

Adobe Captivate Prime Enables Improved Employee Experience And Learning Effectiveness

Behind the most advanced technologies and efficient processes of successful and customer-obsessed companies are the employees that use those technologies and run those processes. Part of creating and maintaining a world-class employee experience (EX) that can attract and retain talent is an emphasis on learning and continued talent development. However, many training programs use long and dry classroom trainings and typically focus only on an employee's immediate job responsibilities and related tools. Only 53% of customer-obsessed businesses elevate employee training to include customer values, motivations, and goals, and only 33% require soft-skills training for customer-facing employees¹.

Building a successful program extends beyond training for new hires. It also includes introducing new skills and ideas to existing staff. For example, MasterCard brings in external trainers to make sure even employees with decades of experience get the most updated digital and social media skills¹. A large Indian system integrator, which already has a strong digital background, targets more than 30,000 employees for design thinking training in partnership with the Stanford University Institute of Design².

To deliver a training program in an organized, personalized, and cloud-accessible method without having to recreate training materials, Adobe offers Adobe Captivate Prime as a learning management system (LMS) that can manage both online and offline initiatives. Forrester Consulting conducted a Total Economic Impact™ (TEI) study to provide readers with a framework to evaluate the potential financial impact of Adobe Captivate Prime on their organizations. To better understand the benefits, costs, and risks associated with this investment, Forrester interviewed a market agency with experience using Adobe Captivate Prime.

The interviewed Adobe customer has used the solution for one year and provided feedback on its experience and certain metrics. Below is a summary of both interview findings and Forrester's suggested framework for build a business case for Adobe Captivate Prime.

Return on investment = (Total benefits - Total costs)/Total costs

Total benefits = (Improved employee performance*attribution rate)

- + Impact on training effectiveness and assessment time
- + Impact on employee experience and retention
- + Impact on LMS cost effectiveness
- + Impact on organizational compliance and security

Total costs (upfront and ongoing) = Annual license + Internal implementation time and effort + External professional licenses

SUMMARY

Based on a commissioned study, "The Total Economic Impact Of Adobe Captivate Prime"

METHODOLOGY

The objective of the TEI framework is to identify the cost, benefit, flexibility, and risk factors that affect the investment decision. Forrester took a multistep approach to evaluate the impact of Adobe Captivate Prime, including interviews with Forrester analysts, Adobe stakeholders, and one Adobe Captivate Prime customer. Forrester constructed a conceptual financial model using the TEI methodology as the interviewed customer needed more time and data for post-investment justification.

CUSTOMER ORGANIZATION

Forrester interviewed a large marketing agency for this study.

RISK ADJUSTMENT

Forrester risk-adjusted the financial model based on issues and concerns of the interviewed organization to account for uncertainties in benefit and cost estimates. Risks are noted in the conceptual model.

Benefits. Readers should consider the following benefit categories and related sub-benefits when building a financial model:

› **Impact on employee performance – How much better are my staff performing in their roles in the months after attending training?**

- Staff performance in specific tasks before/after training course/regimen
- Staff performance in specific tasks after training course/regimen as compared with staff who did not complete course/regimen
- Composite/average annual/quarterly/project review scores/ratings
- Ability to take on more work/accounts/oversight of larger teams
- Improved upwards/peer feedback
- Incremental tasks executed, sales closed, projects, completed
- Quicker time to execute
- Linear attribution can be obtained by listing out major factors affecting performance and then distributing attribution evenly. For example, employee performance could be affected in this case by the LMS, course material, or hiring process. With linear attribution, each factor would be credited 33% of the benefit value.

› **Impact on training effectiveness – How much quicker are staff completing courses with same or better training results?**

- Courses available/taken
- Assessment time and failure rate
- Course grades (assuming there is a quiz/test to recap/review learning objectives)

› **Impact on employee experience – How much will my employee satisfaction score and retention rate improve?**

- Employee satisfaction score
- Employee retention rate

› **Impact on LMS cost effectiveness – How much does this LMS solution cost versus my legacy or alternative solution?**

- Cost of LMS (initial license, recurring)
- Cost to deploy (time, effort, professional services, additional hardware/software)
- Cost to maintain
- Cost of legacy/alternative
- Previous or alternative/competitive technology solutions
- If no previous technology in place, then the time/effort for any ad hoc, manual, or temporary training administration (spreadsheets, emails, post its)

› **Impact on organizational compliance, ethics, and security – How much safer am I against fines, penalties, lawsuits, and security breaches?**

- Industry-related regulations/compliance (HIPAA, Sarbanes-Oxley, etc.)
- Ethics (cross-selling models, sharing client data, etc.)
- Security (phishing emails, ransomware, etc.)
- Potential fines, penalties, lawsuits, audit costs for non-compliance
- Course completions and grades

“Our organization has rolled the solution out to the 600 core US staff and it has made our training more flexible and digestible for employees – which makes them more attentive and the training more effective.”

-- Large US marketing agency



“With this LMS solution in place, employees can now cross-train and learn competencies outside of their role more easily. If a non-core sales affects even 1% of new pipeline, this will be a positive ROI.”

-- Large US marketing agency



“Adobe Captivate Prime has allowed us to reduce the frequency of some in-person workshops. This has given us at least 1 week of time back each month for senior staff, who are typically training leads.”

-- Large US marketing agency



Costs. Readers should consider the following benefit categories and related sub-benefits when building a financial model:

- › Solution provider license cost.
- › Upfront external implementation/professional services cost.
- › Upfront internal implementation/manpower cost.
- › Potential additional hardware/software components needed for integration.
- › Ongoing internal maintenance costs.
- › Ongoing external maintenance costs.
- › Training program content development costs (consider partial costs).

Example Business Case

Benefit 1 - Improved Employee Performance

Employees participating	1,000
Opportunities per month, per employee before course completion	10
Pipeline building improvement	5%
Opportunities per month, per employee after course completion	10.5
Total incremental opportunities per year	6,000
Average conversion rate before course completion	3%
Conversion improvement	50%
Average conversion rate after course completion	4.5%
Average deal size	\$5,000
Attribution rate	33%
Value of improved employee performance	\$445,500

Risk-adjustment for uncertainties and data variability 10%

Value of improved employee performance (risk-adjusted) \$400,950

Benefit 2 - Impact on Training Effectiveness

Average minutes to take one course and assessment	60
Assessment time proportion	25%
Pre-Adobe average rate of success for assessments	80%
Employees participating	1,000
Extra minutes spent retaking assessments	3,000
Post-Adobe average rate of success for assessments	95%
Minutes saved per course	2,250
Average courses taken per year	5
Average fully loaded salary	\$65,000
Value of impact on training effectiveness	\$5,859

Risk-adjustment for uncertainties and data variability 10%

Value of impact on training effectiveness (risk-adjusted) \$5,273

Benefit 3 - Impact on Employee Experience

Employee retention rate without virtual/mobile training options	80%
Employee satisfaction rate without virtual training options	75%
Employee satisfaction rate with virtual/mobile training options	78%
Employee satisfaction rate gain	3%
Impact to retention rate	1.5%
Employee retention rate with virtual/mobile training options	81.5%
Employees participating	1,000
Incremental employees retained	15
Hiring and onboarding cost per employee	\$4,000
Value of impact on employee experience	\$60,000

Risk-adjustment for uncertainties and data variability 10%

Value of impact on employee experience (risk-adjusted) \$54,000

Benefit 4 - Impact on LMS Cost Effectiveness

Cost to build legacy LMS	500,000
Cost to maintain legacy LMS per year	\$65,000
Total cost of legacy LMS	\$565,000
Total cost of Adobe solution	\$400,000
Value of impact on LMS cost effectiveness	\$165,000

Risk-adjustment for uncertainties and data variability 10%

Value of impact on LMS cost effectiveness (risk-adjusted) \$148,500

Benefit 5 - Impact on Organizational Compliance, Ethics, and Security

Cost of non-compliance due to fines and lawsuits	\$250,000
Cost of incremental audit fees	\$150,000
Cost of potential data breaches	\$100,000
Value of impact on organizational compliance, ethics, and security	\$500,000

Risk-adjustment for uncertainties and data variability 10%

Value of impact on organizational compliance, ethics, and security (risk-adjusted) \$450,000

Cost

Annual license	User defined
Internal implementation hours	User defined
External professional services	User defined
Total upfront and year one cost	\$400,000
Risk-adjustment for uncertainties and data variability	10%
Value of improved employee performance (risk-adjusted)	\$440,000

Return on investment (one year) 141%

Consider Future Opportunities When Investing Today

The value of flexibility is clearly unique to each customer, and the measure of its value varies from organization to organization. Here are some questions to consider when evaluating the future value of a solution:

- › Communicate the values needed in a LMS.
- › Assess what you have and need for the future – map learning activities to technologies and avoid duplication.
- › Assemble a steering committee to drive the future vision.
- › Determine the business requirements and build a business case.
- › Identify potential vendors and evaluate general briefing information, implementation approach, pricing, documentation, and both virtual and in-person testing.
- › The future may include algorithm and recommendation engines to personalize training content as well as delivery methods that may extend into virtual and augmented reality – ask yourself whether you will need those into your requirements³.

Flexibility, as defined by TEI, represents an investment in additional capacity or capability that could be turned into business benefit for a future additional investment. This provides an organization with the "right" or the ability to engage in future initiatives but not the obligation to do so.

Disclosures

The reader should be aware of the following:

- › The study is commissioned by Adobe and delivered by Forrester Consulting. It is not meant to be a competitive analysis.
- › Forrester makes no assumptions as to the potential ROI that other organizations will receive. Forrester strongly advises that readers use their own estimates within the framework provided in the report to determine the appropriateness of an investment in Adobe Captivate Prime.
- › Adobe reviewed and provided feedback to Forrester. Forrester maintains editorial control over the study and its findings and does not accept changes to the study that contradict Forrester's findings or obscure the meaning.
- › Adobe provided the customer names for the interviews but did not participate in the interviews.
- › This document's sample business case is a representation of assumptions and several inputs from the customer interview. It is a conceptual model and does not represent the interviewed customer's business case or actual metrics.

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ABOUT TEI

Total Economic Impact™ (TEI) is a methodology developed by Forrester Research that enhances a company's technology decision-making processes and assists vendors in communicating the value proposition of their products and services to clients. The TEI methodology helps companies demonstrate, justify, and realize the tangible value of IT initiatives to both senior management and other key business stakeholders. The TEI methodology consists of four components to evaluate investment value: benefits, costs, risks, and flexibility. <https://go.forrester.com/consulting/content-marketing-consulting/>

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¹ "Talent Management For The Customer-Obsessed Organization." Forrester Research, Inc., July 22, 2016.

² The Stanford University Institute of Design is more commonly known as the "d.school."
Source: "30,000 Infosys staff to be trained on design thinking," The Times of India, November 13, 2014 (<http://timesofindia.indiatimes.com/tech/jobs/30000-Infosys-staff-to-be-trained-on-design-thinking/articleshow/45136302.cms>).

³ "How To Select A Learning Management System." Forrester Research, Inc., May 31, 2016.