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# MAKING A CASE FOR A
# TRAINING VIDEO BUDGET

# Contents

3 Introduction

5 Statistics on training video effectiveness & growth

7 Presenting your business case for training video

10 Summary

11 About the author

# Introduction

This pdf is designed to help you make a stronger business case for the training video project you have in mind.

Let's start with the fact that great training videos make a big difference to people's lives, and the organisations they work for.

Training videos are remembered better than almost any other media - more on this later.

Looking broadly, a training video will help you:

- **facilitate change** in an easier way
- **instruct** in new ideas
- **make life better** for customers and staff
- **provide a more effective springboard** for new starters & contractors/ temps
- quite literally **help save lives** in the case of safety videos

All this adds up to multiple improvements to the bottom line.

Some of these improvements will be measurable as money performance figures

- and some will spread out as overall productivity or process improvement gains.

Today, every industry uses training videos, from retail to construction to manufacturing and commerce, and of course government, local government, universities, health services and all.

But how does knowing this help make a case for you winning a training video budget?

How can you prove that training video is more effective than traditional manual learning systems? Or powerpoint presentations?

**Let's review some stats on training video that may help you build your case.**

# Statistics on training video effectiveness & growth

In 2011 e-Learning was merely a $56.2 billion industry (elearning industry)

By 2015 this had grown to over $100 billion.

We also know that more people now use video than paper manual instruction

- because *"The students in video condition had higher learning outcomes than the manual groups."* Rijpkema (2011)

## DO PEOPLE REMEMBER VIDEO?

Recent data from the SAVO Group reveals a surprising story regarding information retention.

*"Just 7 days after a training session, the average employee will have forgotten 65 percent of the material covered. What's worse — after six months, that number jumps to 90 percent.*

*However .... Presentations that include visuals like video .... become a staggering 83 percent more effective when those tests are delayed."*

We interpret this as saying that video training is better remembered over the long term, and is not so dramatically forgotten as SAVO's data on paper-based training suggests.

## WHO ELSE USES TRAINING VIDEO

Video training has the case study endorsement of Fortune 100 blue chips like IBM and Microsoft.

It has the research-driven support of leading analysts at Forrester, Bersin, and Gartner. It even has the full adoption of the Learning & Development (L&D) industry.

Many of the world's leading L&D associations include video as a core facet of their own member training, onboarding, promotion, and communications.

# Statistics on training video effectiveness & growth

## VIDEO REDUCES THE COST OF EMPLOYEE TRAINING

This applies especially for larger organisations, with multiple offices or locations, or those with widespread channel or retail distribution points.

A huge part of your training budget every year may be earmarked just for the expense of getting your team in front of your audience.

Traditional classroom-based training events, travel and lodging costs average upwards of 40 percent of the total event cost.

Single site companies or organisations may not be able to capitalise on the big savings from eliminating trainee travel - but they often benefit in terms of time saved.

For example, video training is typically quicker than manual training.

Say it reduces the classroom time by 30 minutes per employee. Over a period this will result in a substantial number of man-hours saved merely by reducing classroom attendance time.

**1/3rd** of companies are increasing their budget for learning and development.

**41 percent** of companies describe their culture as "Controlling."

**Only 10 percent** of companies are leveraging mobile learning solutions.

**59 percent** of companies are leveraging social learning activities.

# Presenting your business case for Training Video

To produce a business case this I've referenced Project Smart's approach to making business cases.

## STEP 1: THE "AS IS"

If you don't document your As-Is state then

- any gains & improvements you make by deploying training video cannot be measured
- any gains & improvements you make will not be attributed to using video

To document your As-Is condition,

- **evaluate your business model** with reference to your training needs
- **interview your workforce** and find out what's actually happening regarding training issues.
- **follow a day in the life** of workforce members directly involved in your training plans
- challenge your traditional assumptions & ideas

**Make your As-Is case as simple and numerate as possible, highlighted by verbal employee feedback, and line manager feedback.**

# Presenting your business case for Training Video

## STEP 2: THE "TO BE"

Here's where you can set out what your training video project will do for the business.

Be sure to carefully document all the things that your training video will do for the business.

And be prepared to challenge traditional assumptions, possibly aided by the data & statistics provided above.

## STEP 3: GOING FROM THE "AS IS" TO THE "TO BE"

Show the journey from start to finish as a high level overview.

Broadly indicate resources & time needed.

Show decision makers and stakeholders how they can help make your ideas happen, ie, what you need from them.

# Presenting your business case for Training Video

## STEP 4: THE RETURN ON INVESTMENT

Contrast As-Is and To-Be states to highlight the performance & productivity improvements you expect your training video to deliver.

This needs to be expressed as ROI.

Until the ROI is clearly set out you haven't answered the questions about how your training video will help the business.

Whether you're looking at improved productivity, better processing, less accidents, reduced risk, happier customers, you need to set out all these performance benefits clearly.

If you can quantify any of this as hard numbers your case will be much stronger.

**The harder the numbers, the better the case.**

# Summary

- Training Video will save you time and money because it's more impactful today and better remembered months from now.
- Industry leading companies are using training video for these very reasons
- There is a wealth of data to support this view.
- Follow the four steps of As-Is, To-Be, going from As-Is to To-Be, ending on ROI.
- Use hard numbers wherever possible to make your case.

## If you'd like to know more:

Visit our website:
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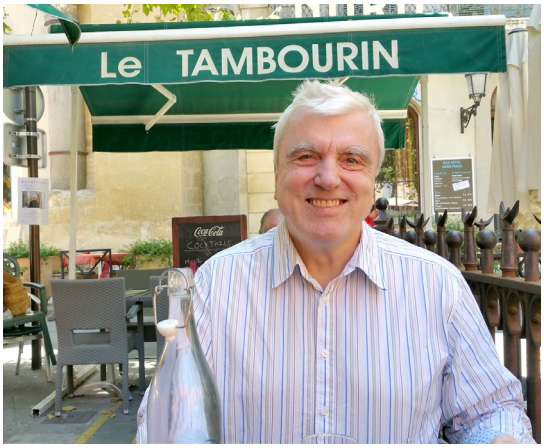
# About the author




**Kevin Rossiter, Head Producer at Studio Rossiter,** has been producing training videos non-stop for 26 years.

With 11 video & multimedia awards to his credit, he's produced a number of resource guides for training & safety managers.

Kevin is married with 4 children. His passion is writing music when he's not busy travelling.

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