

Automating Store-Level Training

Learning for the retail sector

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Store-Level Training – Challenges and Opportunities

Effective training is critical to companies within every industry segment, but none more so than in the retail vertical, where a higher percentage of employees are client-facing. In such an environment, it is extremely important to have employees properly trained. Performance of a retail employee can often be the difference between a sale and no sale, and certainly the difference between a return customer versus one who elects to go to a competitor.

Unfortunately, maintaining a well-trained retail workforce is a significant challenge for a variety of reasons. Some of these include:

- Retailers' outlets are geographically dispersed, making training difficult to deploy.
- The technology infrastructure at most retail outlets is unsophisticated, necessitating a delivery mechanism that can accommodate a variety of environments.
- Store-level employee turnover is higher than in other industries, requiring indoctrination training "on demand" for as few as one employee per session or as many as several dozen (in the case of seasonal hiring).
- Retail managers are too busy to dedicate significant time to training, therefore any delivery mechanism must be easy to administer.

Although the challenges associated with store-level training are significant, the rewards for retailers who do establish a world-class training environment are greater. To date, most retailers have not sufficiently addressed store-level training for employees. For that very reason, those that do stand to significantly distance themselves from their competitors.

This paper will discuss the options available to retailers looking to gain competitive advantage through store-level training. It will also identify the specific benefits to those who do.

Section One

E-Learning

What is E-Learning?

E-Learning refers to anything delivered, enabled, or mediated by electronic technology for the explicit purpose of learning. E-Learning consolidates all the traditional modes of training (i.e., videos, manuals, competency testing, instructional one-on-one training, etc.) and deploys and tracks them through a single web-based platform. E-learning provides consistent training and can manage, track and report on everything from web-based, classroom and on the job training to staff schedules and resource availability 24 hours a day, 7 days a week.

E-Learning is self-paced and usually administered through a Learning Management System (LMS). Implementing an LMS allows organizations to do away with a broad range of physical, logistical and administrative costs, redundancies and inefficiencies that are associated with traditional modes of training.

E-learning provides training that:

- Is available anywhere, anytime
- Automatically tailors to the learner's needs and competency levels
- Quickly responds to the changing requirements of a dynamic environment
- Provides a built-in reporting mechanism for immediate feedback and analysis

E-learning is cost effective, scalable and accountable for overall knowledge management.

Section Two

Store Level Training Benefits

How retailers benefit from E-Learning

We have already outlined the myriad challenges facing retailers in the area of training. There are, however, significant benefits available to retailers who adopt a world-class e-learning solution. Some of these benefits include:

- **Increased Sales** – High quality training has been proven to improve employee performance, which — specific to the retail industry — results in higher sales, higher customer satisfaction and employee retention.
- **Reduced Costs** – Traditional training methods rely heavily on instructor-led training, videos, printed materials and paper-based tests. These delivery mechanisms are not only sub-standard in many respects, but they are also costly. Through e-learning, retailers can develop training courses centrally and deploy them remotely to stores via the Internet. This reduces not only the initial production costs of training, but the distribution costs as well.

Retailers should also expect to enjoy cost savings associated with updates to training. E-learning courses can be updated quickly and easily by inserting new content into existing courses. In a traditional training environment employing printed materials or videos, updates cannot be made very easily. Old materials are usually thrown away — a sunk cost that cannot be leveraged.

- **Reduced Risk** – Sexual harassment, diversity, OSHA and other federally mandated programs require initial and ongoing training. Failure to provide, and prove a record of training in these areas exposes companies to the risk of lawsuits by employees and sanctions by government agencies. E-learning provides a mechanism to deliver and track the delivery of mandated training, at the individual employee level. This provides an audit trail of compliance that greatly reduces a company's exposure to suit or sanctions.

- **Enhanced Morale** – A Learning Management System enables workers to be pro-active with their training and career development. The LMS functions as a career planner, letting workers see how their skills compare with other career tracks within the organization and which training paths they must follow to reach their career goals.

Section Three

Store-Level Training Case Study*

Rent-A-Center

Plano, Texas-based Rent-A-Center operates more than 2,875 company-owned stores nationwide and in Puerto Rico offering durable goods – such as home electronics, appliances, furniture and accessories – under rent / purchase agreements that generally allow consumers to obtain ownership at the conclusion of an agreed-upon rental period.

Realizing that it needed to improve the timeliness and quality of training to its store-level employees, Rent-A-Center adopted a learning management system from Plateau Systems. Rent-A-Center is administering Plateau software through an ASP (application service provider) model that allows the retailer's staff to access the system via a simple Web browser operated over a virtual private network.

Plateau ensures that each Rent-A-Center employee has the knowledge and skills necessary to perform his/her job. Managers can review employees' progress and issue certificates of training. With the on-line training platform, Rent-A-Center can also quickly add new employees, update training materials and download overnight so new information is available the next business day.

In addition to increasing productivity and staff members' retention of skills, the LMS helps Rent-A-Center develop timely and accurate reporting of training activity in order to evaluate ongoing programs and plan for future learning initiatives.

"We consider Plateau an important part of what can help us achieve the strategic objectives of our company," says Tony Fuller, Rent-A-Center's vice president of IT and chief technology officer. "Plateau will help us achieve our objective of current and future store growth, improved skills for new management training and increased skills of our associates and managers. By growing the skills of our people, we can better grow our business."

*Excerpted from STORES Magazine, May 2004

Conclusion

E-Learning offers retailers a quick and affordable option for driving operational business improvement, through enhanced employee performance. To date, few retailers have taken advantage of this option, enabling those who do to differentiate themselves against the competition. Forward-thinking retailers who have deployed a learning management solution are driving tangible benefits and achieving solid return on their investment — an excellent proof-point for those considering it.

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