Learning & Performance Institute

Buy or Build:
What's Right for Your Training Program?

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Question

How do you currently decide whether to buy or build courseware?

speed
cost
value
deployment
quality
issues
impact
fit
need
technical
delivery
business
culture
time

Today

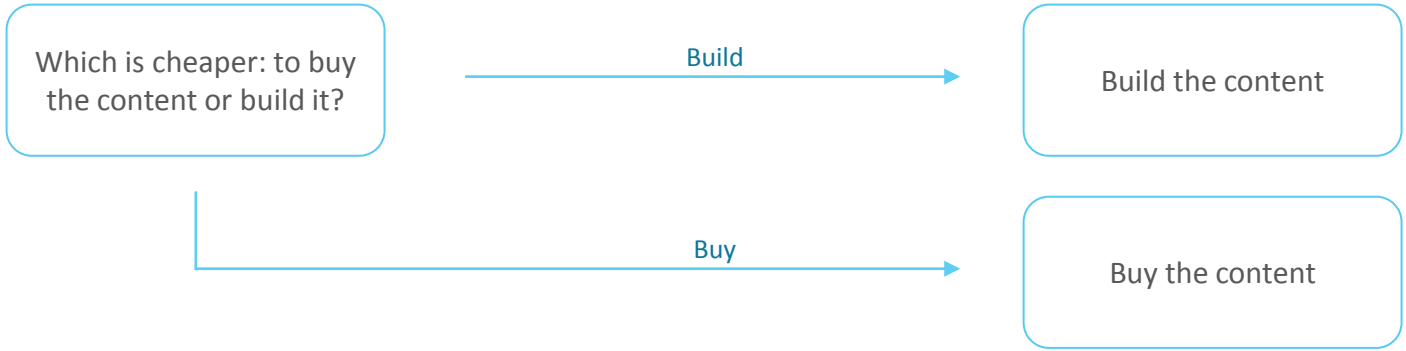
1. Not so simple

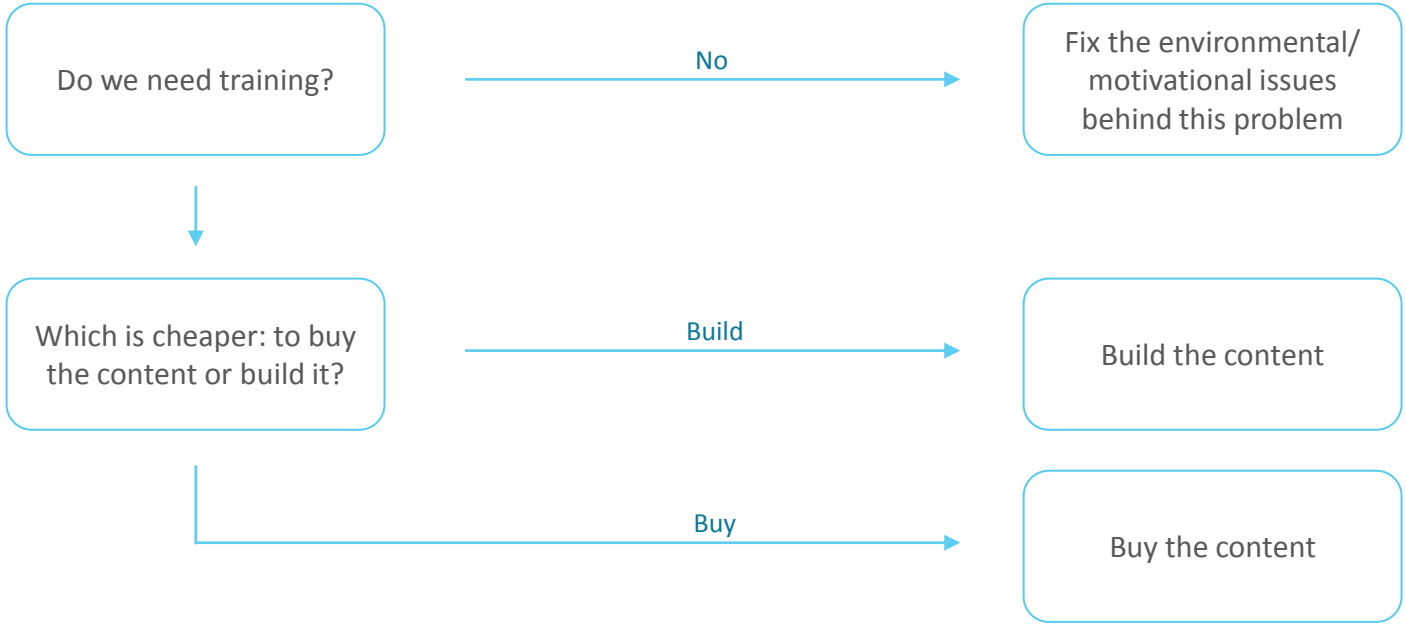
2. What questions to ask?

3. Types of content

4. Making the choice

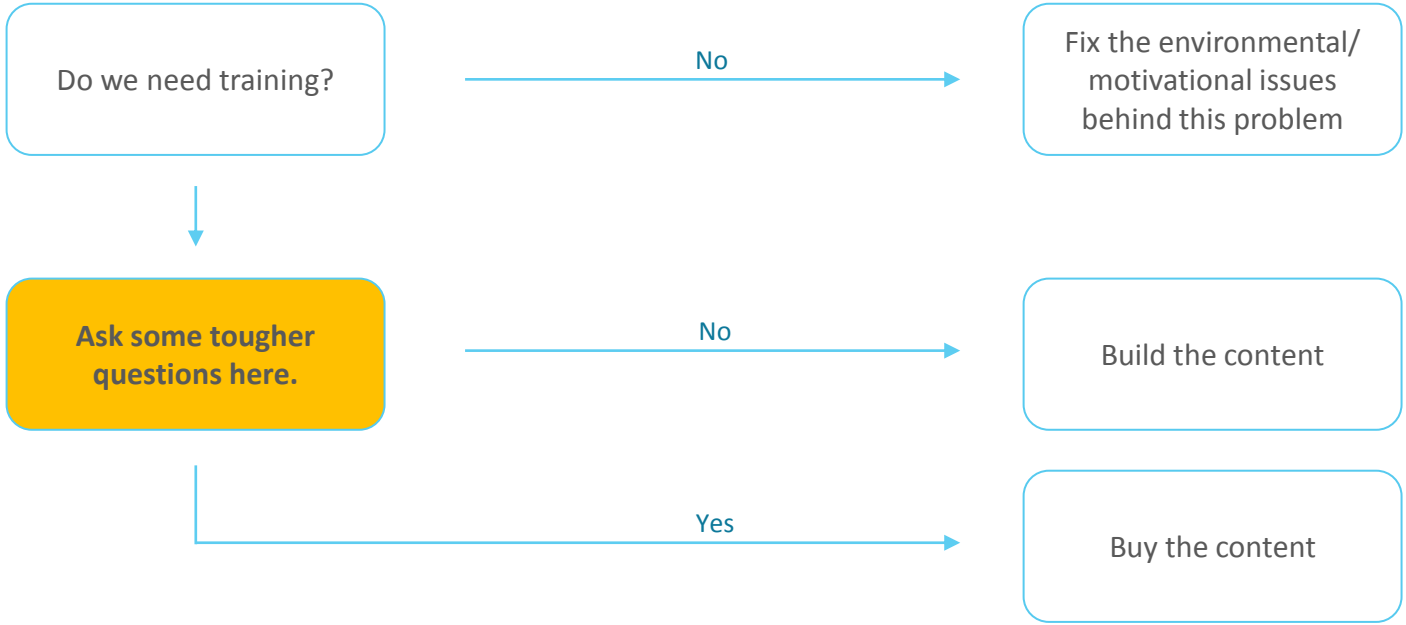
A simple decision tree




Do we need training?
No
Fix the environmental/ motivational issues behind this problem
Which is cheaper: to buy the content or build it?
Build
Build the content
Buy
Buy the content

7609
CONV.

sportsmaster
sportsmaster


Do we need training?
No
Fix the environmental/ motivational issues behind this problem
Ask some tougher questions here.
No
Build the content
Yes
Buy the content

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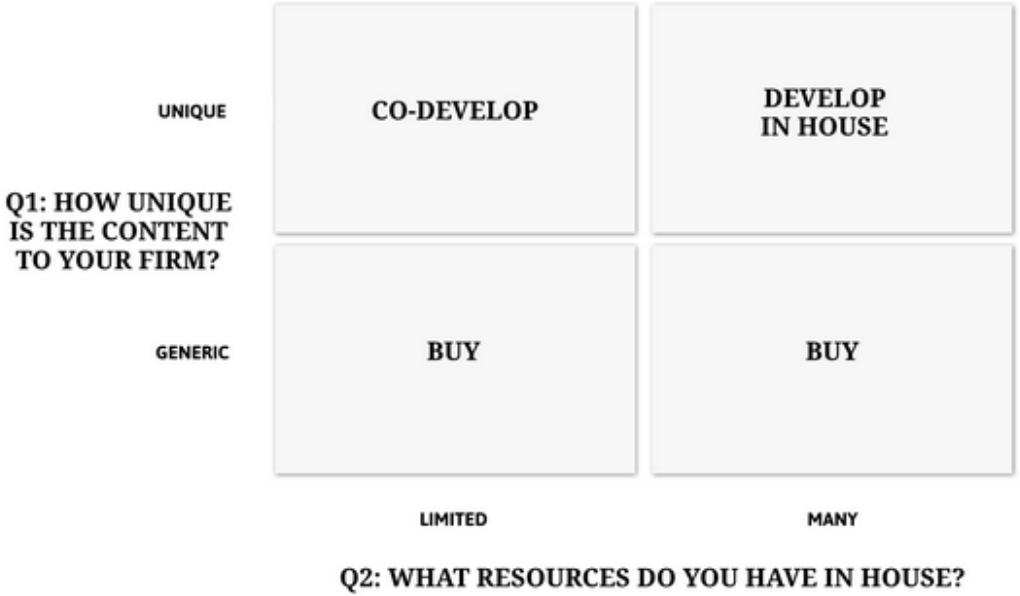


Image: HotShotLegalPD

Question

What does it take to design good learning materials today?

Mobile
Agile
mapping
Scenarios
Partnerships
Sophisticated
Games
ID
Brain
Action
Vendors
Design
SMEs
Video
Data
Tools

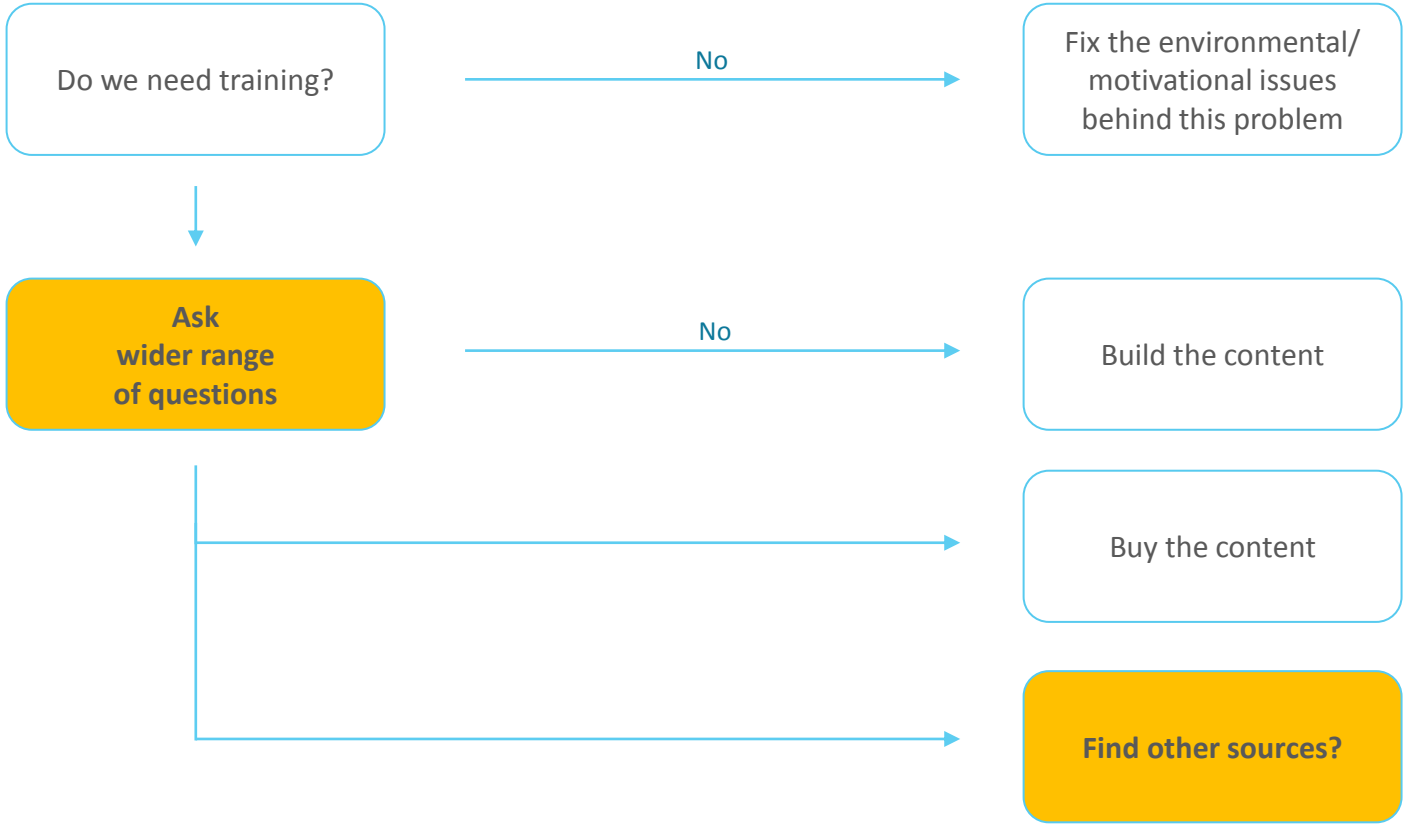
Key skills in the design team

- Methodologies
  - Agile
- Effectiveness awareness
  - Cathy Moore
  - Julie Dirksen
- Tool mastery
  - Development tools
  - Output media
  - Video
  - Mobile
- Vendors
- Techniques
  - Games
  - Scenarios

An important design rider

“The best is the enemy of the good”

Voltaire
1694 - 1778


Do we need training?
No
Fix the environmental/ motivational issues behind this problem
Ask wider range of questions
No
Build the content
Buy the content
Find other sources?

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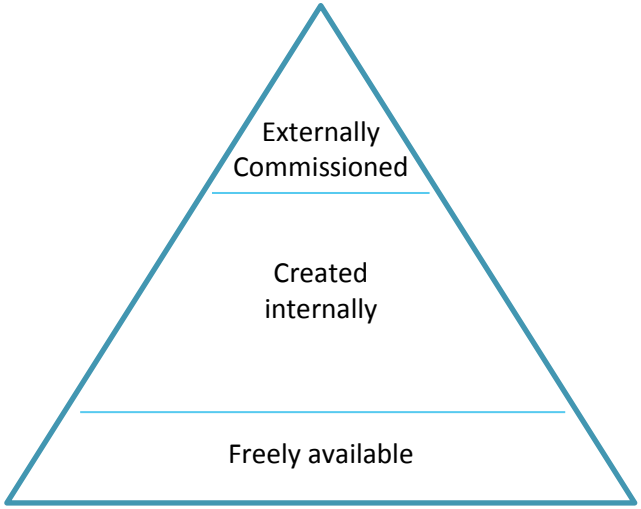
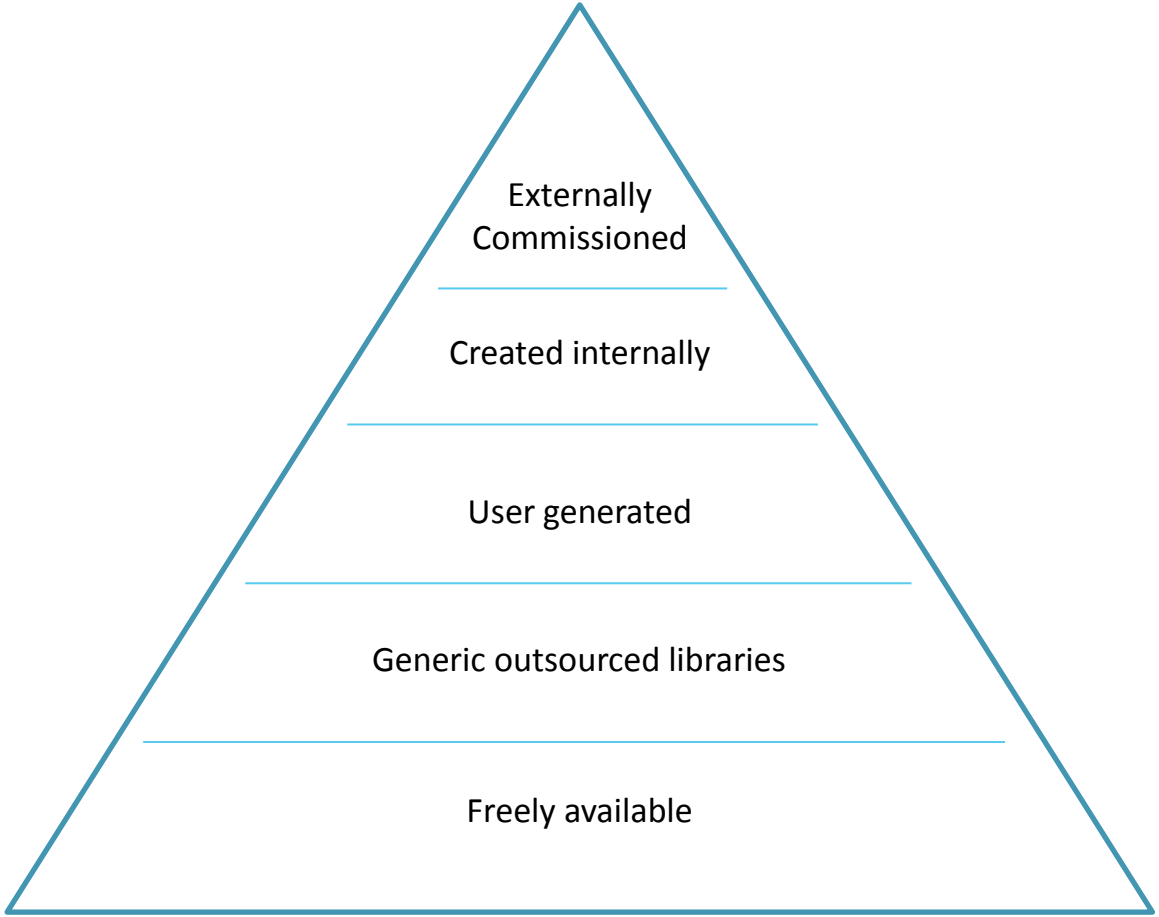
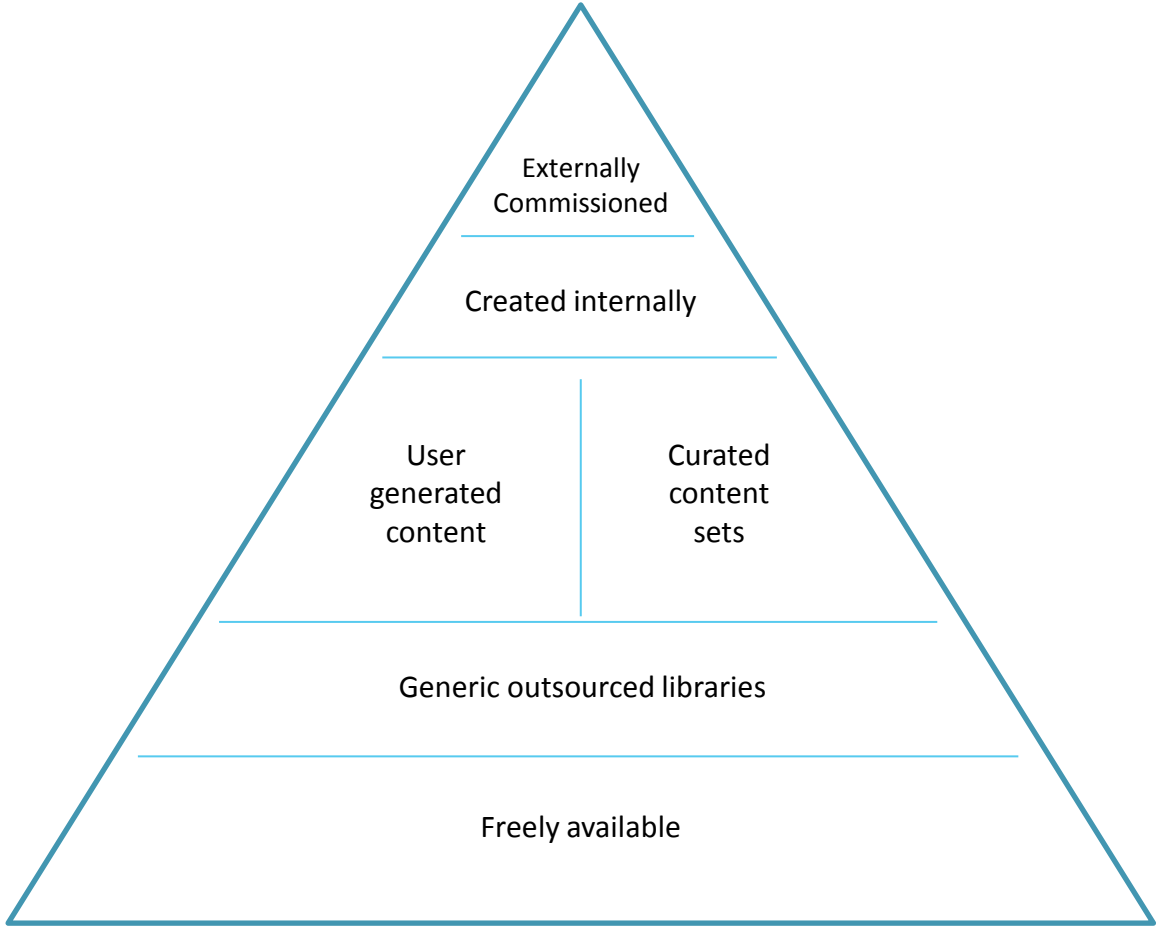
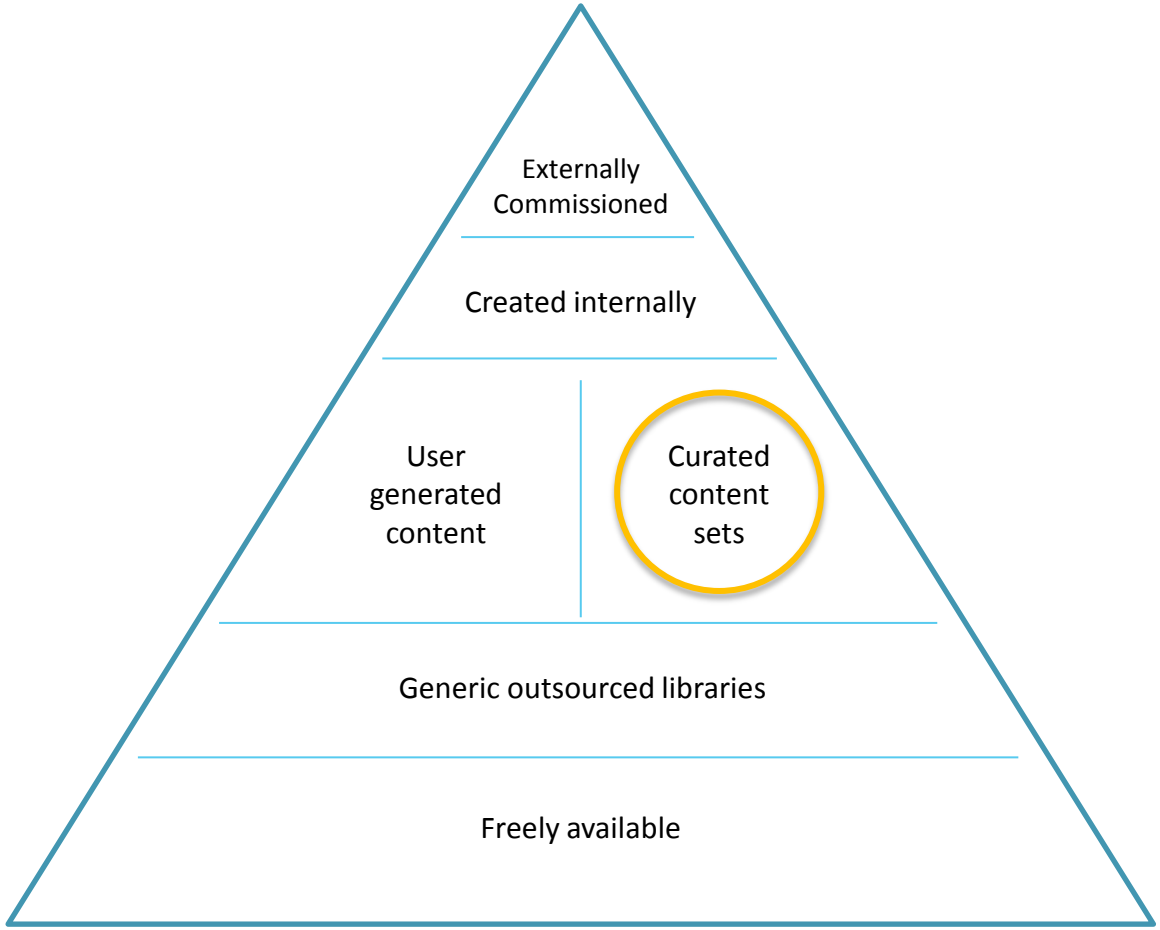

Externally
Commissioned
Created
internally
Freely available


Externally Commissioned
Created internally
User generated
Generic outsourced libraries
Freely available


Externally Commissioned
Created internally
User generated content
Curated content sets
Generic outsourced libraries
Freely available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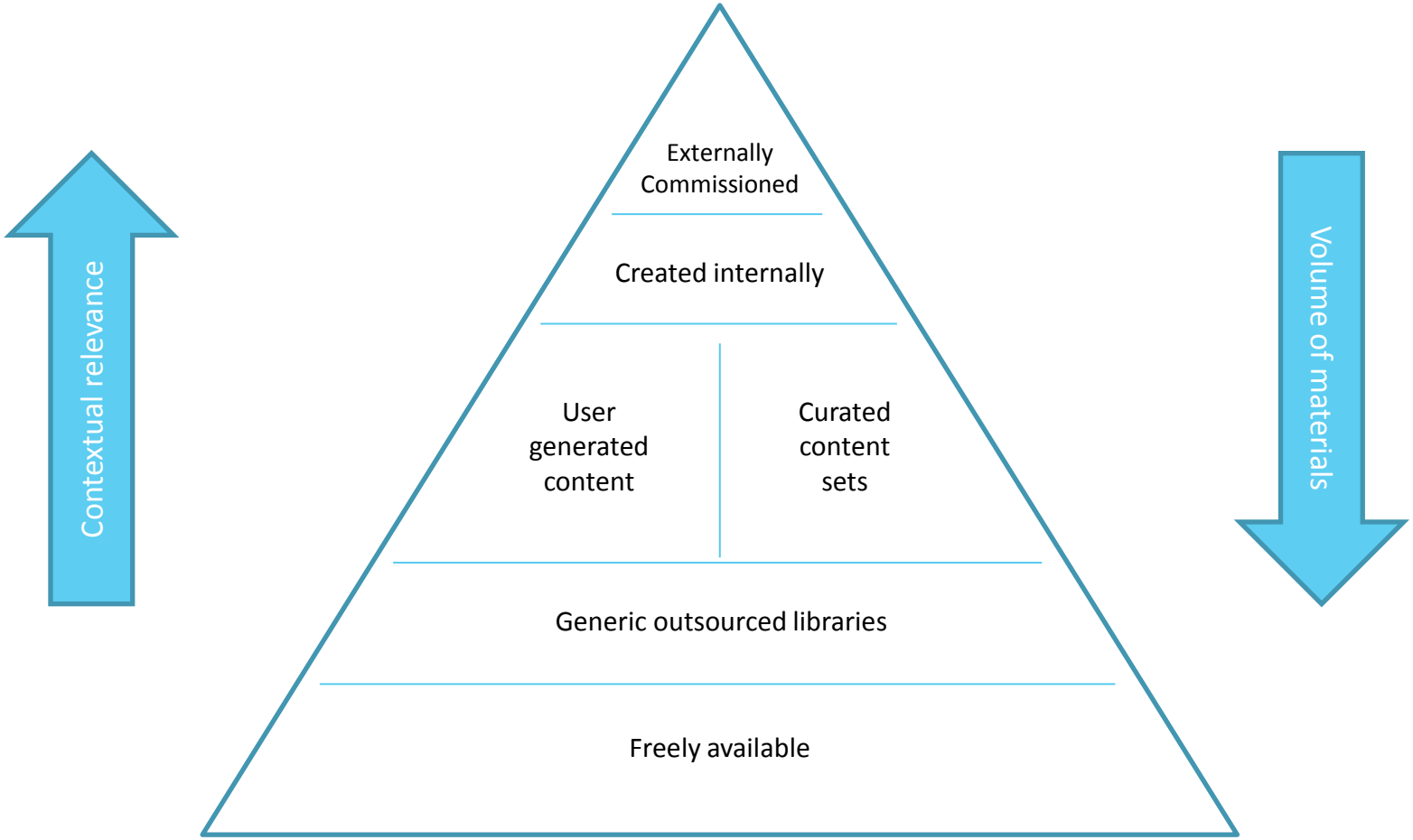
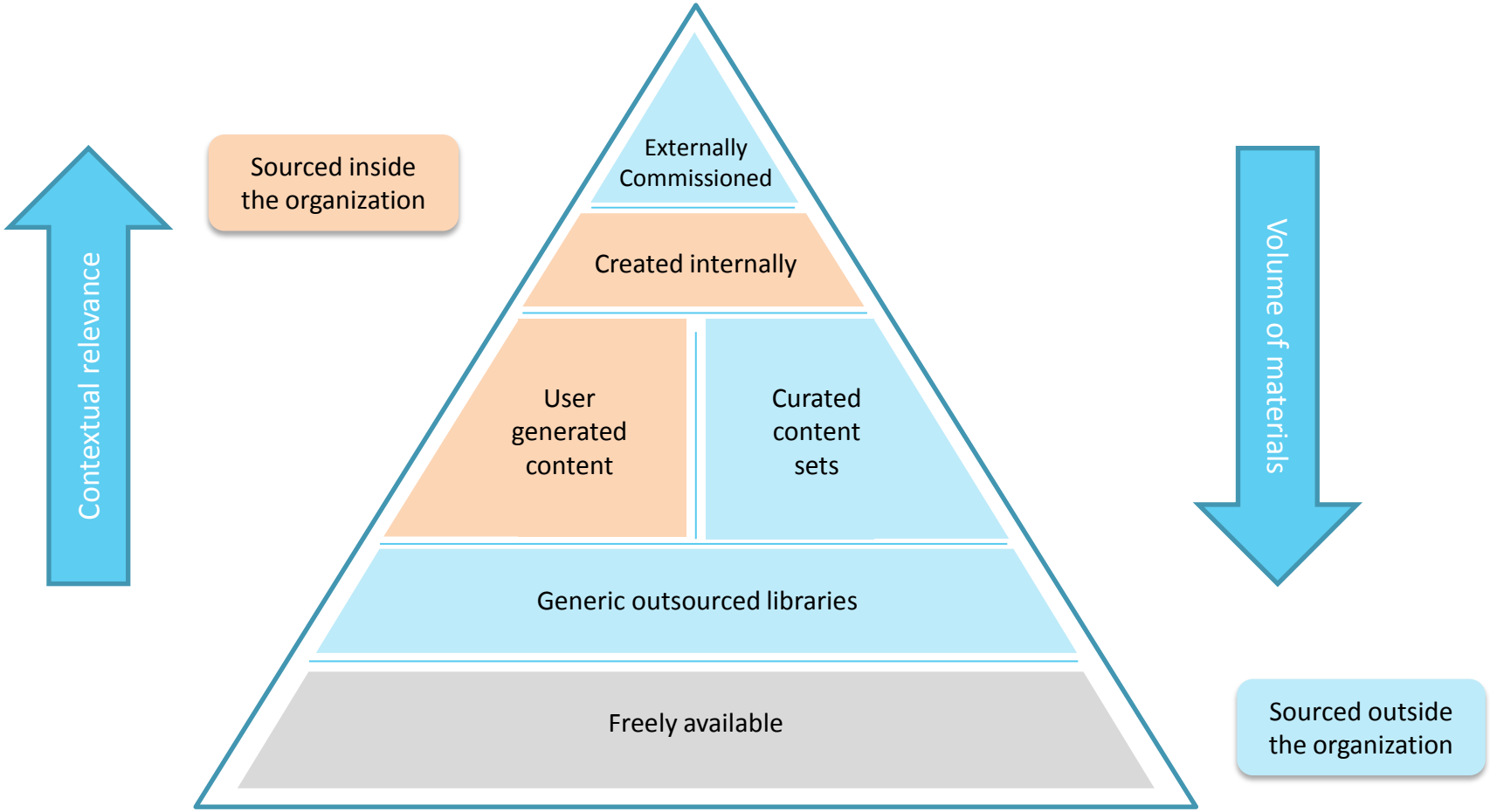
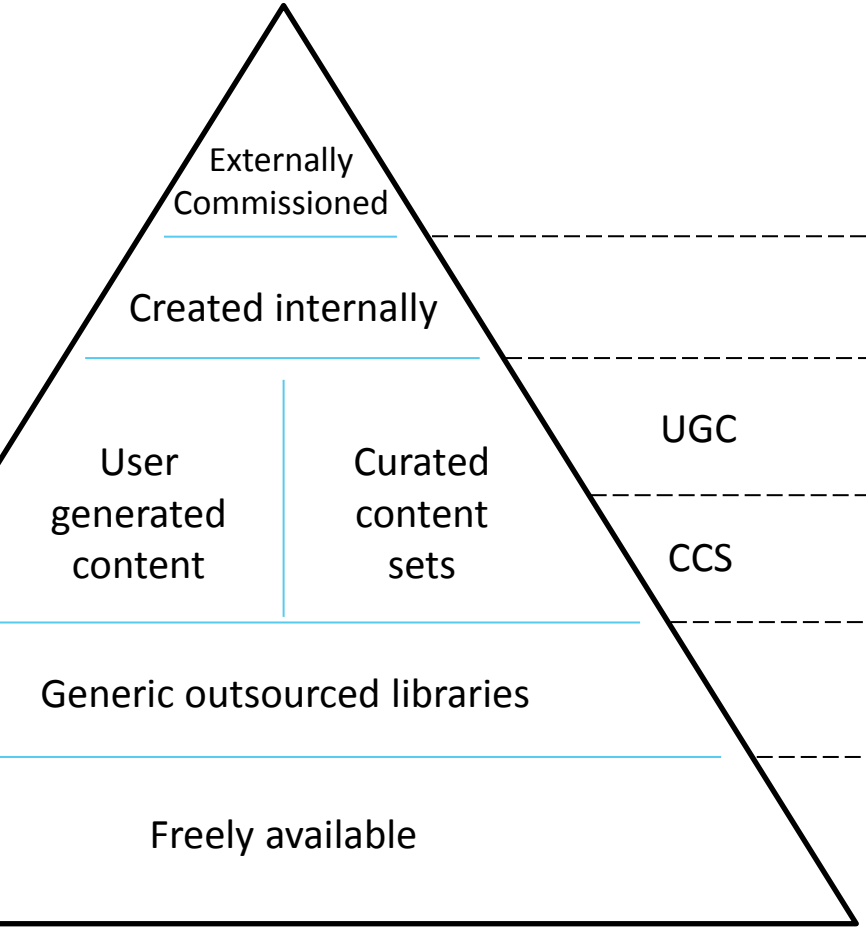

Contextual relevance
Externally Commissioned
Created internally
User generated content
Curated content sets
Generic outsourced libraries
Freely available
Volume of materials


Contextual relevance
Sourced inside the organization
Externally Commissioned
Created internally
User generated content
Curated content sets
Generic outsourced libraries
Freely available
Volume of materials
Sourced outside the organization

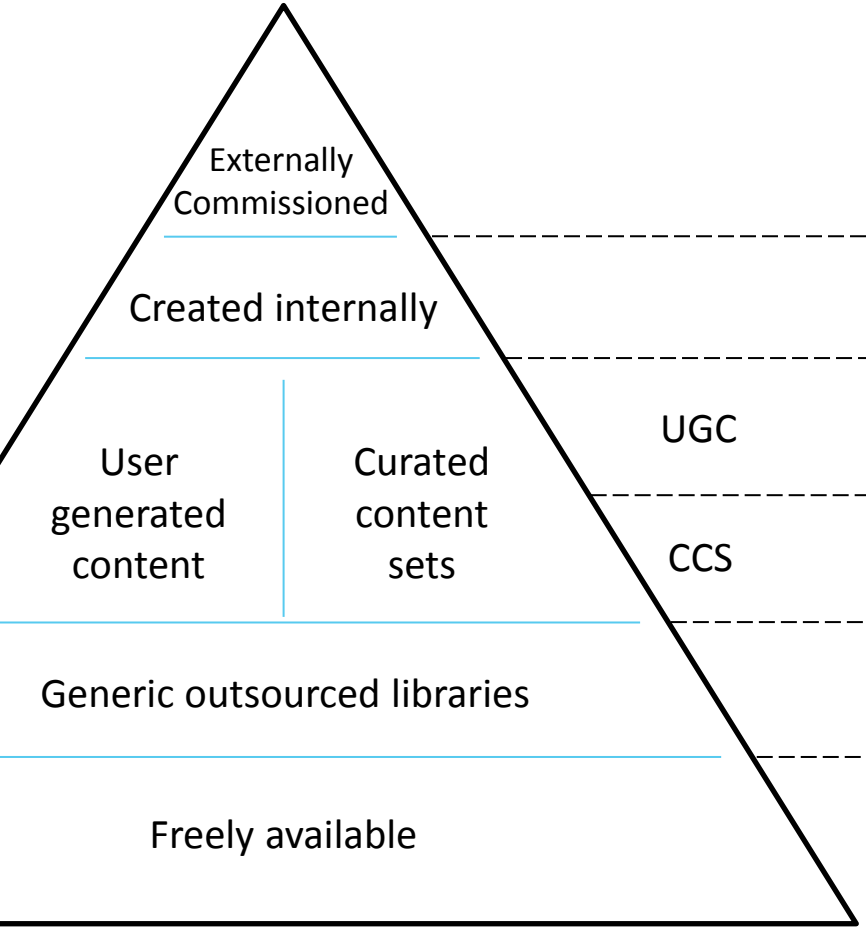


Key criteria

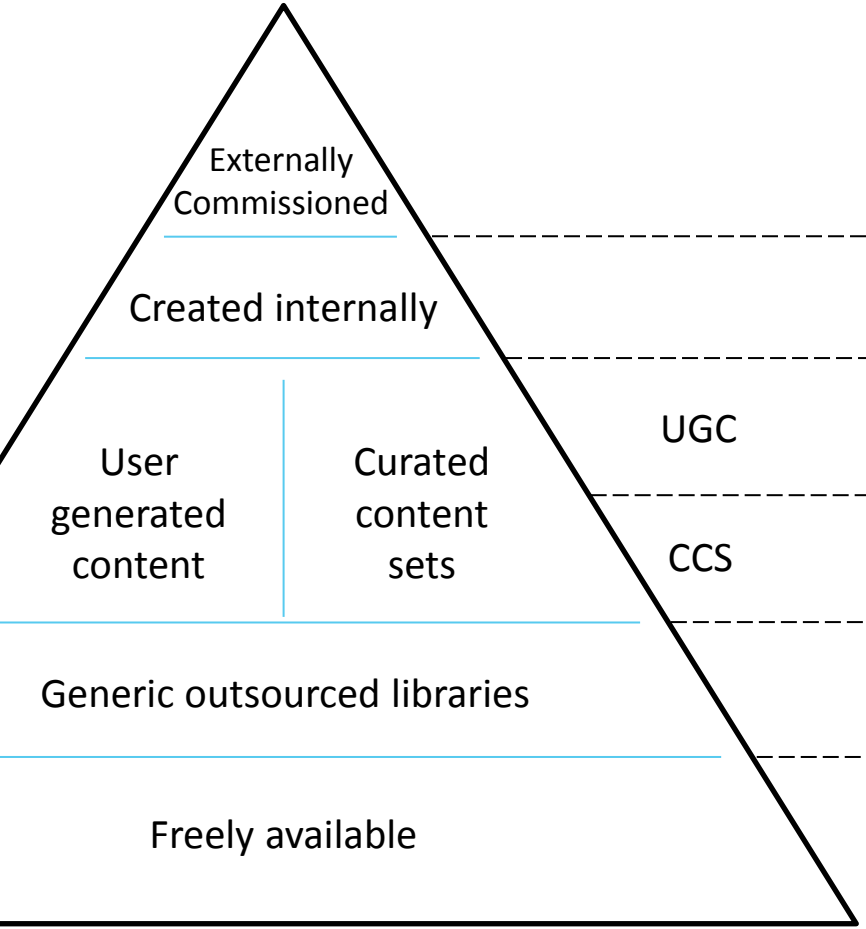
Secondary criteria

UGC

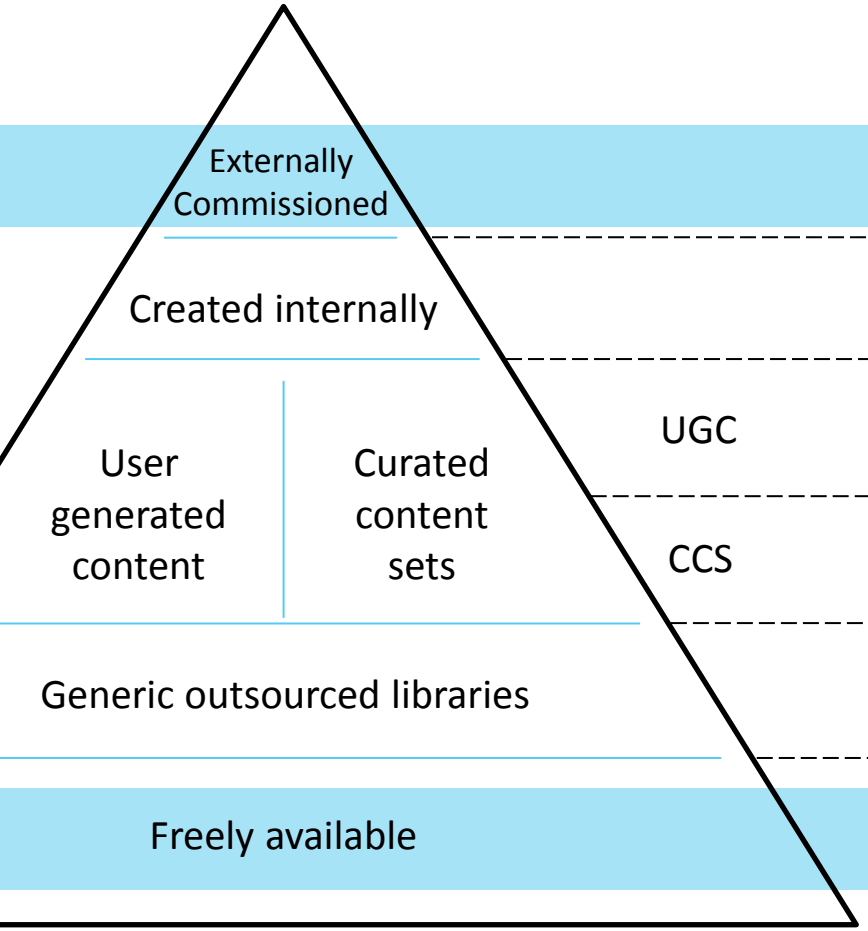
CCS



Key criteria	Secondary criteria
Production value	
Unique to the business	
Speed of application	UGC
Broad, targeted content	CCS
Breadth of coverage	
Self service value	



	Key criteria	Secondary criteria
Externally Commissioned	Production value	Shelf life
Created internally	Unique to the business	Total cost of ownership
UGC	Speed of application	Administration overhead
CCS	Broad, targeted content	Total cost of ownership
Generic outsourced libraries	Breadth of coverage	Total cost of ownership
Freely available	Self service value	Administration overhead



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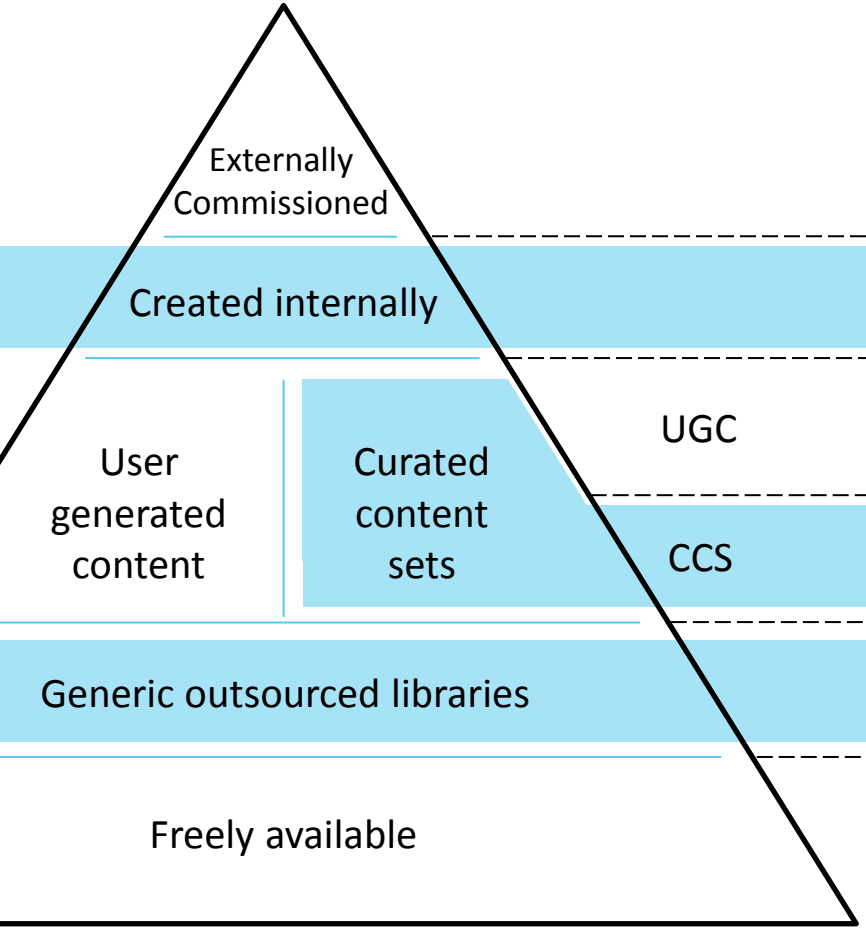


	Key criteria	**Secondary criteria**
Externally Commissioned	Production value	Shelf life
Created internally	Unique to the business	Total cost of ownership
UGC	Rapid front-end sharing	Administration overhead
CCS	Targeted content	Total cost of ownership
Generic outsourced libraries	Generic coverage	Total cost of ownership
Freely available	Self-service content	Administration overhead

ACME's own, unique sales methodology

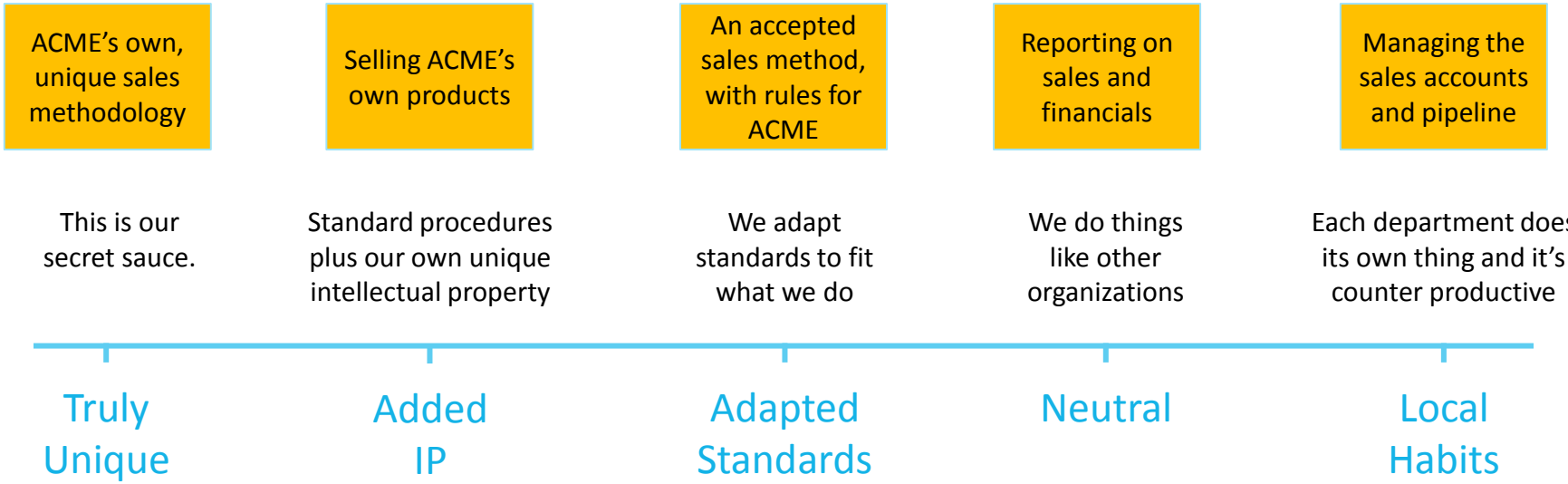
Selling ACME's own products

An accepted sales method, with rules for ACME

Reporting on sales and financials

Managing the sales accounts and pipeline

ACME's own, unique sales methodology	Selling ACME's own products	An accepted sales method, with rules for ACME	Reporting on sales and financials	Managing the sales accounts and pipeline
This is our secret sauce.	Standard procedures plus our own unique intellectual property	We adapt standards to fit what we do	We do things like other organizations	Each department does its own thing and it's counter productive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An accepted sales method, with rules for ACME
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Truly Unique
Added IP
Adapted Standards
Neutral
Local Habits

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Truly Unique	Added IP	Adapted Standards	Neutral	Local Habits

When I hear these kinds of stories, the Adult Jane in me tries not to shout, "Seriously, people, it's *office safety*. It's *harassment*. It's *time sheets*. It's *customer service*. It's *supervisory skills*. It's *ethics*. Please!"

Why?

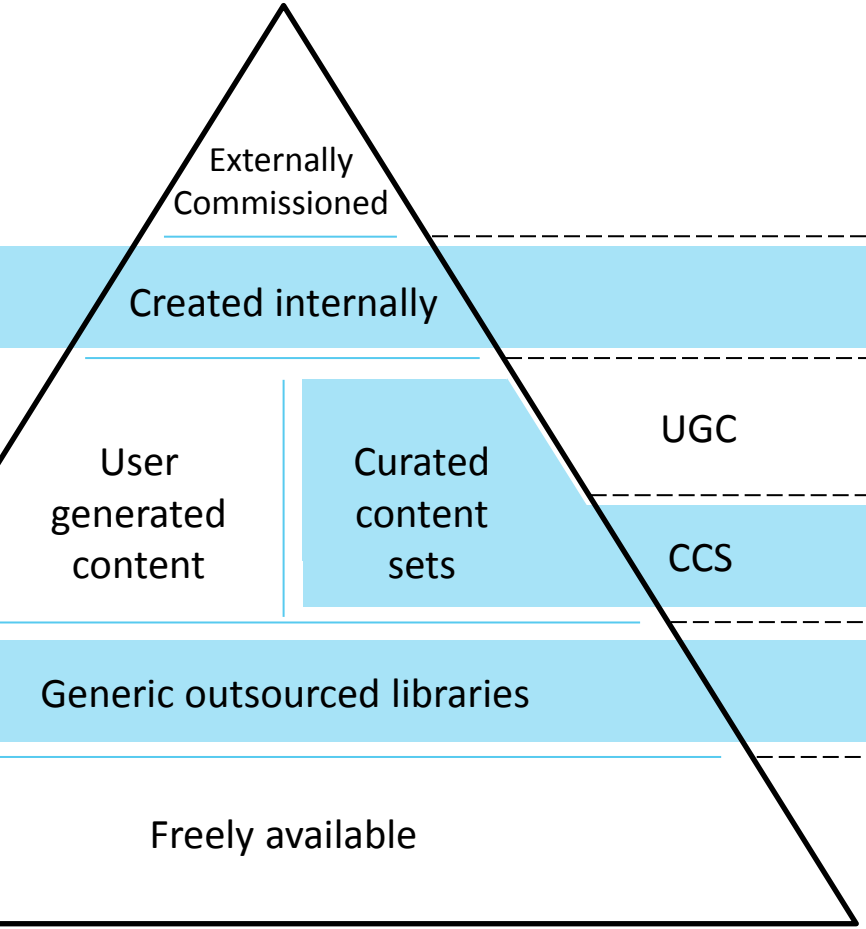
Why does it happen? Sometimes it really is money, with organizations not considering the real expense of sunk costs – like hundreds of hours of employee time devoted to a project, assembling assets, and learning new tools. Sometimes, in resisting existing off-the-shelf programs, it's the "not created here" syndrome: I've joked that if I made a "fire extinguisher safety" video starring Meryl Streep, and gave it away for free, that four of our agencies would say they couldn't use it because I showed red fire extinguishers in the video, and *their* fire extinguishers are purple.

Other reasons? People just assume they can't afford to contract the work out, or buy an off-the-shelf product, without really investigating possibilities. People greatly underestimate the reality of the development process, particularly when considering projects that will involve many stakeholders, contributors, and program assets. Or they see an opportunity for a big public splash, without considering how visible a failure might be. Or they are so concerned with whether the LMS can "count" uses of things like YouTube videos that they don't really explore ways to handle that. Or they don't know how to say "no" or offer alternatives to the manager asking for a complex online course for only 50 users. And frankly, the idea of developing it yourself is alluring: it's the "fun" part of what we do, the creative part, and the reason many of us got into this business. But it just doesn't always make sense.

When does building make sense?

So here's quick decision-making guide, a buy-vs.-build flowchart (Figure 1). The conditions include both content and potential use. Briefly: Build when information is proprietary, absolutely requires

Article: Jane Bozarth, Learning Solutions Magazine, March, 2012



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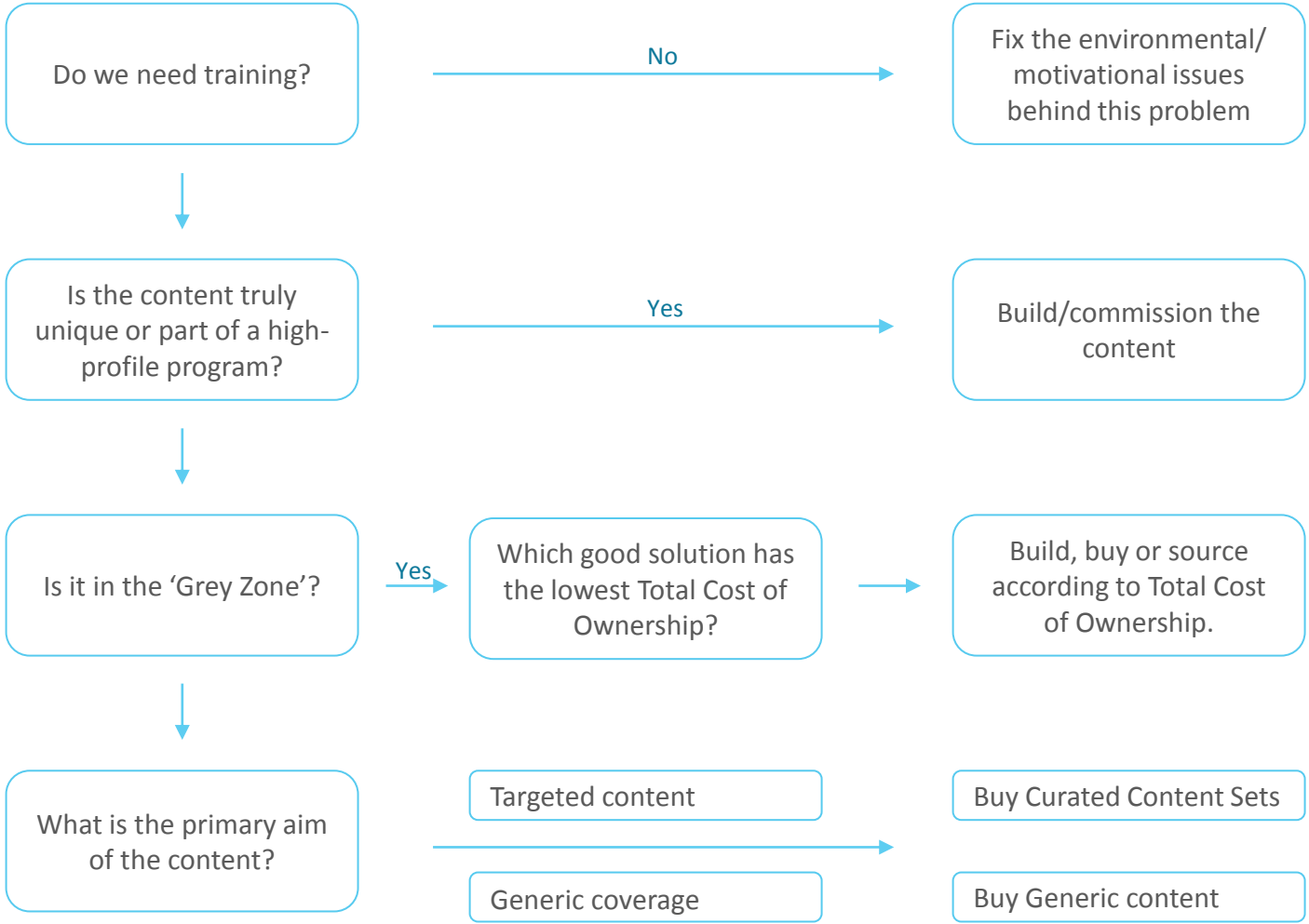
How much does a course cost?

- Cost of production
- Maintenance
  - Content updates
    - Product / compliance
  - Localization
    - Translation / culture
- Opportunity cost
  - Vendor selection & management
  - The course treadmill


Do we need training?
No
Fix the environmental/ motivational issues behind this problem
Is the content truly unique or part of a high-profile program?
Yes
Build/commission the content
Is it in the 'Grey Zone'?
Yes
Which good solution has the lowest Total Cost of Ownership?
Build, buy or source according to Total Cost of Ownership.
What is the primary aim of the content?
Targeted content
Buy Curated Content Sets
Generic coverage
Buy Generic content

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References

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Man texting: Jens Schott Knudsen, https://www.flickr.com/photos/pamhule/6991751189/

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Article: Jane Bozarth, https://www.learningsolutionsmag.com/articles/855/nuts-and-bolts-buy-or-build