The
Video Advantage

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Unique Moment, Extraordinary Opportunity

Professionals have always developed new skills to stay competitive, but the 21st century has brought sea changes affecting every aspect of business. New technologies emerge at a dizzying pace. Disruptive innovations create –– and wipe out –– entire industries overnight. Global opportunities call for increased cultural exchange and sensitivity. Five generations in the workplace for the first time in history brings social awareness to a whole new level.

Continuous learning is fast becoming the new normal. It's also a key indicator of success. The Association for Talent Development (ATD) grants annual BEST awards to organizations that demonstrate clear links between learning and performance. The 2013 BEST award winners dedicated more hours to employee training but had a significantly lower cost per hour, at $38 versus $74.[1]

Winning organizations invest in training and development (T&D) –– and they do it strategically.

Business in the 21st century can be exhilarating –– if employees have opportunities to learn what they really need to know. More than 50 percent of new jobs created did not even exist 25 years ago,[2] so professionals need the right skills more than ever.
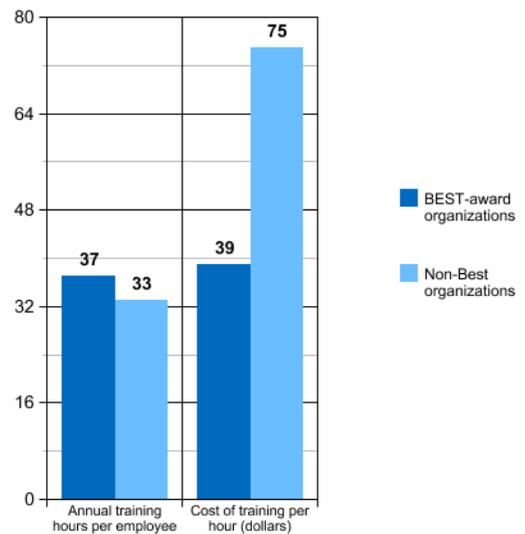
But they also need to learn in the ways that best engage and motivate them. The rise of online learning and social media has made video the medium of choice for T&D in many organizations.

Best vs. non-Best organizations: training hours vs. training cost per hour

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Video: The Medium of Choice

The popularity of video for training and development programs stems partly from the explosion of online platforms such as YouTube. The video-sharing website has over 1 billion users, and the number of hours that viewers spend watching each month has increased 50 percent each year.[3] People love watching videos online, so it's no surprise that they also prefer video for communication and learning at work.

Organizations have taken the hint. Global market research group Frost & Sullivan found that the enterprise video market in 2014 earned about $243 million, and estimate that this figure will climb to $503 million by 2020.[4]

Survey data from over 700 organizations confirm this market growth. Ninety percent of respondents in one survey report that video applications are important or somewhat important to the organization. Sixty-three percent use video or webcasts for training and development. For those organizations not currently using video, the most common barriers are simply logistics: They lack the time and equipment.[5]
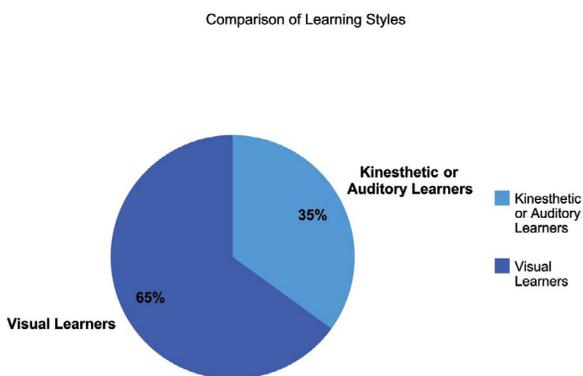
The Video Learning Curve

Training with video is believed to boost employee engagement, communication, productivity and loyalty.[6] And video can offer a much-needed change for professionals who spend their days reading and responding to email. There's a reason for this, and it goes far beyond the fun factor of watching cat videos on Facebook. It has to do with how we learn and process information.

Top Three Reasons Organizations Use Video or Webinars

Employee Interest 57%

Training and Development 63%

Engaged Employees 74%

The most common barriers to using video applications are lack of time and equipment.

Education experts have found that about 65 percent of us are visual learners, and 35 percent are either auditory or kinesthetic (hands-on) learners. This means that our dominant learning style, or how we take in and process information, is oriented toward visual input.
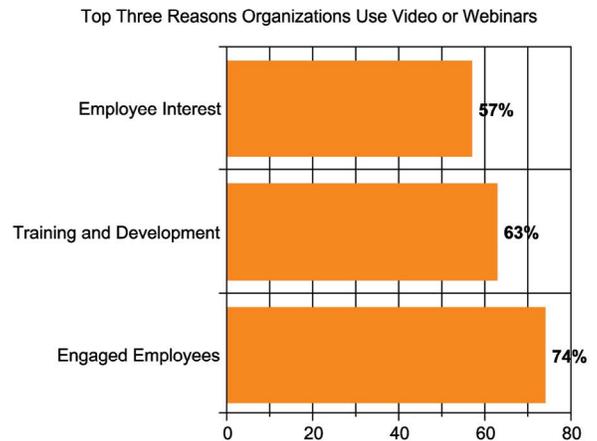
Even more significant, people vastly prefer images to text. Words, after all, are a system of symbols that must be recalled and decoded in order to create meaning. This adds up to quite a bit of work for the brain.

It's also relatively hard to remember text. We process words in our short-term memory and can retain only about seven bits of information at a time.

Comparison of Learning Styles

Kinesthetic or Auditory Learners 35%

Visual Learners 65%

Kinesthetic or Auditory Learners

Visual Learners

In contrast, we absorb images faster and remember them longer. Unlike words, images are processed in our long-term memory, and we process them 60,000 times faster than we process text; we can understand a visual scene in less than one-tenth of a second.[7]

This is one reason that *Forbes* writer Ted Cocheu welcomes the rise of enterprise video: "Studies have shown that information retention nearly doubles when individuals experience audio with images, versus reading text only."[8]

The learning advantage becomes even greater when we consider that the brain houses visual memory in the medial temporal lobe, where emotions are also processed. So, video engages us because images can display emotion and enthusiasm that people can see, but we're also wired to link images and emotions easily.

Learning with video taps into brain functions that facilitate not just better learning but also personal connections, trust and loyalty.

The Benefits: Technical, Organizational, ROI

The rise of video as a medium for training and development isn't surprising given its potential applications in the age of the Internet. Innovation in learning formats in just the past five years has been breathtaking.

Building on traditional instructor-guided lectures, recent trends include MOOCs (massive open online courses), webinars and mini-lectures (also called "learning snacks"). Gamification (video game apps used for T&D) and employee-driven enterprise systems are also rapidly growing.

Learning with video-based platforms offers technical, organizational and social advantages –– not to mention ROI –– that were unimaginable only a generation ago. Organizations can now leverage video training in these ways:

Technical Benefits
Video training applications:
- Can be used for webcasts and live-streamed events. In addition, media portals allow leaders and employees to create, upload and share content across the organization.
- Allow on-demand service for self-paced learning, anytime, anywhere.
- Are searchable.
- Enable valuable employee feedback.
- Support the growth of mLearning, the use of educational tech applications on mobile devices. mLearning (derived from eLearning), allows training to happen in various contexts, with both social and content interactions.
- Support BYOD, or bring your own device, the practice of allowing employees to use personal devices for training and other work tasks.
- Can reside in the Cloud rather than taking up valuable server space.
- Can be streamed, which also preserves server space.
- Enable metrics; companies can track how, when and how long employees train.

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Organizational and Social Benefits

Video training applications:

- Facilitate communication. In a global workplace, many organizations manage employees from Boston to Mumbai. Video communications can help overcome language barriers and ensure consistent messaging for all employees –– wherever they are.
- At the same time, videos can be customized for location-specific training and development in a cost-effective way.
- Enable personal interactions, improving connection, engagement, trust and loyalty.
- Can improve alignment with organizational goals.
- Offer an easier, more enjoyable learning experience, which motivates workers, improves attendance and learning retention, and creates positive energy and team spirit.
- Encourage BYOD, allowing employees to choose how to engage video, creating a sense of ownership over their learning.
- Are compatible with social learning, as users build and learn through social networks online, to supplement formal training.
- Attract top talent, particularly younger prospects.

Video is a key part of mLearning, the use of training applications on mobile devices.

Cost Savings and ROI

Most companies don't specialize in training and development, so they need to develop internal training initiatives or rely on outside expertise. Often they do both. Either way, the costs for traditional classroom training adds up. Consulting, travel and per diem costs can easily dampen even the most ambitious organization's will to make T&D a top priority.

The good news is that video-based training programs can yield stunning cost savings and return on investment. Top companies have shared their success stories.

Cisco Systems

Cisco Systems had a clear goal: to speed up sales of its networking products while managing 16,000

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salespeople stationed around the globe. The company wanted the sales staff to maximize their time with customers, as data showed that every hour spent with customers yielded $500 in revenue.

But they also needed to keep up with critical training. Their solution was to adopt an SaaS, or "software as a service," system. SaaS systems deliver applications via the Internet and thus eliminate the need to install and maintain software.
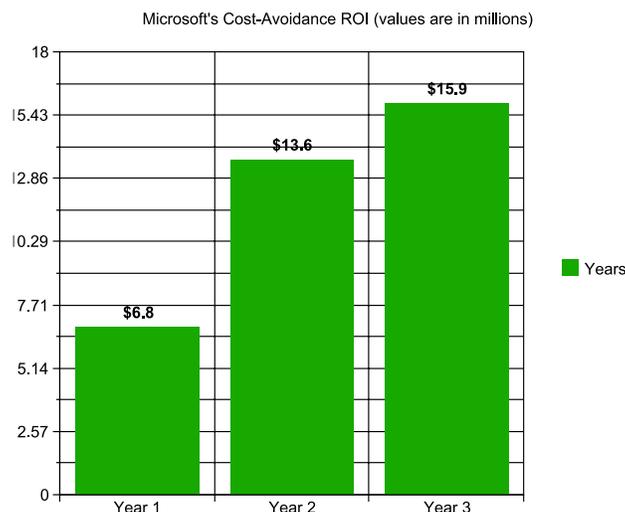
Ted Cocheu reports the happy results: "With the adoption of this new SaaS-based solution, Cisco has given its sales engineers instant access to everything from podcasts to complete courses via its rich media portal, and allows them to use search capabilities to find the information they need down to the precise point of interest. The result has been less wasted time and more time in front of customers to close new business."[10]

> In a survey of 1,315 managment-track executives aged 34 or younger, 87 percent stated that "a company's video investment would significantly impact their decision when considering job offers." [9]

Microsoft and IBM

Microsoft has undergone a paradigm shift in organizational knowledge-sharing. The company recognized the potential of video to eliminate expensive in-person trainings, but they also saw that learning was changing in the age of social media, from a top-down, centralized process to a more distributed and on-demand practice.

Their solution was to create Microsoft Academy, a video podcasting portal driven by user-generated content and based in social-media practices. The company says that with the new system, "many Academy events have virtually replaced on-location training." The key to the system is flexibility. Executives can still deliver top-down messages, but consultants and peers can also share knowledge across the organization." At the same time, Microsoft has "substantially decreased or eliminated costs throughout the company."[11]

Microsoft's Cost-Avoidance ROI (values are in millions)

18	
15.43	$15.9
12.86	$13.6
10.29	
7.71	
5.14	$6.8
2.57	
0	Year 1 / Year 2 / Year 3

■ Years

The numbers are compelling: With the use of the Academy system, Microsoft decreased training costs from $320 per participant for in-class training to $17 per participant, a cost-avoidance factor of 1/19th the cost of in-class training.

By substituting webcasting for in-class trainings, the company valued cost-avoidance at $6.8 million in the first year, $13.6 million in the second year and $15.9 million in the third year, for a TCO lifecycle ROI of $36.3 million. The estimated ROI for this three-year period was 569%.[12]

IBM likewise saw dramatic results. As part of their learning transformation, the company moved to conduct nearly 50 percent of all training via e-learning, resulting in savings of $579 million over two years.[13]

> "Be bold and courageous, and you will quickly see savings."
> –– Microsoft Corporation[14]

Soundview's Video Training Library

The jury is in: Video applications for training and development help organizations improve learning, boost employee engagement and realize amazing returns.

Soundview offers video training products designed for today's professionals. The following products offer rich libraries of topics in several different formats, including full courses taught by experts, four-minute learning "snacks," author interviews and interactive webinars.

SoundviewPro is a fast-growing library of self-paced online courses focused on the business and technical skills necessary to succeed in today's world. Every course consists of classes with short videos that can be viewed on mobile devices and tablets. Instructors are experts in their field, and subjects include soft business skills such as leadership, management, communication, sales and presentations as well as software training in programs such as Outlook, Excel, PowerPoint and Adobe Photoshop.

SmartTips™ are four-minute videos that teach your employees valuable career skills. With SmartTips, your employees are instantly connected to more than 300 career-skills videos in one location. SmartTips are solely designed for the advancement of business professionals, are professionally filmed and encourage self-paced learning. This is a one-stop training resource that saves you and your employees time and effort.

Pinpoints™ are concise, easy-to-digest video summaries of key messages from top business webinars. In about five minutes each, you'll learn the best business strategies from today's leading business thinkers – including topics like sustaining your competitive advantage, top marketing strategies for the digital age, how to embrace and manage a culture of accountability, and how to develop effective presentation skills. These videos are great for kick-starting a meeting or for individual training purposes. Plus, every month new clips are added to the library, providing you and your staff with an ever-expanding resource of fresh content.
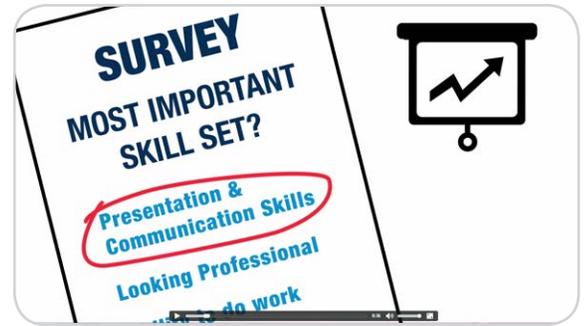
Soundview Live Webinars™ are one-hour, live interactive events that give you and your team access to the best minds in business. Each webinar includes a detailed presentation by a business author, sought-after speaker, or top-level executive coach, plus a live Q&A chat session with the guest. Additionally, all of our webinars are recorded and added to our on-demand archive so you never have to worry about missing an event. Search for the exact topic you need and watch the webinar wherever and whenever your next training initiative dictates.

Notes

[1, 2] Association for Talent Development, 2014 State of the Industry Report, p. 3, 14, 22.

[3] YouTube, Company Statistics.

[4] Kontiki, "Enterprise Video Can Globalize a Work Force," Blog post, March 10, 2015.

[5] Ragan Communications, Engaging Employees with Video, 2013, p. 4-11.

[6] Mike Tippets, "Retain, Engage Best Employees with Video," Innovation Insights, October 22, 2013.

[7] Karla Gutierrez, "Studies Confirm the Power of Visuals in eLearning," SHIFT eLearning Blog post, July 8, 2014.

[8, 10] Ted Cocheu, "Seeing is Believing: Video Will Transform Business Intelligence," Forbes, June 3, 2011.

[9] Angie Mistretta, "Video Usage & Young Executives: A Survey of Tomorrow's Leaders," Cisco Blog post, August 5, 2013.

[11, 12, 14] Microsoft, ROI of Building a Company-wide, Video Podcasting Portal Using Microsoft SharePoint 2010: How Microsoft Academy facilitated peer-to-peer knowledge sharing, improved learning and enabled virtual events while reducing costs, White Paper, 2010, p. 1, 4, 16.

[13] IBM, IBM's Learning Transformation Story, White Paper, 2004, p. 2.