Build a Bulletproof Business Case for Digital Learning for the Employee Journey

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Build a Bulletproof Business Case for Digital Learning

Start with the "WHY"

Why?

Why do we need digital learning for the entire employee journey?

This is the first question; you must ask yourself. Will it improve your workday, when you must onboard new people? Yes, maybe. But more important: How will digital learning for the entire employee journey benefit your organization as a whole?

In your corporate strategy you might already have set goals to:

→ Improve employee engagement
→ Attract and retain talents
→ Make sure that everyone is compliant with the newest regulations
→ Reduce time to performance for new employees
→ Or simply providing employees with the right skillset to do their daily work tasks - or maybe do them better in a world where digital transformation demands for constant updates of our skills

With the right digital learning and platform for the employee journey you can come closer to tick off these five bullet points. And this you can underline in front of management to make them say yes.

The challenge today

One of the biggest challenges for companies today is to attract and retain talent. **During 2022, 50% of Swedes planned to change their job.** In Denmark 850.000 people switched jobs in 2018, which makes Denmark to the country with the second highest employee turnover in Europe. At the same time, 94 percent of employees worldwide say that they would stay in a company longer if the company invested in their learning and development, according to LinkedIn Workplace Report.

Go to Market and Do a Background Check

Do you already have a particular LMS or maybe a Learning Lifecycle Platform in mind for your digital learning? Or are you full on investigating the market for potential candidates?

When you build your business case it is very important, that you have your needs in sight, and if the potential platform can fulfil them.
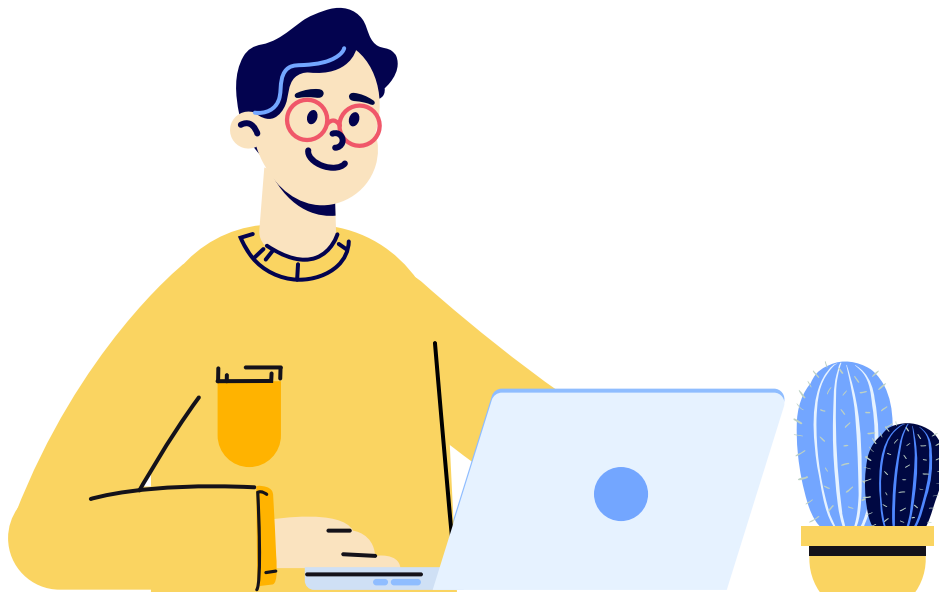
Questions you can ask:

→ Do I want to use the platform in all aspects of the employee journey? Both when it comes to pre – and onboarding, growth and development, reboarding, and offboarding?

→ Will the platform be compatible with the software and systems I already use? Or will the integration be tricky?

→ Is the platform user-friendly and ready for our audience that should use it?

The more solutions you can see to your challenges, the better pitch for the top management.

Remember to balance

Easily, you can become blind in terms of all the features and details that come with the different LMS-systems. We understand. It is easy to fall in love with a hot feature, even though you don't have the need for it. Maybe you've already done the excel-sheet above them all. The intention is fair enough. You want to give the top management a perfect overview. But the efforts often open even more questions, and the discussions can become more and more detailed. Do you often enable yourself to over-research the possibilities? Then there is another way to go.
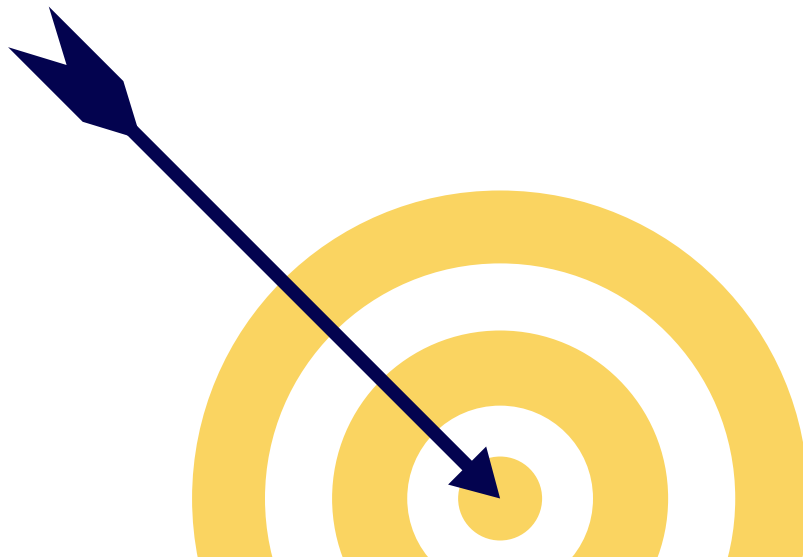
Do a background check of the potential candidate

If you already have a candidate in sight, then go straight to them. Ask them your questions:

→ Do they have examples on experiences from the same industry, that your organization comes from?

→ And in that case – what went well, and what went bad?

→ Have they fulfilled specific wishes from customers in the past?

→ And what are the future needs?

→ Do their future perspectives go along with your company vision?

All of this is gold to you. And this form of background check will give you the vibe if you are on the right track.

Meet your New Collaborators

You will probably have meetings with the people behind the different learning platforms and systems. When it comes to that, there are some considerations that are worth taking with you.

First impression

Now, the time has come to invite to the first meeting. It is often here, you get an impression of the vendor behind the learning platform, while you, at the same time, try to get an overview of all the stuff the technology can do for you. Take a breath. You can probably ask the vendor to help you with the right information and overview. And remember, the stuff you forget to ask about, you can pick up by mail or by a phone call afterwards.
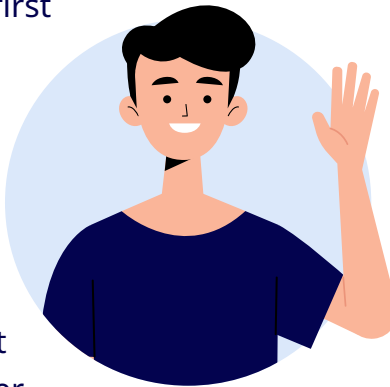
Don't forget your colleagues

Consider if you should go solo for the first meeting. Sometimes it can be an advantage to form your own impression. On the other hand, there can be stakeholders, who will put a great deal to come along from the beginning.

Maybe there is a manager or a colleague who is crucial for the project to come to life? It could also be an IT employee who must work with the vendor after signing the contract. Just by getting the invite to the meeting can be crucial for the collaboration to run smoothly.

Neither forget the employees who must work in the platform. You can invite them too, and they will probably have valuable inputs, be curious, and really appreciate coming along.

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Be Critical

The thrill will never stop. You have fallen completely in love with a specific LMS solution. What now?

Now, it's time to rewind and become critical again. Does the system fulfil your needs? Or are we talking about a hot bundle with content, that you will never use? Like with the first step, you must have your needs in sight. But this time, instead of comparing different vendors – you can zoom in on your favourite vendor. Maybe, something is missing? Ask for a price right away and avoid unpleasant surprises, that will put strains to your budget later.

Go back to the vendor, and get a dialogue about the final questions, that you are dying to ask. Your business case is strongest, if you have analysed the different challenges with the platform and vendor, and now, you automatically make the challenges smaller.

Get the Calculator

No business case without calculating ROI (Return On Investment): What will the company get from investing in the new technology?

Specifically, you can investigate two examples on onboarding and skills development and adapt it to your company.

Calculate the effect of your onboarding

What is the cost?

This sentence you might have heard a couple of times from management, when you wanted to provide better onboarding of new employees.

Onboarding can be tricky to calculate, and maybe you already mentioned to management, for example:

→ Organized onboarding increases employee engagement

→ New employees are more likely to stay in a company after three years if they were onboarded in an organized way

→ Time-to-performance is much faster when the employee has a good onboarding process

And the last is exactly what we will give a simple calculation model for, so, you can provide the answers to what organized onboarding can save you in cold cash. Look at our calculation example on the next page.

The Onboarding Calculator

Usually, it takes an average newly hired employee about five to six months to become fully productive. A new hire must, however, still have the entire pay for that period, even though the productivity level is only:

25 % the first month

50% in the second and third month

75 % in the fourth, fifth, and sixth month

Which gives a total loss of productivity in the time period for 41.7 %. But this is if the employee has not had an organized onboarding process.

Instead, if they had organized onboarding in the process, the loss of productivity in the time period would only be: 29.4 %* And with preboarding on top of that: 27.4 %.

If an employee has an average salary of €4.000 it will save your organization for each employee for a half a year:

€2950 with structured onboarding

€3430 with structured pre – and onboarding

Download the onboarding calculator next to this paragraph and insert what an average pay is in your organization. Next you will see what it can save you for each employee to invest in both pre – and onboarding.

In Learningbank we had specific cases, where we could see an improvement between 30 % and 40 % and therefore, our calculator is based on the 30 % with the opportunity to create even bigger savings for each employee.

Download Excel calculator for onboarding or try the **online version**

Download 📥

Read our guide to great onboarding **here**

*Sources: Several sources explain that you can increase productivity for new hires with up to 50 % or more with organized onboarding, for example: Forbes, Urban Bound, and SHRM.

Skills Development with Digital Learning gives Better Finances

When you digitalize your learning, it has a clear financial advantage.

If you for example want your employees to have great knowledge about your products, then it can easily get expensive to send all employees on classroom training courses, if employees are spread to different locations. With a learning platform these resources are saved.

Besides – the learning team spends a lot of their time on logistics and planning, and then only half of their time go to what they are best at – creating effective learning. A digital learning platform can change this for the better.

Potential Saving with Investment in a Digital Learning Platform

We imagine a company twice a year send their 75 shop managers for a 2-day course in new products/campaigns. Here, you can see the savings and advantages by investing, instead, in a digital learning platform.

Typical expenses by traditional training:

Transportation expenses:	
€250 x 75 employees	€18.750
Loss of working hours:	
4 days (32 hours) x 75 employees x hourly rate at €25	€59.500
Total:	**€78.250 a year**

Advantages

→ Instead, everyone get the training digitally by entering a learning platform

→ The learning team or HR can do a close follow-up on how many who complete the training, and see where training could be improved

→ Employees get fewer traveling days a year

→ Less planning and less administration release more time and more resources to create effective learning

Want to start your case right away? **Download your Business Case Template now.** 📩

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