining high-touch, regional relationship-building learning activities.

The company prides itself on providing superior guest service, while maintaining low operating costs in order to provide an exceptional value to their customers. Their mission is to exceed the expectations of guests in every store, every day. The management team in each store is the most important asset in achieving store and corporate goals. In a fast-growing retail environment, they need to train their managers to provide this exceptional level of customer service consistently and cost-effectively in every store.

In 2003, this company embarked upon a new blended approach to consistently train new store managers on corporate policies, while developing key local relationships and applying store-specific procedures.

Business Problem: New Hire Training

Until recently, each store was responsible for training its own new managers. Most training was accomplished with an *apprentice model* where a new hire studied printed material, while observing operations in another store for several weeks under an experienced manager. A few months later, after working in their home store for awhile, new managers would go to a four-day classroom training course to fine tune their skills. There were several training challenges to overcome:

- **Time away from the job** – By the time a store hired a new store manager, that person was desperately needed in their assigned store. Having a new manager away from their home store for training purposes created unnecessary scheduling-related hardship on the other key employees in that store.
- **Need local management and control** – As is the case in many businesses, relationships are an important aspect for getting the job done. The company wanted to ensure that their training program helped new managers develop key relationships within their region; providing a support system for continuous growth and development. They also wanted to make sure that the responsibility for the training stayed with the local HR and store management teams, to ensure their buy-in and ownership of the program.

- **Insufficient learning transfer on-the-job** – Spending several weeks training offsite, before starting a new job, didn't consistently guarantee that new managers could perform the necessary tasks back on the job. Some new managers quickly assimilated the material; others needed more help to perform well after completing training. For those managers who needed more help, there were no formal opportunities to continue the learning experience back on the job and this was necessary to prevent employee turnover.
- **High Cost** -- The travel costs associated with this training model were high and left little or no budget for training more experienced store associates. The company wanted to provide development opportunities for existing employees, but needed to reallocate their budget dollars in order to do so. The cost of new hire training needed to be reduced to make funds available for developing and growing existing employees.

To consistently achieve exceptional service levels, this retail chain needed a solution to ensure that newly hired managers were receiving necessary skills and knowledge to run high performing stores. How could they revamp their management training program to reduce costs, while increasing consistency and effectiveness?

Solution: Blend Corporate E-Learning with Local Coaching

The solution was to build an integrated program which blends corporate e-learning with local coaching and in-store training activities.

New Blended Program: Corporate and Local

Under the new program, newly hired managers go through a 10-week self-study training program at their home store which includes local exercises. This program consists of:

- o Three to four hours of online training per week;
- o Worksheet-based *case studies* that learners research and complete in their own store, on key topics such as inventory, security and HR procedures;
- o Online knowledge tests to ensure key corporate material is mastered.

Solution: New hires complete weekly e-learning modules, along with local assignments that are reviewed and discussed with experienced regional managers

Program Overview

- Consists of 10 modules or on-line courses located on the LearnCenter.
 - New managers take one module per week for 10 weeks.
 - Existing managers take modules on an as needed basis.
- Concentrates on Business Analysis, Store Operations, and Human Resources.
- Is a blended learning solution consisting of:
 - Self-paced web-based courses
 - Practice case studies or exercises
 - Weekly discussion sessions with the GM
 - On-line tests
 - E-mails to DM

Store Training Program

Figure 1: Blended Program Overview

The store's General Manager (GM) is responsible for reviewing and checking trainees' exercises and worksheets every week. During this process, GMs spend time coaching new hires and teaching procedures and processes. As part of the online training, new hires must write reports that they submit to their District Manager (DM). These reports and subsequent discussions with the regional management team help form supportive relationships within the new manager's region. Regional relationships are a key aspect of retaining newly trained managers.

Integrated Infrastructure Provides Foundation for Blended Learning

This new approach, targeted at new store managers, made good use of the company's new learning infrastructure. Based on the LearnCenter® from Learn.com® (<http://www.learn.com>) this learning platform provided the company with the tools they needed to integrate a variety of materials into the in-store program.

Learn.com's LearnCenter provides a total solution for delivering and tracking all types of training programs, including e-learning, classroom and blended formats. It includes an easy-to-use development tool, registration, tracking, reporting, and a highly configurable user interface. According to the company's Manager of Learning and Organizational Development ...

"We chose Learn.com because they were able to give us a flexible and scalable solution. They were willing to work with us through the improvement and growth of our training programs."

Using the LearnCenter capabilities, the corporate training team was able to design and rollout a blended solution for new hire management training, as well as ongoing training opportunities.

On-the-Job Learning Transfers Skills Quickly

The beauty of this program is that the new hires are available in their own store to help with peak business periods, and they can complete their training modules during non-peak times. The new managers remember more of the material because they are applying the lessons learned to a situation in their own store as soon as they've completed a module. According to the program's Instructional Designer ...

"The transfer of learning to the job happens immediately with this program. Learners clearly see the relevance of the material to their jobs and learning is naturally reinforced."

Corporate Reporting and Local Control

From a corporate viewpoint, a key to success was the ability to monitor and track the results of this program across all stores in North America. Regional HR managers located in field locations work with District Managers to ensure that newly hired managers are trained. Each DM manages his or her own learning community comprised of all the personnel from the stores in their region. The DMs can see reports that show each person's progress and scores, as well as the compliance levels for their region. The corporate training team can see reports that show compliance by region, but they can also dig down to the store and the employee level if necessary. For any deficits, the corporate team creates action plans with the DMs to ensure that new store managers are well-trained.

| FIRST NAME | Store Oper | Status | Module A | Times Taken A | Module B | Times Taken B |
|------------|------------|---------|----------|---------------|----------|---------------|
| NELIA | 06/28/02 | 40.00% | 85 | 1 | 90 | 1 |
| RONALD | 06/28/02 | 40.00% | 90 | 1 | 100 | 2 |
| TODD | 07/20/01 | 0.00% | | | | |
| FREDERICK | 06/24/98 | 0.00% | | | | |
| ERIC | 06/24/98 | 50.00% | 80 | 1 | 80 | 2 |
| RAY | 06/24/98 | 100.00% | 95 | 1 | 90 | 1 |
| BRUCE | 10/24/03 | 50.00% | 95 | 1 | 90 | 1 |
| ANTONIO | 10/24/03 | 50.00% | 90 | 1 | 85 | 1 |
| JESSICA | 10/24/03 | 50.00% | 90 | 1 | 90 | 1 |
| ELIZABETH | 10/04/02 | 40.00% | 95 | 1 | 100 | 2 |
| ROBERT | 10/04/02 | 40.00% | 85 | 1 | 85 | 1 |

Figure 2: District Manager's Training Report

Local Activities and Exercises Build Key Relationships

Within the program, learners are instructed to do activities which help to develop relationships with their regional management team, including their DM. The screen shot below shows such an activity.

← Back
Exit ✖
Edit ✎
Next →



E-mail Your Area or District Manager

1. **Send an e-mail to your DM covering:**
 - Lessons learned in the module
 - How you will apply each lesson in your store
2. **Make sure to organize and compose the e-mail with a focus on the big lessons learned and action steps you will take. Keep it short.**
3. **Print and be prepared to review it with your GM at your end of module meeting.**

Listed below are some guideline questions.

- *What challenges are you having with performance management? Using the counseling process, have you been able to improve an associate's performance? What are you doing to help your best associates move to the next level?*

The courses include assignments which require learners to communicate with their local District Manager, driving local engagement within a consistent, corporate-wide methodology.

Figure 3: Local Exercises Build Key Relationships

Lessons Learned:

This Training Team learned some valuable lessons as they implemented this new blended e-learning solution.

- **Ensure buy-in at all levels of management** – Getting buy-in at the top is *not* enough for a program that requires structured mentoring from multiple levels of management. This team found that they needed to hold regional meetings with the District and General Managers to explain and sell this program to them. Even though their Vice President mandated the program, the regional teams needed to have the opportunity to discuss the program among themselves and instill a sense of ownership.
- **Custom reporting requires dedicated resources** – This retailer wanted to pair learning activity data from the LearnCenter's Report Builder with HR and sales data in order to prove the business value of the training. They found that doing this type of custom reporting required 40-50% of a database analyst's time to produce the monthly reports and it required the purchase of additional software (Cognos Impromptu). Now that the custom reporting solution is in place, the time required is decreasing, but it is still substantial.
- **On-Site pilots provided valuable insight** – During the pilot, the training team went to the work environment to observe the training in action and they learned some valuable lessons. They observed that the computers in the stores were used for many tasks, such as inventory, work schedules and email for the entire store. At times, the lack of additional computers made it difficult to use the computers for training. During the pilot, the team learned that the best time for new managers to take training was before the store opened in the morning and that they needed to make a business case for additional computers in each store.
- **Existing managers benefit too** – Some new store managers who have been with the company for more than three months like to take the e-learning modules as needed to refresh their knowledge about infrequently performed tasks.
- **Consistency with a personal touch** – Combining e-learning with local coaching and mentoring was the perfect solution to train to consistent corporate policies while developing the relationships that are necessary for support, belonging and continued professional growth.

- **Provide Leader's Guides for mentoring managers** – As the team piloted the program, they noticed that the managers who provided mentoring, coaching and oversight of the training activities needed some additional guidance. They suggest creating Leader's Guides for the managers who oversee the program. The Leader's Guides should include:
 - * Overall goals for the program
 - * How to ensure employee completion of the program
 - * Overview of individual modules with discussion questions
 - * Exercises that trainees need to complete
 - * Guidelines for reviewing their assignments

Benefits of an Integrated Learning Platform

This retailer chose the Learn.com LearnCenter product because it is an all-in-one, out-of-the-box training infrastructure solution that includes:

| Integrated Learning Platform | |
|--|--|
| Learning Management System | Administers, tracks and reports on online and in-person learning activities |
| Easy-to-Use Content Development Tool | Provides ability to create custom courses and assessments without being a Web development expert |
| Content Management System | Deploys custom content, off-the shelf courses and legacy training all in one environment |
| Training Portal and Portlet Development Tools | Creates a customized user experience for each department or region, including prescriptive tools, discussion boards and chat rooms |

Figure 4: Integrated Learning Platform

This retailer found that implementing the Learn.com LearnCenter has provided many benefits to the organization.

- **One-stop Service and Support** – the LearnCenter is a complete learning infrastructure solution. There's no need to shop for and implement each component of a solution (LMS, LCMS, Authoring tools). According to the training manager, "the best part was that we didn't face the integration issues that are inevitable with buying products from multiple vendors. And Learn.com provides us with excellent service and support."

- **Low overhead** – This company has a small training team of seven people to serve an audience of over 15,000. The Learn.com LearnCenter solution could be realistically implemented with a small team. No additional consultants were necessary to get the LearnCenter up and running.
- **Hosted solution made startup fast** – Since e-learning solutions were relatively new for this retailer, they chose to have their LMS hosted completely by Learn.com. Over time they plan to move the system in-house. This hosted approach allowed them to get up and running very rapidly, without the need to hire or train IT personnel.

About Us

Bersin & Associates is a leading provider of corporate and vendor consulting services in e-learning technology and implementation. With more than 20 years of experience in e-learning, training, and enterprise technology, Bersin & Associates provides a wide range of services including product development, product marketing, industry research, corporate workshops, corporate implementation plans, and sales and marketing programs. Some of Bersin & Associates' innovations include a complete methodology for LMS selection and application usage, an end-to-end architecture and solution for e-learning analytics, and one of the industry's largest research studies on blended learning implementations. Bersin & Associates can be reached at www.bersin.com or at (510) 654-8500.