

Sales training at Cisco Systems goes digital—and interactive

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Any type of successful sales training should provide account teams with the tools to do their jobs better and more efficiently. When put to practice, the training results should demonstrate measurable positive impact on the bottom line in the form of increased revenue and reduced cost.

Training technology has evolved rapidly in the past decade. Once universities began recording classroom lectures and making them available via podcast, it allowed students to watch the lecture at their own convenience and place of choice. While podcasts liberated the listener from time and location constraints, the downside was he could not participate in classroom discussions or enjoy the socialization and dynamic of a face-to-face, group experience. A few years later webcasts took the technology a bit further by allowing limited interaction between listeners and facilitators. Though podcasts and webcasts have their place, today's virtual training allows facilitators and participants to interact in the fullest sense of real-time collaboration that includes socialization, group learning, discussion, break-out sessions and role-plays.

Virtual training in real time with full collaboration

Virtual training is a combination of live, facilitator-led interaction (synchronous training) where participants, regardless of their location, learn together at the



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same time through classroom discussion and interaction in role-plays and team exercises inside virtual breakout sessions. The sessions are probably the biggest advantage of virtual training as opposed to the more-

limiting method of distributing information through podcasts (asynchronous learning). This vital combination has been proven to increase comprehension, retention and adoption and delivers the desired impact of

learning that translates into new behaviors.

"Today technology enables highly interactive, fully synchronous learning methods by incorporating a live facilitator and allowing full interaction between the facilitator and the participants in real time," says Andreas Goldmann, partner at the consultancy NewLeaf Partners. "Even more importantly, participants can actually work together in real time, and that is where real learning takes place."

Training, whether it happens in a physical classroom or virtual environment, should focus on how quickly participants can learn the new skills and how easily they can apply what has been learned. Learning by doing is the key, and that's why virtual training is so effective. It allows you to disseminate information in shorter, manageable sessions, then turn students loose to get on with their workday with the ability to fast apply the new learning. A face-to-face classroom setting just doesn't give you the opportunity to immediately learn-practice-apply.

Cisco Systems Inc. goes virtual

Although Cisco Systems had already made the decision to begin moving its traditional classroom training to the virtual environment, we accelerated that goal because of the global economic crisis. First and foremost, budget constraints left us with the need to do more with less, but because Cisco is a sales-driven company it wasn't practical to eliminate or even reduce the sales training program. We had to find a way to accomplish this without incurring the immense cost of an off-site, face-to-face classroom training session. Next we had to find ways to increase revenue in spite of budget cuts. The challenge was that even though we knew cutting sales training wasn't an option, having sales teams sit in a classroom for a week

How to calculate the cost of non-selling time

$(\text{Annual sales}) \div (\text{number of salespeople}) \times (\text{selling cost as percentage of total sales}) \times (\text{non-selling time as percentage of total work time}) = \text{cost of non-selling time per sales representative}$

| | |
|--------------------------|------------------------------------|
| Example: Annual sales | \$20 million |
| Salespeople | 20 |
| Selling cost | 15% |
| Non-selling time | 40% |
| Revenue per sales rep | \$1 million (\$20 million ÷ 20) |
| Selling cost per rep | \$150,000 (\$1 million x 15%) |
| Cost of non-selling time | Per rep \$60,000 (\$150,000 x 40%) |

at a time also meant a week out of the field not calling on customers and selling. Last but not least one of Cisco's goals for the 21st century is to become a green company, and perhaps the quickest way to reduce one's carbon footprint is to stop flying people all over the country, especially for non-customer-facing activities like training.

Virtual training seemed an obvious solution. With virtual training, we knew we would immediately save more than 85 percent on each session's delivery cost and 100 percent on travel by eliminating it. Cutting travel also had an immediate quantifiable impact on our ability to minimize our carbon footprint. Finally, with virtual training's flexibility, classes can be condensed and spread out over a period of time, which meant our sales teams could attend class for a couple of hours in the morning, then immediately get back to the workday.

Virtual training improves comprehension, retention and adoption

Virtual training's nature lends itself very well to shorter classes held over a longer period of time, allowing participants to avoid fatigue and more quickly absorb the learning. In addition, because students can participate from the home, office, hotel room or wherever they have a high-speed broadband connection, virtual training enables greater flexibility

in a number of ways. For example, additional modules or content can be added relatively rapidly as needed and with minimum cost. But even more importantly because virtual training takes place in one- to two-hour segments spread across several days (as needed), participants don't have information fed to them through the "training fire hose," which happens when attending class for six or eight hours at a time over consecutive

days. The training fire hose increases learner fatigue, which then reduces comprehension and retention.

As a result, using the same techniques provided in a face-to-face setting – discussions, breakout sessions, role-plays, etc. – participants have a chance to learn, practice and absorb the new knowledge in shorter increments before moving on to additional material. To reiterate, virtual training allows account teams to:

- Increase productivity by participating in training for a few morning hours, then immediately return to work.
- Improve comprehension by removing distractions, including the dreaded "What's accumulating in my inbox?" concerns that take attention away from the learning.
- Solidify retention by providing the information in shorter bites before fatigue sets in and the mind begins to wander.
- Enhance adoption because participants can immediately put the learning to use.

Turning traditional classes virtual

Cisco has converted many of its traditional classes to the virtual environment, and what we have discovered is that when you test the waters, you need to start with the right classes. For Cisco, classes focusing on financials and other non-theoretical

topics, such as "Understanding profit-and-loss statements," are perfect for virtual training. These concepts are more easily taught in shorter segments. Even logistically the virtual approach is simpler. When completing a team exercise in a face-to-face breakout session, participants typically crowd around a table over a single laptop in a small room. Teams working together in virtual breakout sessions can both more easily view the shared materials, such as spreadsheets that have been downloaded onto individual computers, and collaborate to complete the exercise.

On the other hand, "Learning to conduct an executive dialogue" can be a bit more challenging because to make it effective and impactful, the facilitator must compensate for body language, eye contact and other attributes. While certainly doable and this can often be quite effective when the content is carefully crafted, it's best left to experienced facilitators to modulate their vocal tone and use other methods to fit the situation and accomplish the goal of the learning. Recently Cisco discontinued one of its face-to-face classes and now offers it only virtually. The class encompasses two different modules, both of which help our account teams understand their customer's business. The original class used to be given in a consecutive four-day session. Today in the virtual world we have split up the class into shorter modules held over a two-week period.

"When we moved to the virtual model the difference was remarkable," says Cisco Program Manager Lori Malin. "Because the class sessions were shorter and more spread out the fatigue level and distraction of being out of the office for nearly a week wasn't even a factor. We had more interaction from participants, more questions and a much higher level of engagement."

Proven results, quantifiable impact

Experience has shown that virtual training is more effective than podcasts and webcasts and equally effective as a face-to-face classroom environment

but with even greater benefits. The significant, quantifiable cost benefit of virtual training is realized in increased productivity (less time out of the office or field), eliminated travel (no airlines, hotel stays, meals, off-site conference rooms, etc.) and greater comprehension (new selling skills that translate to increased revenue).

"We established a requirement that within six weeks after the class was completed each participant must put the new learning in practice," Malin says. "In the post-class survey all respondents reported how much easier the material

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was to learn in the new virtual format. They were able to more fully grasp the direction we were going, and at least 75 percent of attendees reported that they were ready to use the new practice with their customers with confidence."

Cisco reports that by eliminating travel alone, it has saved millions of dollars per year by shifting off-site, face-to-face curriculum to virtual training. With proper planning virtual training will demonstrate quantifiable benefits in terms of time availability, productivity gains, less stress, reduced mental fatigue and ultimately increased comprehension and adoption.

The future of virtual training as we see it

Virtualization's future lies in a couple of directions. First we need to think about a whole array of delivery vehicles for training content. One exciting area is 3-D immersive environments such as Second Life. These could potentially lend themselves to role-plays, coaching

and product introductions. There is still a lot of work to be done. However, early indications are positive. The second big exploration area is in user-generated content. The use of forums, wikis and communities will be the biggest change in work force enablement. This medium will also provide us with the biggest challenge. Enabling groups to connect and provide the framework for forums and communities effectively decentralizes the training function. Although this fundamental shift from a single source of truth (the training department) to the wisdom of many will require careful thought, the change is inevitable as the Twitter generation enters the work force. The challenge is to be prepared with a framework that creates a compelling space where people go for wisdom, insight and knowledge.

10 best practices for virtual training success

Virtual training takes learning to a whole new level and can be an impactful, cost-effective method of bringing new skills to your sales teams that show measurable results. It takes planning and foresight, however, along with the integration of a few critical techniques to make the most of your virtual training. Following are best practices we have learned as we have moved training content and delivery into the virtual world.

Shorten the sessions

Break up each module into manageable segments of just several hours each and spread it throughout a shorter time period. This strategy helps reduce information overload while not letting too much time pass between sessions.

Tightly choreograph from start to finish

Just like live television there's little opportunity to recover from schedule slippage in virtual training. It allows participants to get on with their day immediately after the class has ended and depend upon that predictability. Make sure you create a solid plan and

rehearse it with your producer to ensure that it fits comfortably into the time frame you have allotted for each session.

Speaking of a producer ...

Virtual training's highly interactive nature requires a producer to keep the class on track and moving ahead, get through all the material and finish on time. Working in the background, the producer orchestrates the entire production, ensures that the technology works, cues the facilitator when it's time to move on and alerts her if a participant has been inactive for too long. Often called participant advocates, producers are also there to make sure each participant gains full value from the training.

Teach the technology

Learning a new technology and the behaviors expected in this non-traditional training method can be intimidating. Schedule time at the beginning of each new class to align expectations and educate participants on using the tools. Show participants how to use the icons that let them raise their hand or use the chat window, contribute to whiteboard sessions and participate in virtual breakout sessions.

Open with a roundtable

After participants understand the technology, spend a few minutes discussing the training's purpose and the skills participants will learn, just like in a traditional classroom. If it is a multi-session class, take the early minutes of each class to review the prior one, how the teams did in the breakouts, exercises or competitions, and what will happen in that day's session. This provides time for participants to settle in, links each session together and brings people back into the content.

Create time to socialize

Don't forget: Virtual training is highly interactive, and that's one of the reasons it is so successful. Socialization is human

nature. When you put people on teams, whether at the general session's beginning or in the virtual breakout rooms, you must build enough time in the schedule to allow people to socialize and establish themselves as a team. However, make sure your facilitator has the skills to know when it's time to move on and how to tactfully pull people back into the exercise.

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Take advantage of the breakout rooms

Virtual training lends itself perfectly to the use of breakout rooms, and this is where the lectures, whiteboard activities and general sessions come together to cement the learning. While the producer downloads class materials, the facilitator organizes teams, explains the exercise and sends participants into virtual breakout rooms to complete the assignment. In the breakout sessions, the teams can hear only themselves talking and cannot "eavesdrop" on other teams. However, the facilitator – with the click of a button – can quickly enter and exit each session to monitor progress, keep everyone on track, answer questions and finally bring everyone back to the general session upon completion.

Be creative


There are nearly limitless opportunities for creativity in virtual training. One of Cisco's virtual classes was designed to introduce account teams to a new internal, sales-focused Web site. The facilitator led participants on a tour through the site, pointed out critical features and organized a treasure hunt to test participants' understanding. Each

was given a list of items to find and questions to answer. The first one back to the general session with all the correct answers won the contest.

Keep them engaged

Replacing words with graphics and using color whenever possible make the presentation materials more visually interesting and help keep eyes on the screen. Have something moving on-screen at all times, such as a pointer, a highlighter or another method facilitators use to emphasize a point and engage the mind. Periodically test attentiveness by using polls or asking questions, requiring each participant to respond. Have your producer send a quick note to the facilitator when someone hasn't responded in the past 15 minutes.

Leverage executive sponsorship

Virtual training is a fundamental culture shift for employees used to attending in-class training, and any fundamental change must come from senior management. The message should communicate that while in-class training is important to the company's ability to stay competitive, budgets are tight, virtual training is the wave of the future, and this is how training will be delivered going forward. 

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Additional resources

For more about this company in SAMAs library, the editors recommend: Nick Watson, "Cisco: structuring and scaling for customer success during a market downturn," *Velocity*®, Vol. 11, No. 3/4, Summer/Fall 2009, www.strategicaccounts.org; and Bernd Griessmayer, Frank Siemon and Andreas Goldmann, "Trust creates true collaboration between Cisco and IBM account teams," *Focus: Teams*, Vol. 5, No. 1, Spring 2008, www.strategicaccounts.org.