

The background features a complex, abstract geometric pattern. It consists of numerous white, three-dimensional-looking lines that radiate from a central point and curve inward, creating a sense of depth and movement. The lines vary in length and angle, forming a spiral-like structure that draws the eye towards the center. The overall effect is reminiscent of a stylized eye or a tunnel of light.

D2L

**Understand the Return
on Learning**



Associations are facing more competition than ever from every direction—higher education institutions, third-party training providers, and even each other. In the U.S. alone, there are over 92,000 professional and trade associations catering to members in areas such as skilled trades, law, healthcare, finance, and arts and culture.¹

They're looking for ways to distinguish themselves as well as to grow and diversify their revenues, and many are embracing online delivery models for events and educational programs to make that happen. There's good reason for that too. In a changing world of work, members see associations as a vehicle that can help them improve their knowledge, connect with peers, and ultimately advance in their careers. Certifications and training remain two of the top five benefits members value from their associations.² Traditionally, the bulk of these activities would happen via in-person, face-to-face sessions and events. Increasingly, associations are leveraging online solutions to help them expand their reach, optimize internal efficiencies, and cement their competitive edge.

If you're looking to provide or enhance virtual training, accreditation, and professional development opportunities, the question is: What types of results and returns can you expect?

This guide is here to help you answer that question with:

- Categories to consider when breaking down ROI
- Factors to incorporate into your calculations
- Sample formulas and real-world metrics

It isn't a plug-and-play calculator, but it will explain the process and give you the knowledge you need to shape discussions and evaluations in ways that will be relevant for your association.

- **The Strategy.** Understand what success looks like to you and the metrics and data you'll use to define it.
- **The Returns.** Take a deeper dive into part one of any ROI equation: the returns. What types are there and what do you need to keep in mind when evaluating them?
- **The Investment.** What components can it be broken down into and, again, what considerations should you keep top of mind?
- **The Final Calculation.** Bring everything together with the final calculation.
- **The Soft Benefits.** These are the factors that may not have a dollar figure attached but are no less important in helping you gauge the impact of your learning programs.
- **The Wrap-up.** Tying it all together is the final step to help you measure the overall effect.

¹ <https://www.npr.org/2011/05/25/136646070/time-for-associations-to-trade-in-their-past>

² <http://www.edgeresearch.com/wp-content/uploads/2016/06/Abila-Member-Engagement-Study.pdf>

It starts with Strategy

Before you can talk about outcomes and results, you need to start by establishing the benchmarks against which you'll be measuring. The central question you want to answer: What is your association looking to get out of its learning programs?

Remember, calculating ROI should be a highly individualized process that revolves around your strategic objectives. Are you going from in-person to online courses or transitioning from one learning management system (LMS) to another? Are you focused on increasing reach and membership, or is helping your teams become more efficient a higher priority?

Whatever your goals are, doing the upfront work to understand what success looks like to you and what data you'll need will help you better understand what your accomplishments are.

Questions to answer

- Who are the key decision makers you need to involve? Think about representatives from business units like program management, communications, membership, IT, accounting, and advocacy.
- What expectations, both specific and generic, do stakeholders have about the results from your online learning programs?
- When do you want or need to make the transition to a new online learning solution?
- How will business processes and operations be impacted by the change?
- What platforms, tools, and methods does your association use now to deliver education programs?
- What systems does your association currently have in place for gathering training-related data? Do you use self-reporting mechanisms such as feedback surveys? What data can you leverage from your association management system (AMS)?

Metrics to consider

- **Usage:** Focus on indicators that tell you how people are interacting with the programs you offer, like enrollment numbers, time spent in each course, and best-performing content.
- **Retention:** This is about determining whether people are sticking with it. Are they excited and engaged? Do they complete their programs and go on to take additional courses?
- **Productivity:** How much time do staff spend administering the learning environment? Think about the time and resources that go toward creating courses and content, communicating with learners, and providing feedback and grades.

Quantifying the returns

Returns can generally be divided into two categories: those that generate revenue growth, usually by expanding your reach or improving member retention, and those that reduce operational costs through increased efficiencies or being able to consolidate the technologies you use.

Growing revenue

REACH

For associations, one of the biggest draws of online learning is the potential it brings to help them expand their training offerings to reach a bigger audience of existing members, new members, and nonmembers. When you're thinking about the types of results that can come from increased reach, consider:

- Delivering more value: Build a course once and run it on demand for your members to access asynchronously. With live courses, it's about scaling up—attracting people who normally may not be able to attend in-person sessions.
- Distributing widely: Provide training initiatives for free or at reduced prices for members, offer them at higher fees to nonmembers, and sell them via partners.
- Innovating faster: Further strategic objectives like enhancing certification programs or leverage new tools like personalized learning so members can align continuing education with their career goals.
- Draw in younger members: For this cohort, the biggest benefits of association membership are the potential professional benefits that come with it, including training and certification.³

62%

of members join their associations within the first five years of their career.⁴

FACTORS TO CONSIDER:

- Revenue per course (average)
- Courses sold per year
- New users
 - Members
 - Nonmembers
- Growth (%)
 - Members
 - Nonmembers

FOR EXAMPLE

Revenue per course: **\$1,500**

Current # of courses sold per year: **200**

Estimated growth of courses sold per year: **+20%**⁵

Current Total Course Revenue:
 $\$1,500 \times 200 = \mathbf{\$300,000}$

New Total Course Revenue:
 $\$1,500 \times 200 \times (1 + 0.20) = \mathbf{\$360,000}$

Incremental Course Revenue:
 $\$360,000 - \$300,000 = \mathbf{\$60,000}$

⁵ Sample data point similar to that reported by the Australian and New Zealand College of Anaesthetists (ANZCA)
<http://www.edgeresearch.com/wp-content/uploads/2016/06/Abila-Member-Engagement-Study.pdf>

The Australian and New Zealand College of Anaesthetists (ANZCA) reported a **22% year-over-year increase** in active learners.

“Our goal is to deliver the best learning outcomes for all our participants. Thanks to the D2L platform, we’re able to offer engaging, collaborative experiences that empower healthcare professionals throughout the region to enhance their skills.”

Colin Lynas, Learning Technology Officer, ANZCAL

REACH

Retaining members is a top priority for associations. For many, membership dues are still the single biggest source of income—45% of revenue for trade associations and 30% for professional associations.⁶ Satisfied members can also help fuel growth by sharing their experiences among their networks and encouraging colleagues and peers to join. 27% of association professionals said word of mouth was the most effective tactic for growing memberships.⁷

Driving renewals means giving members the value they’re looking for and motivating them to stay active and excited about the association. When asked why members chose not to renew, around half of association professionals surveyed said lack of engagement was the primary reason.⁸ Things that can help keep them involved include continuing education and training opportunities that help them keep their knowledge and skill sets up to date and create connections with other likeminded individuals and groups. The same survey that looked at what benefits drew members to associations initially also looked at what kept them involved as they progressed through their careers. For all of them—even older members—professional development led the pack.⁹

29% of association professionals said they expected member engagement to be their number one challenge in the year ahead, and **28%** said it would be recruiting and retaining members.¹⁰

FACTORS TO CONSIDER:

- Cost of member turnover
- Reduction in Turnover (%)
- Increase in Lifetime Value

FOR EXAMPLE

Annual Membership Fee per Member: **\$500**

Total # of Paying Members: **1,000**

Current Annual Member Turnover Rate: **20%**

Est. New Annual Member Turnover Rate: **10%**¹¹

Lost revenue with current turnover:
 $\$500 \times 1,000 \times 20\% = \mathbf{\$100,000}$

Lost revenue with new turnover:
 $\$500 \times 1,000 \times 10\% = \mathbf{\$50,000}$

Incremental Revenue from Improved Turnover:
 $\$100,000 - \$50,000 = \mathbf{\$50,000}$

⁶ https://www.osaecenter.org/resources/articles/an_magazine/2016/november-december/data-membership-dues-arent-the-only-revenue-stream

⁷ <https://content.growthzone.com/2019-gz-survey-results/>

⁸ <http://www.marketinggeneral.com/2019/07/23/mgis-2019-membership-marketing-benchmarking-report-is-out/>

⁹ <http://www.edgeresearch.com/wp-content/uploads/2016/06/Abila-Member-Engagement-Study.pdf>

¹⁰ <https://content.growthzone.com/2019-gz-survey-results/>

¹¹ <http://www.edgeresearch.com/wp-content/uploads/2016/06/Abila-Member-Engagement-Study.pdf> Sample data point as reported by the NutritionalTherapy Association (NTA) (<https://www.d2l.com/customers/nutritional-therapy-association/>)

The Grain and Feed Trade Association (Gafta) found that its new platform had quickly **attracted a new audience of learners.**

“Much of our content is very technical, so it can be heavy going for learners. D2L made it much more interactive, more appealing, and more professional looking.”

Sophie Webber, Head of Training and Events, Gafta

Reducing costs

REACH

Associations are often tasked with doing a lot with a little. That's why enabling staff to scale their efforts can give such a big boost. For 35% of associations, insufficient staff is the second-biggest internal challenge that gets in the way of growing their membership.¹²

Transitioning to online training delivery models can help teams to:

- Deliver training and accreditation programs to more people, including members and nonmembers.
- Automate routine tasks like notifications and data gathering.
- Adapt more quickly based on evolving member and business needs.

Ultimately, it's about helping staff do more with the time, resources, and expertise they have so they can focus on activities that will have the greatest impact.

The average staff-to-members ratio is 51:1.¹³

FACTORS TO CONSIDER:

- Average Salary
- Number of Employees
- Reduced Days of Administrative Work
- Increase in Productivity

FOR EXAMPLE

Hourly rate: **\$25/hr**

of administrators: **2**

Hours saved per week on routine tasks: 4 hours¹⁴
Annual Efficiency Savings: \$25/hr x 2 people x 4 hours x 52 wks = **\$10,400**

¹² <http://www.marketinggeneral.com/2019/07/23/mgis-2019-membership-marketing-benchmarking-report-is-out/>

¹³ <https://content.growthzone.com/2019-gz-survey-results/>

¹⁴ Sample data point as reported by the Professional Development Institute (PDI) (<https://www.d2l.com/customers/professional-development-institute/>)

The Professional Development Institute (PDI) **saves four days of administrative work per week**, freeing up the team to focus on customer service and scaling.

“When I first talked to D2L about our reporting requirements, I thought what I was describing was a dream ... When we saw the final version of the custom reports they built for us, we were literally dancing around the office because we realized what a complete game-changer it was for our business.”

Sophie Webber, Head of Training and Events, Gafta

CONSOLIDATION

In addition to helping staff maximize the value of their time, adopting online learning can also help reduce costs and streamline the technology your association uses.

Depending on where you're starting from, this could mean:

- Moving from multiple learning solutions to a single platform.
- Bringing disparate tools together under one roof—video feedback, file sharing, and discussion forums, just to name a few—so they're easier for everyone to find and access.

FACTORS TO CONSIDER:

- Annual System Costs (combined)
- Additional Fees (termination, etc.) (combined)
- Material Costs (e.g., printing)

FOR EXAMPLE

Current Cost of System 1: **\$50,000**

Current Cost of System 2: **\$50,000**

Cost Reduction from Consolidation*:
(\$50,000 + \$50,000) - \$70,000 = **\$30,000**

The American Nurses Association (ANA) consolidated from **eight learning management systems to one** with Brightspace.

“We believe that D2L and the flexibility of the Brightspace platform have positioned us to be a leader and to stay a leader in the educational professional development space.”

Dr. Nancy Robert, EVP and Chief Product and Marketing Officer, ANA



The investment

By this stage, you should have a pretty solid understanding of the returns your association is seeing or can expect. Now it's time to calculate the second part of the equation—the investment. Again, you can break this down into two categories: **one-time setup costs** and **variable or ongoing costs**.

ONE-TIME SETUP COSTS

- Content Development
- Customization
- Implementation
- Change Management

VARIABLE OR ONGOING COSTS:

- Licensing
- Consulting
- Marketing

FOR EXAMPLE:

- One-time setup costs: **\$20,000**
- Variable or ongoing costs: **\$70,000**

The final calculation

Determining the final ROI requires bringing all your previous calculations together in this equation:

$$\frac{((\text{Annual Program Benefit} - \text{Annual Ongoing Program Costs}) / \text{One-Time Setup Costs}) \times 100}{1} = \text{ROI}^{15}$$

An outcome higher than zero means your online learning programs produced a net benefit after accounting for the costs associated with implementing and running them. The higher the percentage, the better the results.

When it comes to communicating the benefit, people often choose to share dollar figures instead of percentages. An ROI of 50%, for example, means that every dollar spent generates \$1.50. If you invested \$10,000, your return would be \$15,000.

FOR EXAMPLE

Annual Net Program Benefit = Annual Program Benefit - Annual Ongoing Costs:

$$\begin{aligned} & \text{Reach + Retention + Efficiency + Consolidation} \\ & - \text{Annual Ongoing Costs} = \text{Annual Net Program} \\ & \text{Benefit } \$60,000 + \$50,000 + \$10,400 + \\ & \$100,000 - \$70,000 = \mathbf{\$150,400} \end{aligned}$$

$$\begin{aligned} \text{ROI} &= \frac{\text{Annual Net Program Benefit}}{\text{One-Time Investment Costs}} \times 100 \\ &= \frac{\$150,400}{\$20,000} \times 100 \\ &= 752\% \end{aligned}$$

15 <https://www.investopedia.com/articles/basics/10/guide-to-calculating-roi.asp>

The soft benefits

The financial returns are no doubt important, but they may not tell the full story. There are additional gains that, even if they don't have a dollar figure attached, could still be a vital part of your success—giving insight into how members are engaging with training programs and what they're getting out of them.

Let's look at three: satisfaction, proficiency, and community.

Satisfaction

Satisfaction metrics can give you a good understanding of how members feel not only about the professional development programs you offer, but also your association overall. Additionally, it can give you a sense of how likely members would be to recommend your association to their colleagues, peers, and friends.

You can measure satisfaction in and outside of your LMS using features and tools such as:

- Feedback surveys
- Engagement data
- High-impact evaluations
- NPS scores.

Proficiency

Being able to tell your members what kinds of tangible impacts your association's training and accreditation programs can have on their careers can be a powerful draw. When asked why they left their association, 32% of respondents said that membership was simply too costly.¹⁶ If you can back up the value of membership with data, it can increase stickiness with existing members and give new ones a clear reason to join.

Metrics to focus on could include:

- Increase in productivity
- Job placement rates
- Average salary

Community

Members rely on associations to help them grow and advance in their careers. This happens not only through training and accreditation you provide, but also the opportunities members have to network and collaborate with their peers. Community management software is one powerful tool you can leverage to facilitate and grow online communities, but within your LMS you can also leverage things like:

- Discussion boards
- Video coaching and mentoring
- Feedback loops

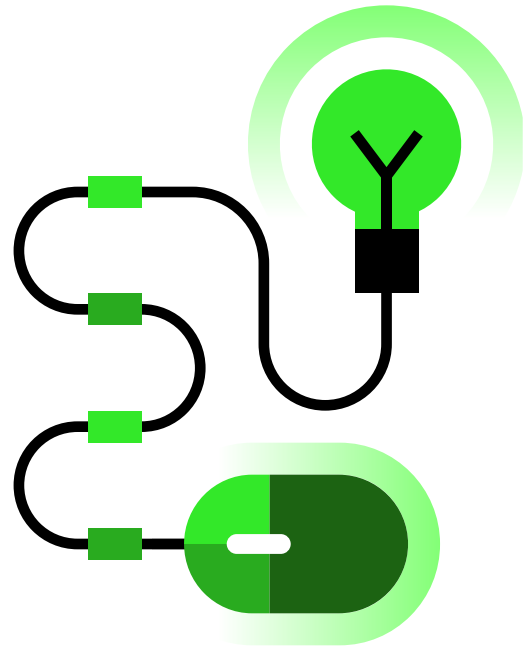
Again, think about scale. Adopting virtual training delivery models can help you grow your association's community in ways that wouldn't be possible if you were relying on in-person tactics.

¹⁶ <http://www.edgeresearch.com/wp-content/uploads/2016/06/Abila-Member-Engagement-Study.pdf>

Measuring the overall impact of your association's online learning

Undertaking an ROI analysis can seem like a daunting task, but by going through the process—taking stock of your goals and objectives, understanding what you'll be measuring, and using the correct calculations—you'll be able to articulate the value of online learning in ways your stakeholders can appreciate. It's proof that you'll be able to deliver the value your members are looking for while generating real results for your association.

The ROI assumptions and calculations in this eBook are for illustration purposes only. Individual results may vary.










ABOUT D2L

D2L is a global learning innovation company, reshaping the future of education and work. We're leading the way into a new era of personalized learning, driven by the belief that everyone deserves access to high-quality education, regardless of their age, ability or location. Our signature technology products—D2L Brightspace and D2L Wave—enhance the learning experience for millions of learners at every stage of life, from the earliest days of school to the working world.

Learn more at [D2L.com](https://www.d2l.com).

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