

Building the Perfect Business Case for VILT to Win Over Senior Management



Introduction

Introducing a new training strategy to senior management is never an easy task. Although there is a pretty standard structure for making a business case, a lot actually depends on the way you bring data together to tell a simple, yet, compelling story that sells “upstairs.”

Two earlier eBook we published on [Virtual Instructor-Led Training](#) (VILT) focused on [what makes a successful VILT](#) and [how to adapt traditional content into VILT format](#). Now that we have those two stages established, it's time to move on to the next stage – how to make the perfect business case for [VILT](#) that will win over senior management. After all, in order to implement VILT in your organization, you need senior management convinced this is indeed what the organization needs. The first step to doing so is by addressing three main executive concerns:

1

Why?

2

How?

3

Prove it!

In this article, you will find a comprehensive guide to answering these concerns to get your executives on board as to why VILT pays off, big time.

Outline

To make the perfect business case for Virtual Instructor-Led Training, you'll need to design it to address specific pain points and concerns. But, before you start showing numbers, figures and ROI calculations, take a moment to consider the basic arguments in your case: in order to address the three executive concerns discussed above, start with this outline to help you make a coherent "story."

Why?

- Benefits over other available training methods
- Cost analysis compared to other available training methods
- The risk of NOT implementing VILT in your organization
- ROI based on a cost vs benefit analysis
- Social proof: Case studies

How?

- The challenge: A right and wrong way of designing and giving VILT courses
- What makes a successful VILT
- How to adapt traditional content to VILT format

Prove it!

- Define your KPIs
- Demonstrate VILT on a sample group
- Track performance & measure results

VILT benefits over other training modalities

You already know VILT is probably the best method around, now you just need to show it to your executives. Start with the simple facts.

1 Present the challenges of delivering effective organizational training using traditional classroom methods in this era

As of 2018, about [70% of the global workforce worked remotely](#) at least once a week.

Post 9/11 'Millennial' generation's difficulties with [retention and engagement](#).

2 Show basic data on the organizational and individual benefits of moving on to [cloud-based virtual training](#)

Research shows that [every dollar invested in online training yields \\$30 in productivity](#).

[72% of organizations](#) report online training helps them stay on top of changes in their industry, thus increasing their competitive edge.

Online training participants could [learn nearly five times more](#) material in the same amount of time as traditional classroom training.

Companies that utilize online learning technology achieve an [18% boost in employee engagement](#).

Virtual training has the power to [increase information retention rates by as much as 60%](#) – up from an 8 to 10% retention rate for traditional corporate training methods.

Benefits Beyond Numbers

3 Explain why VILT surpasses all other training methods in every relevant respect.

Effectively combines the strengths of [instructor-led training](#) with the convenience of eLearning

Increases interaction among participants and between student and teacher

Provides flexibility to participate from anywhere around the world

Greatly improves student engagement, both physically present and far-away participants

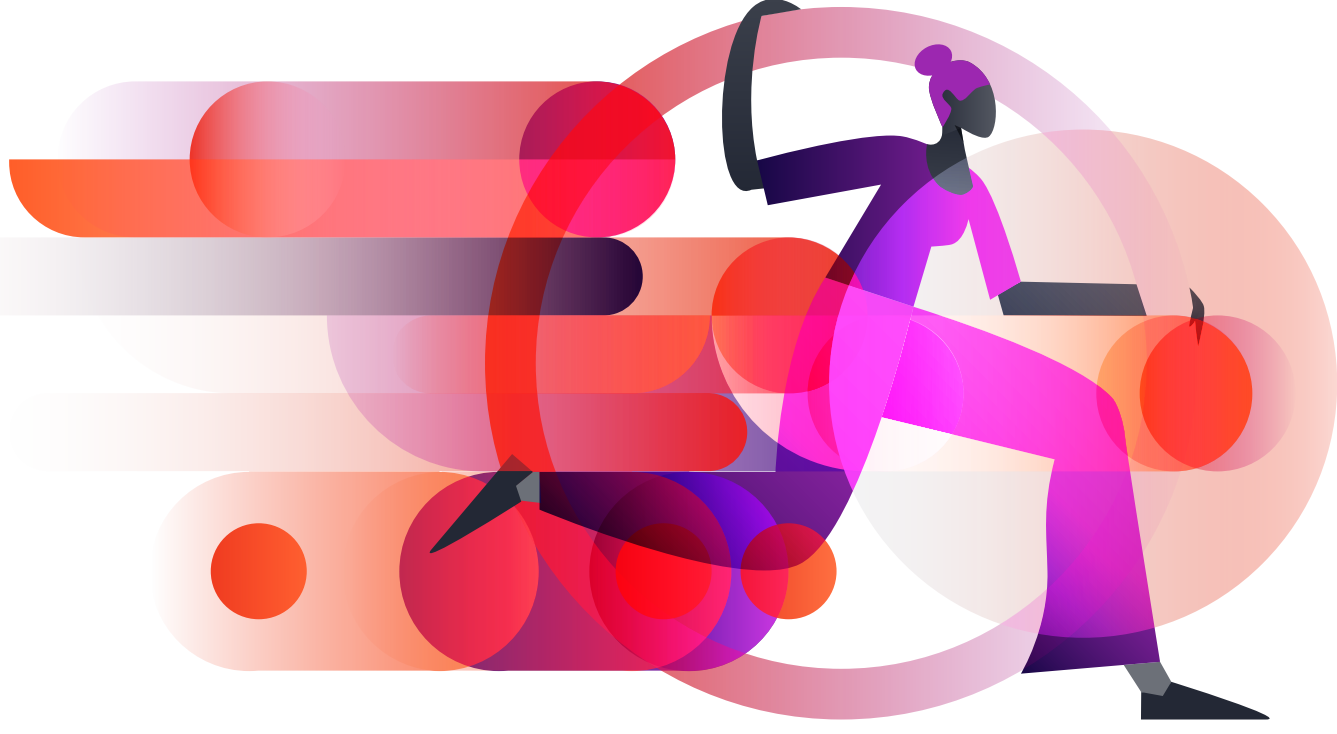
Effectively trains a growing audience

Improves student performance with constant over-the-shoulder feedback and practical application of learned concepts through to hands-on experience

Offers a continuous learning environment with post-class interaction

Raises retention with interactive and engaging online features available in the [virtual classroom](#)

Allows for tailor-made content based on the student's development needs



Cost Analysis Compared to Other Available Training Methods

4 Travel Costs

As opposed to traditional instructor-led training, VILT requires no physical participation. Thus, VILT dramatically cuts employee travelling costs: no airfare expenses, local transportation, lodging, equipment rental, site rental or food for travelling employees. In fact, some companies report to have reduced their training costs by as much as 88%.

5 'Time is money'

Eliminating the need for travelling saves valuable time, which could then be used for other productive work. That's why, when it comes down to it, [cloud-based training](#) typically requires 40 to 60 percent less employee time than traditional classroom training. But, it is also much more efficient than other online modalities, such as self-paced eLearning, due to its high retention and engagement rates.

6 Increased Revenue

Cloud-based virtual training not only saves on costs, it also yields much more than any other traditional or online method: [42% of companies report](#) that virtual training has led to increased revenue.

7 Bigger Audience

Another major cost reduction relates to the ability of VILT to effectively train a much bigger audience than traditional classroom training, at a controllable price and at the same time.

8 Self-Hosting

If you start off with a small program, hosting your own [virtual training labs](#) may be fitting for the time being. But, once your company grows, demand for more hardware and team members to help manage the infrastructure also grows, which, in turn, means the cost would eventually be exponentially higher. A cloud-based premium training solution which support Virtual Instructor-Led Training lets you spin up environments on-demand with the ability to scale infinitely.

9 Removes Administrative Overhead

As mentioned, traditional training methods frequently require people to administer, particularly IT professionals, which can prove to be costly. Not to mention, time to build and set up these classes running on expensive hardware. That's not to say that a VILT program would not require instructors, designers, and IT pros involved in the project – a successful VILT program must have team members to implement all processes – but the number of stakeholders involved decreases dramatically, and as such, the cost, when implementing a cloud-based premium solution.



How?

The Risk of **NOT** Implementing Virtual Instructor-Led Training in the Organization

After showing the benefits and costs of this modality, make sure you present the possible risk your company is taking if VILT is not implemented. This is a great opportunity to discuss your company's need to be innovative in today's increasingly competitive global market. Emphasize the growing need for broader technical skill sets and the challenge of training a growing crowd of remote employees.

The bottom line here is to show senior management that the organization must be prepared to embrace a more informed audience and the most effective, affordable and convenient method available to do that – is VILT. Hence, not implementing VILT might lead to being left far behind.

ROI Based on a Cost vs Benefit Analysis

So, how does VILT add to your ROI? Let's recap:



Eliminates employee travel costs



Saves trainer and trainee time



Reduces productivity losses from pulling people away from their jobs



Reduces changing staff due to broadening skill sets, thus saving HR costs



Trains more staff with fewer resources



Increases productivity due to more effective over-the-shoulder feedback learning



Reduces further training time due to practical application of learned concepts



Allows for "bite-sized" training – providing small curriculums that are easier to consume, in shorter periods of time

Social Proof

Case Studies

It's never a bad idea to show how others implemented Virtual Instructor-Led Training successfully. Providing examples of other companies that have already undertaken VILT as their main training strategy is a great way to highlight the popularity of this training modality.



[How IBM saved \\$200 million after switching to virtual training](#)



[Shell saved \\$200 million by switching to online virtual learning environments](#)

Ultimately, there's nothing like showing "everybody else is doing it" in order to emphasize that "it must be pretty good..."

How?

The Challenge

A right and wrong way of designing and giving VILT courses

There's an inherent paradox in VILT: on the one hand, it has by now become the most practical and attractive solution for reaching widely dispersed audiences efficiently and cost-effectively. However, on the other hand research tells us over 72% of companies using VILT report themselves "somewhat" or "very" ineffective at conducting them. Here's why:

1 What makes a successful VILT

This peculiar gap between VILT's potential benefits and effectiveness on the ground requires some explanation: there is, apparently, a right and a wrong way of conducting VILT, and in order to maximize benefits, organizations should carefully follow proven successful practices of designing, conducting and implementing this type of training. You can learn all about those practices [in this series' 1st article here](#).

2 How to adapt traditional content to VILT format

Once you've established that VILT is only beneficial if you learn to use it correctly, the next step is explaining your superiors what the biggest mistake in conducting VILT is, and how to avoid it. This part is widely discussed [in here in this series' 2nd article](#).



Prove it!

Define Your KPIs

Successfully implementing Virtual Instructor-Led Training depends heavily on the factors previously discussed. However, the actual effect of VILT can only be tracked, analyzed and reviewed based on your predefined criteria for success. In order to effectively prove the benefits VILT has to offer for your organization, you'll need to show senior management how Virtual Instructor-Led Training realizes your (agreed upon) definition of success.

Your KPIs can be numerous, depending on the specific objectives of your department and the organization. But to help you get started...

Must-have key performance indicators you'll need to measure VILT success:

1. Decide on specific topics/practices you want the trainees to learn
2. Periodic passing/failing tests
3. Compliance rates (of assignments)
4. Class attendance rates
5. Average time to completion rates (of assignments)
6. No. of training hours per trainee
7. Resources spent per trainee
8. Average time to competence
9. % of employees above competence
10. % of employees below competence
11. Student retention rates
12. Training duration per session

Your KPI metrics could potentially be a very long one. However, this basic list is a good start to measure the effect of VILT on a small-scale sample group.



Demonstrate VILT on a Sample Group

Designing VILT courses requires a professional and steady approach. It can take as long as a few months, depending on the complexity of the content, the technical facilities, the specific engagement and design requirements to interact with the audience, etc. The more technology you use, the more support you'll need to realize full collaboration of your audience with it. That's exactly why it's a good idea for training managers to take it step by step, and start with a small pilot before full deployment.

Track Performance & Measure Results

A tracked pilot should enable a fair representation of the success of the implementation of your program. Once all the data is gathered and analyzed, you'll be able to demonstrate the benefits of VILT in your organization (assuming the training is conducted according to the best practices noted above). But, even before diving into the data, there are three factors that should immediately stand out:

1. Cost savings
2. Increased productivity
3. Superior business impact and training results

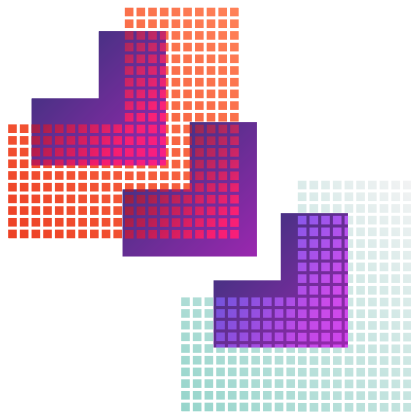


If you have those three to numbers show, you're basically ready to prove the ROI of your VILT program.

Let's Sum This Up

Getting buy-in for VILT is a matter of building a compelling business case: you first stress a problem your management already knows about, present your new strategy, explain why and how it works, and then prove it on a small-scale sample.

Lucky for us, VILT really has what it takes to keep your organization ahead of the competition, with the most valuable asset today being human skills to handle the ever-evolving technology. Cloud-based virtual training is not a matter of choice today, it's a matter of strategy to keep your technological edge, deliver better ROI and stay on top of the game. And this, when you leave the room, is the conclusion you want your senior management to be left with.



What should you do next

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