

How to Create an Internal Proposal

10 Steps and a Template to Get Your Program Funded

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Introduction

The goal of this report is to help you develop a business case that results in funding for your learning initiative. To do this, the report provides you with a well-designed structure, comprehensive guidelines, and practical tools to help you build an effective business case. As a learning professional, you are probably already convinced of the merits of training within your organization. Now is the time to get everyone else on board.

This report has been designed to help you plan, communicate, and sell your proposed learning initiative to key decision-makers within your organization. A reality of life within all organizations is that a limited amount of funds are available and must be allocated to many divisions and projects. You may be convinced of the critical importance of your proposed training initiative. You may also be certain that your training initiative will have a substantial positive impact on your organization's operations, efficiency, and profits. But, you need to be aware that others within your organization are just as convinced that available funds should be allocated to their project instead of yours.

Jonathan in the human resources department is telling key decision-makers in your organization that the most critical need is to immediately upgrade your organization's outdated ERP system. Eloise in the sales department wants to open a division in Asia to help expand in this fast-growing market. Arturo in research and development is making a convincing case that tomorrow's profits are based on today's R&D funding. Why should the key decision-makers pick your request for additional funding for training over these other pressing needs?

There was a time not very long ago when funding for training was one of the first items that would be cut during a downturn in the business cycle. One of the reasons funding for our initiatives would diminish is that we as training professionals did a poor job of measuring the benefits of training and communicating the positive return on investment (ROI) to key decision-makers. Times have certainly changed.

From November 2003 to January 2004, we conducted research to assess the training priorities of the most senior learning professionals. In an online survey, respondents were asked to name and describe their top three training priorities for 2004. Four hundred and ninety two professionals completed this survey.

Results of this research indicate that learning professionals in both the private and public sector are focusing on proving the impact of the training they deliver. In fact, "aligning training with business strategy," "proving the business impact of training," and "measuring the return on investment" were the most common answers to this survey. Nearly one quarter of all professionals listed these choices as a top priority.

Priority	Percentage of Respondents	Number of Respondents
Align training with business strategy	13.48%	199
Business impact of training	4.34%	64
Culture and change	2.91%	43
Measurement, evaluation, ROI for training	2.24%	33
TOTALS	22.97%	339

To put this in perspective, we conducted a similar "Training Priorities" survey one year earlier. In that survey, "aligning training with business strategy," "proving the business impact of training," and "measuring the return on investment" were listed as relatively unimportant priorities. One year later, these items had jumped up the list. What is clear is that training professionals now realize they must make a convincing business case for training if they are to see their initiatives valued and embraced by decision-makers.

What You Will Find in this Report

This report is a new, expanded, and updated edition of a popular report we published in March 2001, "Building the Business Case for E-Learning: How to Translate the Benefits of E-Learning into Language the Whole Organization Will Understand."

Part I – The 10-Step Process

Central to this new edition are more than 50 pages of information that provide a detailed "10-Step Process" for how to build a business case. The ten-step process described in this report is based on industry best practices and proven strategies that have worked successfully for many organizations. Each step provides extensive guidance and detailed recommendations. In addition, "Key Points to Consider" are provided with each step, challenging you to apply these guidelines to your own business environment and to specific e-learning initiatives.

Also included in the 10-Step Process are case studies that illustrate how applying these steps helped learning professionals in such well-known organizations as Amazon.com, Cognex Corporation, Equifax, and the National Wildlife Federation bring their training initiatives to fruition.

Part II – Resources for Building a Business Case

Part two of this report provides additional resources to help you convince decision-makers that your initiative is worthwhile and should be implemented. First, we address the strategic issues involved in presenting a case for training. Strategic thinkers are also key decision-makers in your company, and by answering their concerns you will not only win their approval, you will also enlist their support as you implement your initiative. Here are some of the strategic issues examined in this section:

- Alignment with organizational objectives
- Matching competencies with objectives
- Improving productivity and performance
- Beating the competition in the marketplace
- Creating stronger partnerships with suppliers and customers
- Improving employee retention.

Also included in part two of this report is the section "Learning C-Speak: Talking to Your Executives in a Language They Can Understand." This chapter is dedicated to the careful art of making a successful presentation to the executives (CEOs, CIOs, CFOs, etc.) who will make the decision whether to implement your initiative – or not. Punctuated by examples from the extensive cases studies found in part three, these lessons in communicating with top-level executives stress both style and substance. They examine the most common mistake training professionals make when talking to the C's in their company: drowning them in details.

The final section in part two addresses return on investment from implementing technology-enabled training initiatives. Written by Rex Allen, this section provides a detailed examination of the cost savings, increased revenues, and learning gains that have been documented over the years.

Part III – Case Studies

In part three of this report, we provide 19 case studies from some of the best known organizations in the world, describing how learning professionals in each organization succeeded in having their proposed training initiatives approved. These case studies provide a glimpse inside:

- 3Com Corporation
- American General
- Bank One
- Canadian Urban Transit Association
- The Children’s Hospital of Philadelphia
- Cisco Systems
- Compaq Computer Corporation
- County Government
- Dell Computer Corporation
- Domino’s Pizza
- GE Capital/Performance Technology Solutions
- IBM Management Development
- Langstane Press Limited
- Motorola
- Real Estate and Investment Management Company
- Rockwell Collins
- SCT Corporation
- Storage Technology
- U.S. Department of Labor

Each case study ends with advice that comes directly from the person or people who successfully built their case and rolled e-learning out to the organization.

As you read through the case studies, you will notice some key themes repeated. In almost every case study, it took longer to win approval for a training initiative than it did to actually implement the project. This observation reinforces the importance of building a convincing business case for training. This observation also suggests that research and preparation are required to develop strategies to convince leaders of training’s return on investment.

We believe this report will provide the research and tools required to convince even the most hard-nosed cynic of the benefits of training within your organization.