

Excerpt from Bersin & Associates White Paper: How Online Training is Impacting Business

The operations division (including the group that develops and delivers customer-facing training solutions) at Dynix moved the same amount of revenue in Q4-2004 as the three previous quarters combined.

The library automation software niche includes only a handful of players vying for the attention of customers. Dynix has found that with their robust training solutions they have been able to differentiate themselves during the sales cycle and then continue to create lasting, strategic partnerships with their customers.

In the late 90s, the company took a hard look at its training solutions. Customers were supported with a classroom-based training solution requiring trainers to travel onsite for a week at a time, often losing two days of travel time. These resources were sucked up by new customer implementations, leaving existing customers to flounder. With new application releases almost every six-months, and limited training resources to support them, a customer-base was being created that was not effective in its use of the application.

While Dynix is a software company, its customers — academic, school, public and consortium libraries — are resistant to new technologies and solutions. Both Dynix, as well as its customers, were initially reluctant to transition the classroom-based training to online. Even with this reluctance the company made the investment to rebuild its curriculum, and begin porting components of the program to online using WebEx Training Center, at times providing financial incentives to try this new solution. After September 11, 2001, the interest in exploring alternative training solutions for customer implementations skyrocketed. The company found they were unexpectedly prepared for this need and succeeded in hitting its revenue milestones that year. Since then, the company has used WebEx Training Center's integrated e-commerce function to expand its customer-based training solutions and become a noteworthy source of revenue for the company.

Today, the company offers a multi-tiered solution, called iLearn, to support multiple learning styles and preferences. Informational live sessions are delivered free on certain topics, such as new software releases. Smaller fee-based live training sessions are held with smaller groups and include desktop sharing and one-on-one interaction. An online software lab is also available to enable participants to work on their own installation of the application. Dynix has also developed a self-paced training library consisting of nuggets of information eight to ten minutes long, which customers pay a yearly subscription fee to access.

When training was delivered only in the classroom, costs were not fully understood and it was bundled into the overall contract as part of the implementation cost. In comparison, in the second half of 2004, Dynix brought in 2-million dollars in revenue from their customer training solutions. Dynix estimates this revenue will double in the next year through expansion into the European and Australian markets as well as through a new pre-paid training 'debit' card they plan to implement. Customers still have the ability to bring a trainer onsite, but Dynix better understands the travel, salary and opportunity costs of offering this solution and now bills appropriately.

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Overall, the company takes more of a consultative approach with its customers and rather than offering a single solution, works with each company to offer an implementation training plan that fits the customer's needs.

Dynix has also been able to reduce average customer implementation timeframes from six months to ninety days due to the flexibility of the training solutions. In the past customers would have to schedule onsite training many months ahead of time, where now it is built into the implementation plan as, and when, it is needed. Aside from increased customer satisfaction, Dynix pushed fifty more projects through the pipeline in Q4-2004 than in the rest of the quarters combined, increasing per quarter revenues significantly.