

# ***Talent Development Reporting Principles for Customer Education***

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## Introduction

The focus to date of the Talent Development Reporting Principles initiative has been on internal reporting of talent development within an organization; however, customer education providers can successfully employ the principles and process with some minor adjustments detailed below. Customer education providers include any organization producing content or delivering training to external customers, including:

- Corporations delivering ILT, vILT, and eLearning directly to customers
- Commercial training organizations and content providers delivering ILT, vILT, and eLearning to businesses and consumers
- Corporations managing a channel of commercial training organization partners, who deliver training on the corporations' products

## Scope

Measurement of customer education typically focuses on the following areas:

### Internal Reporting

- **Improving learning effectiveness:** optimizing instructors, content, and learning modalities in order to drive customer satisfaction, loyalty, impact, and value
- **Identify sales growth opportunities:** funneling upselling opportunities and customer referrals to salespeople and performing market research to better understand customers
- **Running the business:** quarterly executive reporting on efficiency, effectiveness, and outcome metrics to better strategically manage the customer education operation

### Client Reporting

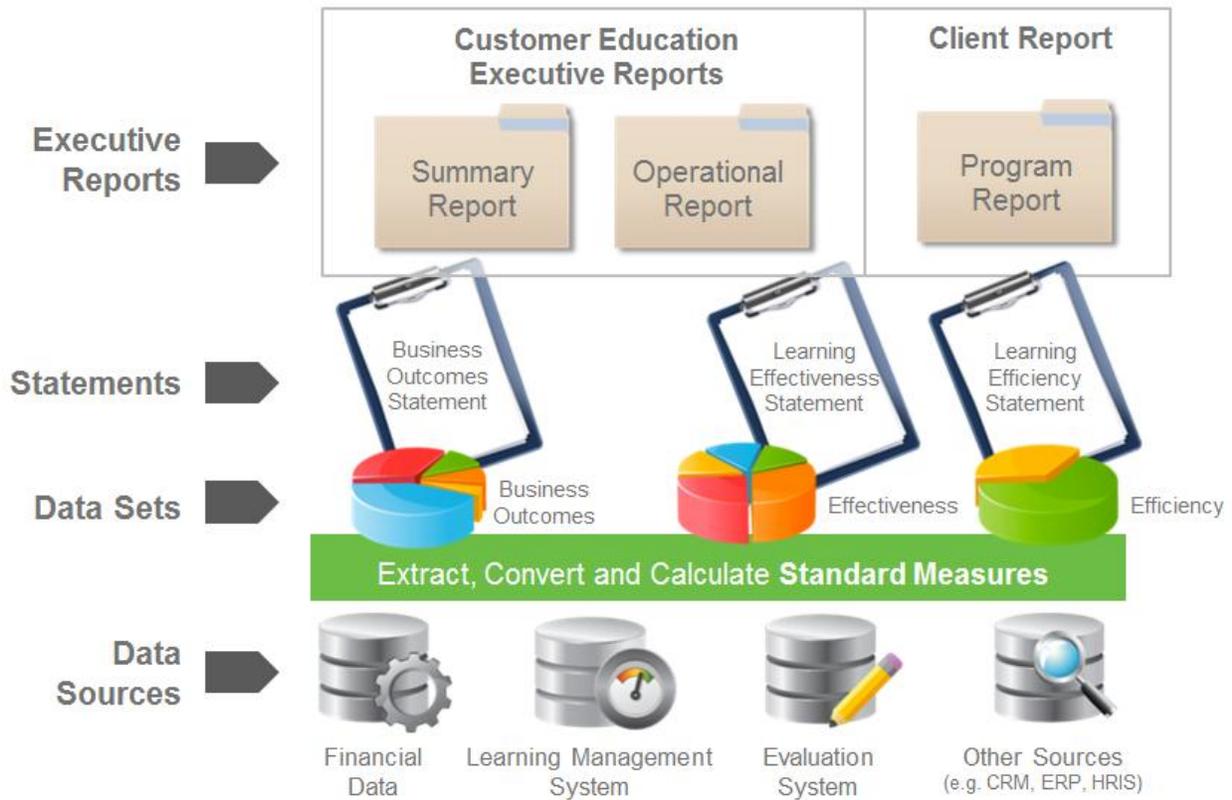
- **Strategic customer reporting:** post-class summaries for private deliveries and periodic partnership reviews for top customers to showcase the value of training and partner on future opportunities

Because TDRp focuses on defining the measures and outputs appropriate for executive reporting, the focus for TDRp for Customer Education narrows to the Quarterly Executive Reporting and Strategic Customer Reporting processes above. For customer education, executive reporting has two audiences:

1. **The internal executive:** The leader responsible for the customer education enterprise. In a commercial training company, this would be the CEO, President, or General Manager. For a customer education division within a larger organization, this would likely be a Director or VP responsible for managing the function.
2. **The external customer:** The decision-maker from the client organization who makes the purchasing decision for the training (or the products/services with which the training is bundled). The external customer may be at the executive level, but may also have a manager or director title.

The overall structure of Statements rolling into Executive Reports remains intact when applying TDRp to customer education. The most significant difference is that the audience for the Program Report has been changed from internal executives to the customer. This report is detailed with examples in the last section of this whitepaper. Additionally, due to the different learner population and objectives for the training, the recommended measures will differ somewhat and are detailed in the next section.

Figure 1: Customer Education Executive Reporting Process



## Customer Education Measures for Internal Executive Reporting

TDRp defines a comprehensive set of measures for employee education. The measures appearing below are specific to customer education and are intended to augment the TDRp employee education measures.

### Efficiency

The Efficiency measures recommended in TDRp for employee education include measures of training volume, reach, utilization, and cost. In addition to these, TDRp for customer education includes the following:

<b># of Customer Participants</b>	Number of customer participants completing training during the period. A customer participant should be counted for each training event attended. This replaces the # of Participants measure in TDRp for employee education.
<b># of Unique Customer Participants</b>	Number of unique customer participants completing training during the period. A unique customer participant should be counted only once, regardless of the number of training sessions attended during the period.
<b>% of Target Customer Audience Reached</b>	Percentage of targeted customer participants attending training during the period.
<b># of Customer Organizations</b>	Number of unique companies or organizations that had employees complete training during the period.
<b>Seat Utilization</b>	Percentage of training seats available for the period that were filled by customers. Drill-down metrics include the number of cancellations, no shows, and customers retaking training.
<ul style="list-style-type: none"> <li>• Cancellations</li> <li>• No Shows</li> <li>• Retakes</li> </ul>	
<b># of Vouchers Redeemed</b>	Relevant for organizations that package training vouchers in product/solution sales or distribute training vouchers in association with marketing campaigns.
<ul style="list-style-type: none"> <li>• # of Vouchers Distributed</li> <li>• # of Voucher Expirations</li> </ul>	
<b># of Training Partners</b>	Relevant for customer education organizations that deliver training through partner organizations, either in a managed training delivery channel or in a looser structure. Drill-down metrics could include slicing the number of partners by level (Gold, Silver, etc.), by region, or whether or not the partners are in compliance with partner requirements.
<ul style="list-style-type: none"> <li>• By Level</li> <li>• By Region</li> <li>• In Compliance</li> </ul>	

## Effectiveness

The Effectiveness measures recommended in TDRp for employee education include the five levels of learning: quality, knowledge gain, application to job, business alignment, and value. Approaches for calculating Return on Investment (ROI) are also included. In addition to these, TDRp for customer education includes the following:

<b>Customer Satisfaction with Training</b>	Sub-component of overall quality. Top 2 box percentage score of customers indicating high satisfaction following the training.
<b>Customer Recommendation for Training</b>	Percentage of customers who would recommend training from your organization to others. May use Net Promoter Score.
<b>Customer Intent</b>	Percentage of customers who intend to pursue the next desired action(s). These actions will vary based on the structure and goals of the customer education organization.
<ul style="list-style-type: none"> <li>• Purchase more training</li> </ul>	
<ul style="list-style-type: none"> <li>• Get certified</li> </ul>	
<ul style="list-style-type: none"> <li>• Purchase products</li> <li>• Deploy products</li> </ul>	
<b>Registration/Logistics Experience</b>	Sub-component of overall quality. Top 2 box percentage score from customers based on the registration experience and pre-training logistics.

## Business Outcomes

The Business Outcomes measures recommended in TDRp for employee education include organization financial, operational, and human capital performance metrics such as revenue, cycle time, and employee engagement. In addition to these, TDRp for customer education includes the following:

<b>Customer Education Revenue</b>	Total revenue booked for customer education programs.
<b>Customer Education Billings</b>	Total value of new invoices generated by customer education programs.
<b>Customer Education Profit</b>	Total profit: EBITDA or Net Operating Profit for customer education programs.
<b>% of Customers who:</b>	Percentage of customers who pursue the next desired action(s). These actions will vary based on the structure and goals of the customer education organization. For example, organizations providing product training may track the number of customers who purchase additional products within the next 12 months.
<ul style="list-style-type: none"> <li>• Purchase more training</li> </ul>	
<ul style="list-style-type: none"> <li>• Get certified</li> </ul>	
<ul style="list-style-type: none"> <li>• Purchase products</li> <li>• Deploy products</li> </ul>	
<b>Customer Retention Rate</b>	Percentage of customers retained each period: $\frac{((\text{Total \# of Customers}) - (\text{\# of Customers Cancelling Contracts}))}{(\text{Total \# of Customers})}$
<b>Repeat Customers</b>	Percentage of customers attending customer education programs that have

	previously attended a customer education program offered by your organization within the past 12 months.
<b>New Customers</b>	Number of customers attending customer education programs within a period that have never previously attended a customer education program offered by your organization.
<b>Overall Customer Satisfaction</b>	Top 2 box percentage score on external customer satisfaction survey(s). This measure is not intended to be specific to training events, but the entire organization.
<b>Overall Customer Recommendation</b>	Percentage of customers who would recommend your organization to others or intend to purchase additional products/services from your organization. May use Net Promoter Score. This measure is not intended to be specific to training events, but the organization as a whole.
<b>Customer Business Results</b>	Same list as TDRp for employee education, but tracks the outcomes of customers based on the learning objectives. Examples of areas to track include: revenue, market share, cost, profit, operating efficiencies, productivity, cycle time, quality, safety, customer satisfaction, employee engagement, retention, and risk mitigation. The difficulty of obtaining this data from customers and the limited degree to which many customer education programs influence these will yield these being used only in select cases.

## Slicer/Filter Attributes

Within Statements and tactical-level reporting, any of the measures above may be sliced or filtered by attributes to provide more granular, actionable reporting. Examples of attributes include:

### Training Attributes

- Instructor
- Course
- Product / Curriculum
- Location
- Region
- Delivery Partner
- Custom vs. Standard Training
- Public vs. Private Training
- Internal vs. External Development/Delivery

### Customer Attributes

- Employer
- Job Type
- Tenure
- Industry
- Reason for Taking Training
- Certification Status
- Organization Size
- New vs. Repeat Customers
- Top Customer Organizations vs. Remaining

## Internal Executive Reporting

The audience for internal executive reporting for customer education includes the leader responsible for the customer education enterprise. In a commercial training company, this would be the CEO, President, or General Manager. For a customer education division within a larger organization, this would likely be a Director or VP responsible for managing the function.

Reporting to executives within customer education organizations or functions should follow the same recommendations within TDRp for employee education:

- Adopt 3 Internal Reporting Statements
  - Efficiency Statement
  - Effectiveness Statement
  - Outcomes Statement
- Adopt 2 Internal Executive Reports
  - Customer Education Summary Report
  - Customer Education Operations Report

See below for examples of each of these statements and reports.

Note that here the names of the reports have been changed from "L&D" to "Customer Education", but the structure of the reports remains the same. The measures within the reports will include a combination of the original TDRp measures and the customer education specific measures listed above.

TDRp for employee education also includes a Program Report. For Customer Education, the audience for the program report is the customer. Details and examples of this report will follow in the next section.

Figure 2: Sample Customer Education Efficiency Statement

**Customer Education**  
**Sample High-level Efficiency Statement**  
**Results through June**

Cost Measures		2011	For 2012		
		Actual	Plan	Jun YTD	% Plan
Customer Education Expenditures	Million \$	\$15.8	\$20.2	\$9.9	49%
<b>Customer Reach</b>					
Customers	Number	8,956	8,000	3,745	47%
Customer Organizations	Number	784	2,500	1,012	40%
Target Customer Audience Reached	%	18%	16%	7%	47%
<b>Seat Utilization</b>					
Cancellations	Number	823	750	290	39%
No Shows	Number	396	300	112	37%
Retakes	Number	211	200	138	69%
<b>Courses Taken by Type of Learning</b>					
ILT only	Number	4,568	4,080	1,723	42%
vILT only	Number	3,403	3,040	1,498	49%
E-learning only	Number	<u>985</u>	<u>880</u>	<u>524</u>	<u>60%</u>
Total courses	Number	8,956	8,000	3,745	47%
<b>Program Management</b>					
Courses					
Total Developed	Number	22	36	24	67%
Number Meeting Deadline	Number	16	33	21	64%
% Meeting Deadline	%	73%	92%	88%	95%
Cycle Time					
Design and Development for ILT	Days	56	45	44	109%
Design and Development for WBT	Days	48	40	39	113%

Figure 3: Sample Customer Education Effectiveness Statement

		2011	For 2012		
		Actual	Plan	Jun YTD	% Plan
<b>Customer Satisfaction</b>					
Registration/Logistics	% top two boxes	77%	90%	87%	96%
Delivery Quality	% top two boxes	80%	90%	86%	101%
Knowledge Gain	% top two boxes	77%	85%	87%	103%
Application to Job	% top two boxes	82%	80%	90%	113%
Manager Support	% top two boxes	81%	80%	87%	108%
Business Alignment	% top two boxes	83%	80%	85%	107%
Value	% top two boxes	78%	80%	79%	99%
Overall Effectiveness	Average of measures	80%	83%	86%	105%
<b>Customer Recommendation</b>					
	Net Promoter Score	49%	54%	55%	102%
<b>Customer Intent</b>					
	Purchase More Training	%	78%	85%	83%
	Obtain Certification	%	23%	25%	22%
	Purchase More Products	%	49%	50%	52%
<b>Customer Return on Investment</b>					
	Gross benefit	Thousands \$	\$985	\$1,452	\$689
	Total cost	Thousands \$	\$748	\$1,014	\$482
	Net benefit	Thousands \$	\$237	\$438	\$207
	Customer ROI	%	32%	43%	43%

Figure 4: Sample Customer Education Business Outcome Statement

		Customer Education			
		Sample High-level Business Outcome Statement			
		Results through June			
Priority	Business Outcomes and Learning Impact	2011	For 2012		
		Actual	Plan	Jun YTD	% of Plan
<b>Included in Business Plan</b>					
1	Customer Education Revenue Corporate Goal or Actual	\$ 14,867,000	\$15,300,000	\$8,220,000	54%
2	Customer Education Profit Corporate Goal or Actual	\$ 157,000	\$411,000	\$298,000	73%
3	Customer Retention Rate Corporate Goal or Actual	% 90%	95%	92%	97%
	Impact of Training: Training Net Promoter Score	% 49%	54%	55%	102%
4	Overall Customer Satisfaction Corporate Goal or Actual	% 38%	43%	43%	100%
	Impact of Training: Training Customer Satisfaction	% 92%	95%	96%	101%
5	New Product Deployments Corporate Goal or Actual	# 91	102	41	40%
	Impact of Training: % of Learners Intending to Deploy	% NA	65%	53%	82%

Figure 5: Sample Customer Education Executive Summary Report

		Customer Education				
		Sample Executive Summary Report				
		Results Through June				
Efficiency		2011	For 2012			
		Actual	Plan	Jun YTD	% Plan	Forecast
Customers	Number	8,956	8,000	3,745	47%	7,300
Customer Organizations	Number	784	2,500	1,012	40%	2,400
Customer Education Expenditures	Million \$	\$15.8	\$20.2	\$9.9	49%	\$19.9
Target Customer Audience Reached	%	2%	5%	2%	40%	4%
<b>Effectiveness</b>						
Delivery Quality	% top two boxes	80%	90%	86%	95%	89%
Value	% top two boxes	78%	80%	79%	99%	80%
Customer Satisfaction	% top two boxes	90%	92%	91%	99%	91%
Customer Recommendation	Net Promoter Score	49%	54%	55%	102%	54%
Customer ROI	%	63%	68%	70%	103%	70%
<b>Outcomes</b>						
Customer Education Revenue	Million \$	\$14.9	\$15.3	\$8.2	54%	\$15.4
Customer Education Profit	Thousand \$	\$157	\$411	\$298	73%	\$467
Overall Customer Satisfaction						
Corporate Goal or Actual	%	72%	79%	77%	97%	80%
Impact of Training	%	23%	30%	30%	100%	31%

Figure 6: Sample Customer Education Executive Operations Report

**Customer Education**  
**Sample Executive Operations Report**  
 Results through June

Cost Measures		2011	For 2012			Forecast
		Actual	Plan	Jun YTD	% Plan	
Customer Education Expenditures	Million \$	\$15.8	\$20.2	\$9.9	49%	\$19.9
<b>Customer Reach</b>						
Customers	Number	8,956	8,000	3,745	47%	7,300
Customer Organizations	Number	784	2,500	1,012	40%	2,400
Target Customer Audience Reached	%	2%	5%	2%	40%	4%
<b>Seat Utilization</b>						
Cancellations	Number	823	750	290	39%	710
No Shows	Number	396	300	112	37%	240
Retakes	Number	211	200	138	69%	220
<b>Courses Taken by Type of Learning</b>						
ILT only	Number	4,568	4,080	1,723	42%	3,600
vILT only	Number	3,403	3,040	1,498	49%	3,000
E-learning only	Number	985	880	524	60%	1,100
Total courses	Number	8,956	8,000	3,745	47%	7,600
<b>Program Management</b>						
Courses						
Total Developed	Number	22	36	24	67%	40
Number Meeting Deadline	Number	16	33	21	64%	38
% Meeting Deadline	%	73%	92%	88%	95%	90%
Cycle Time						
Design and Development for ILT	Days	56	45	44	109%	44
Design and Development for WBT	Days	48	40	39	113%	39

## Customer Reporting

Reporting quality, effectiveness, and impact of training back to customers serves to increase customer loyalty, which leads to increased future business with that customer and stronger referrals. Customer reporting is a competitive advantage. All else being equal, organizations will select the customer education provider that has a more rigorous quality and impact measurement process and can demonstrate value of their training.

The audience for these reports is the decision-makers from the client organizations who make purchasing decisions for training (or the products/services with which training is bundled). The external customer may be at the executive level, but may also have a manager or director title.

There are two key recommended reports:

- **Customer Post-Class Summary:** Delivered following a private or onsite class for a single customer organization
- **Customer Program Report:** Typically presented quarterly or annually, aggregating results from all learners from a single customer organization over the time period, focused on a group of courses that make up a program.

## Report Contents

The customer reports should help to answer the following questions:

- What training occurred?
- How many employees attended the training?
- Was the training effective?
- Will the training improve job performance?
- What results should I expect to see as a result of the training?
- Was this a worthwhile investment of employees' time?
- Was this a worthwhile investment of money for the organization?
- Is there any follow up I should do to increase the impact of the training?
- Should I purchase additional training from this vendor?

Below are the recommended metrics to include in the reports:

	Customer Post-Class Summary	Customer Program Report
# of Participants	✓	✓
# of Participants by Demographics		✓
# of Participants by Course		✓
Summarized Evaluation Scores	✓	✓
Select Comments	✓	✓
Business Results Impact	✓	✓
Predicted ROI	✓	✓
Overall Scores by Learner	✓	
Overall Scores by Demographics		✓
Overall Scores by Course		✓
Additional Training Needs	✓	✓

If presenting the reports to a customer for the first time or on an infrequent basis, include an appendix of measure definitions, calculations, and guidance for interpretation.

For Program Reports, as well as for high-stakes Post-Class Summaries, include an analysis of observations and recommendations. These should help the customer to maximize the impact of the training provided, as well as provide consultation for additional training sessions, services, or products the customer should consider purchasing.

It is recommended that the metrics in the reports are compared to goals wherever possible. The goals provide a point of reference and aid interpretation and decision making for the client. Ideally, goals are agreed upon during the scoping process for the training. The customer education provider should provide the client with recommended goals for the metrics with rationale for how the recommended goals were defined. For example, a goal for effectiveness measures may be based on a relevant benchmark for similar types of courses.

Figure 7: Sample Customer Post-Class Summary

## John Doe Training Post-Class Report Business Writing, 5-17-2012, Toronto

### Efficiency

Training Efficiency	YTD	Goal
Total Participants	23	20
Cost	\$5,000	\$5,000
Cost per Participant	\$217	\$250
Delivery Date	5-17-12	5-17-12
Response Rate	61%	50%

### Effectiveness

Overall Effectiveness	YTD	Goal
Delivery Quality	93%	90%
Knowledge Gain	86%	85%
Application to Job	71%	70%
Manager Support	52%	65%
Business Alignment	86%	70%
Value	79%	70%
Overall	76%	75%

### Learner

Learner	Overall
ccaradine@acme.com	92%
ashubin@acme.com	90%
chollender@acme.com	86%
okor@acme.com	83%
dcottam@acme.com	81%
jgeringer@acme.com	80%
abarbian@acme.com	79%
kfalardeau@acme.com	76%
treyome@acme.com	76%
tnolie@acme.com	74%
cfernholz@acme.com	70%
efineran@acme.com	61%
ahervert@acme.com	58%
cglenna@acme.com	52%

### Outcomes

#### Business Outcomes

*This training will have a significant impact on:*

Increasing customer satisfaction	86%
Increasing quality	72%
Increasing sales	32%

#### Return on Investment

Adjusted performance improvement due to training	8%
Estimated average salary	\$50,000
Monetary benefits per person	\$3,860
Predicted Return on Investment	286%
Payback Period (Months)	1

#### Success Stories

- I will apply the guiding principles in the next proposal I write. (ccaradine@acme.com)
- This will completely change the way I write emails. (chollender@acme.com)
- I will follow the 4 steps to better communications in all my writing. (okor@acme.com)
- I expect to be able to reduce the amount of back and forth with clients as a result of clearer, more concise emails. (dcottam@acme.com)

#### Additional Training Needs

*What additional courses would benefit you?*

Managing Performance	10
Leading Teams	6
Customer Service	3
Negotiation	3
Advanced Project Management	2

Figure 8: Sample Customer Program Report

## John Doe Training – Business Fundamentals Program Report January-June 2012

### Efficiency

Training Efficiency	YTD	Goal
Total Participants	230	200
Classes Delivered	15	15
Cost	\$50,000	\$50,000
Cost per Participant	\$217	\$250
Response Rate	53%	50%

### Effectiveness

Overall Effectiveness	YTD	Goal
Delivery Quality	93%	90%
Knowledge Gain	86%	85%
Application to Job	71%	70%
Manager Support	52%	65%
Business Alignment	86%	70%
Value	79%	70%
Overall	76%	75%

### Course Effectiveness

Course Effectiveness	Learners	Overall
Business Writing	65	79%
Presentations	54	90%
Financial Acumen	49	56%
Project Management	37	72%
Business Development	20	92%
Negotiation	5	71%

### Effectiveness by Division

Effectiveness by Division	Learners	Overall
Customer Service	77	90%
Sales	61	92%
Information Technology	43	75%
Operations	28	56%
Marketing	12	77%
Research	6	76%
Accounting	3	62%

### Outcomes

#### Business Outcomes

*This training will have a significant impact on:*

Increasing customer satisfaction	86%
Increasing quality	72%
Increasing sales	32%

#### Return on Investment

Adjusted performance improvement due to training	8%
Estimated average salary	\$50,000
Monetary benefits per person	\$3,860
Predicted Return on Investment	286%
Payback Period (Months)	1

#### Success Stories

- **Business Writing:** I expect to be able to reduce the amount of back and forth with clients as a result of clearer, more concise emails.
- **Presentations:** I feel 100% more prepared for my conference presentation next week.
- **Project Management:** This class gave me 7 different techniques for getting delayed projects back on track.
- **Business Development:** I'll close a couple more deals a month as a result of the techniques I learned in this class.

#### Additional Training Needs

*What additional courses would benefit you?*

Managing Performance	52
Leading Teams	29
Customer Service	17
Negotiation	13
Advanced Project Management	7