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## I. JAM Productions Overview

JAM Productions (JAM) is a company founded on the principles of matching sound instructional design specifically to the unique needs of its clients. Each of the company’s co-founders brings her own expertise to the table – graphic design, compliance training solutions, learning management systems (LMS), technical documentation, etc. Our clients range from small “mom and pop” stores to Fortune 300 corporations.

JAM’s training solutions are built upon a commitment to excellence and innovation in compliance training. We work with our clients to create a customized learning experience that will reflect our client’s company philosophy and commitment to ethical standards. We combine sound legal content with our client’s code of ethics to create an effective training solution. We analyze our client’s needs to ensure the training will work for our client, whether that is classroom-based, instructor led training; eLearning solutions; or a blended approach. JAM Productions’ communication and training methodology engages employees, changes behavior and contributes to the creation of a truly ethical business environment.

At JAM Productions, we believe that the law sets the floor, not the ceiling, of standards for ethical behavior.



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## II. Project Parameters

With the establishment of Sarbanes-Oxley and the implementation of new federal sentencing guidelines, coupled with increased required ethics training guidelines at the state level, effective ethics training has gained greater precedence with publicly traded companies. Forward-thinking private companies are following suit to establish a foundation of best practices with regards to ethics training. Never has annual, trackable ethics training been more important to American businesses.

Health Care Cooperative (HCC) seeks to create a high quality, high impact training to educate mid- and senior-level managers throughout their company. HCC is built upon the philosophy to “do the right thing in all business and personal situation”, and wishes to create a training experience that reflects this business motto.

HCC desires to go beyond a “check the box” training approach for its managers. Employees not only must be educated in the ethical standards of HCC; they must be motivated to practice the behaviors that will ensure ethical conduct.

There are five foundational principles upon which HCC basis its business philosophy – Accountability, Honesty, Integrity, Openness and Respect. Any training solution selected by HCC will reflect these five principles. Initially, the ethics training solution will address the areas of employee personal conduct and appropriate use of company assets.

Impacting employees’ behavior requires the right content and delivery approach. Any training solution will reflect attributes of past successful training sessions, i.e., the ability of participants to interact with each other; as well as meet the needs of HCC’s organizational structure, i.e., multiple locations and limited training space. Clearly, off-the-shelf content and a “one size fits all” delivery strategy will not be sufficient. Additionally, HCC seeks to add an ethics training solution to its training catalog in the future.

JAM Productions specializes in creating affordable, effective training solutions that are tailored to a company’s needs. We can offer HCC a solution that will meet their ethical training requirements today and in the future.



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### III. Project Solution

**Objective:** To create a business ethics training solution that fulfills both HCC's requirements for effective training for their mid- to senior-level managers and the growing trend towards required ethics training for all companies.

**Key To Success:** Educating employees on the foundation of best practices with regards to ethics training, including HCC's principles of Accountability, Honesty, Integrity, Openness and Respect, which will engage learners and effectively train workers. Providing HCC with the foundation of compliance with the trend towards legislative training standards for all employees. Additionally, providing HCC with the tools to move towards adding effective business ethics training to their course catalog.

**Strategy:** Based on the multiple locations of HCC's managers nationwide, in conjunction with HCC's stated outcomes for learning solutions and the growing trend towards legislating requiring annual, trackable ethics training, we believe that an innovative, online training solution would benefit HCC best. Our plan is to develop a customized, self-sufficient, fully supported and monitored system.

#### Format:

- We are fully prepared to host the training materials on our secure servers and provide technical assistance to HCC. Or, if HCC would like to host these materials on their servers, which will provide them with more control and direct monitoring, we will be able to transfer the materials at any time.
- Within the training solution there are modules that can be edited, removed, or hidden to certain audiences. Within these modules, there will be content items that include: asynchronous threaded discussions, exams, text, and synchronous chat and lectures. These items can be created but not limited to: multi-media, embedded compliant SCORM items from outside resources, office documents, and simulations.
- The online system has an extensive tracking and reporting functionality. It can track the employees' time within the training, the overall performance of each individual within each module and item, and can evaluate the effectiveness of the material, as well as possible trend patterns.

#### Additional Services:

- We will be working directly with HCC to help the company create and implement a Code of Ethics. Growing tendency towards legislation shows an emphasis on requiring a comprehensive Code of Ethics that outlines a company's policies on everything from vendor gifts to accounting practices. By working with JAM Production to create a Code of Ethics, HCC not only positions itself to be on the forefront of ethics training best practice, it also takes an active role in helping shape employee behavior. JAM Productions would then incorporate this Code of Ethics into the training solution.
- JAM also proposes partnering with HCC to create material that will have commercially viable information, ready to be added to HCC's ethics training product catalog.



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## Why Online Learning?

An online learning solution offers its users a flexibility and consistency not necessarily found in traditional, classroom-based instruction. Online solutions give companies the ability to create a motivating learning environment with sound instructional design, interactivity and state-of-the-art technology; but with the added benefit of guaranteed consistency in content delivery. Additionally, all content in an eLearning solution is easily updated and disseminated across an organization with the replacement of a file. Traditional classroom materials can be more difficult to control.

This table helps illustrate the benefits online learning offers over traditional classroom-based training:

	Online Learning	Classroom-Based Instruction
Interactivity	X	X
Learning Community	X	X
Asynchronous Learning	X	
Synchronous Learning	X	X
Guaranteed consistent content delivery	X	
Manual trackability*	X	X
Automatic trackability**	X	
Real-time trending of training effectiveness**	X	
Real-time reporting of learner progress in course**	X	
Low cost delivery to remote locations	X	
Quickly updated content	X	

\* In any tracking database or spreadsheet

\*\* When deployed through LMS

## Description of JAM's online learning solution:

### *Instructional Design and Production Value:*

In keeping with our commitment to sound instructional design, excellence and innovation in compliance training, JAM is pleased to introduce to you our **story-based learning template** called *A Fork in the Road™*. In this learning model, employees take part in a compelling, global ethics and compliance storyline that creates dramatic momentum and drives users to complete the program and, more importantly, motivates them to exhibit the ethical behaviors HCC desires in its employees.



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Our instructional design approach (story-based learning) has been successful not only for our clients, but for organizations around the world. Research has shown that learners who can recognize the schemata (context or big picture) of a situation are able to absorb learning more effectively (Bielenberg & Carpenter-Smith, 1997; and Plowman et al, 1999).<sup>1</sup>

Because JAM builds scenarios based on the needs of HCC, we are able to personalize the content for the learner – “...this kind of familiarity can make the instruction more meaningful for the user (Gagne, Bell, Yarborough, & Weidemann, 1985; Kintsch & Greene, 1978; Mandler, 1978)”<sup>2</sup>. Learners are engaged in a truly interactive, cutting-edge experience in which their choices generate consequences. As the learner works through the course, he/she must make decisions on how to act in an ethically-charged business scenario. That decision generates feedback regarding that choice, which is supplemented by material that explains the *why* as well as the *what*.

Given the importance of effective ethics and compliance training, as well as the expectations of an increasingly media-savvy workforce, *A Fork in the Road™* presents a solution that engages learners, clarifies ethical expectations, and motivates behavioral changes.

#### *Customized to Reflect HCC's Ethical Standards:*

JAM's eLearning course is highly customizable to reflect your organization's unique ethical standards. We have taken special care to maintain our story-based approach to instructional design while allowing HCC to modify the program to reflect the organization's needs. Whether or not HCC chooses to create a standardize Code of Ethics policy, *A Fork in the Road™* will reflect HCC's foundational principle's of Accountability, Honesty, Integrity, Openness and Respect.

#### *Key Features:*

Other key features of JAM Production's courseware:

- Our legal content is constantly reviewed by a team of expert attorneys to ensure the most current and accurate legal content. If a change in the law requires an update to the courseware, JAM immediately modifies the programs at no cost to our customers.
- Our program uses a highly interactive, engaging story-based training format that enhances the educational experience and ensures user completion. Every situation in *A Fork in the Road™* takes place in a real workplace environment.
- *A Fork in the Road™* is designed for use in companies of all sizes, using the Internet as the delivery system. It can be hosted on JAM's learning management system (LMS), or can be hosted on a third-party LMS. Because the course is SCORM-encoded using a widely used programming language, it is compatible with several learning management systems on the market (iOracle, Blackboard, Moodle, etc.).

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<sup>1</sup> Withers, Denise. December 2004. *Tools of engagement: Story-based strategies for interactive learning media*. Paper, retrieved September 20, 2005 from

<http://www.sfu.ca/~dwithers/articles/publications/IAT812LitReview.pdf#search='storybased%20learning'>

<sup>2</sup> August 22, 2004. *Story-based learning*. Center for Positive Practices web site. Retrieved September 20, 2005 from

<http://www.positivepractices.com/Pedagogy/StoryBasedInstruction.html>



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- The courseware is delivered directly to the user's desktop or any computer the company wishes to make available for online training. Should the company decide to use an LMS, each learner's use and completion of the courseware is tracked.
- *A Fork in the Road™* can be customized to include an organization's specific workplace policy on an associated topic. In this respect, JAM's courseware performs the dual function of distributing and collecting individual acknowledgements of an organization's workplace policies.

*Course Overview:*

<b>Format</b>	Interactive, story-based eLearning. The course can be implemented as a one-time offering, or it can be released in conjunction with a learning management system (LMS) hosted on JAM's LMS or a third party LMS of HCC's choice.
<b>Audience</b>	HCC's initial audience is mid- and senior-level managers; however, the course would be suitable for all employees as well.
<b>Length</b>	30 minutes to 2 hours, depending on content selection and customization
<b>Customization</b>	Extensive and flexible capabilities that can be mapped to your policies or Code of Conduct, and include custom reporting information, policies, etc.
<b>Tracking</b>	When released in conjunction with an LMS, training completion and policy/Code acknowledgement tracked for each individual user.

*Topics covered:*

HCC has indicated that their ethics training must initially cover the topics of employee personal conduct and appropriate use of company assets. Should HCC wish to add topics to the ethics training, *A Fork in the Road™* course offers the following key topics:

- The importance of practiced ethics and compliance, including HCC's founding principles of Accountability, Honesty, Integrity, Openness and Respect.
- The individual responsibility shared by every employee in the organization.
- How to recognize and respond appropriately to ethical dilemmas.
- The role and importance of HCC's ethical conduct policies, including:
  - Antitrust
  - Asset protection
  - Competing and dealing ethically
  - Confidentiality
  - Conflicts of Interest



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- Corporate opportunity
  - Document and records protection
  - Diversity
  - Gift giving and receiving
  - Harassment and discrimination
  - Privacy
  - Safety
- The resources available within your organization to address ethics and compliance challenges, including reporting channels.
  - The benefits of practiced ethics and compliance, from risk management, to improving the working environment, to bottom-line ROI.

These key topics, and many more, are addressed through compelling story-vignettes, interactive exercises and an extensive Q&A tool.

*Technology, Certification and Tracking:*

Whether hosted on JAM's Learning Management System (LMS) or on HCC's, the company can enroll specific audiences into the ethics course with control over:

- ❑ Internal marketing/communication plan around the training program
- ❑ Course roll-out dates
- ❑ Completion dates
- ❑ Reminder communications
- ❑ Retraining assignments and expectations

Should HCC decide to incorporate an LMS from the inception of this project, each employee's training completion and acknowledgement of HCC's ethics policy is electronically tracked. HCC will have the capability to pull custom reports 24/7 to determine the status of training assignments and completion statistics.

Although this eLearning course features high production value media, it requires minimal bandwidth and is supported across a multitude of browser and operating system configurations.



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#### **IV. Project Deliverables**

JAM Productions believes that like traditional instructor-led training, online training should follow a standard training development process that includes analysis, design, development, implementation, and evaluation to ensure training is complete, accurate, and effective. JAM proposes to perform this project in phases based on an instructional model suitable to the client which meets HCC's needs as we progress through the analysis phase of the project.

JAM has divided the work to be conducted for the project deliverables into the following tasks and will provide technical and management staff to conduct activities related to this overview proposal. Once HCC has decided upon a training solution and all requisite peripherals, JAM will create a comprehensive project plan to keep HCC informed of the progress on a regular basis. This project plan will be communicated through a single point of contact (SPOC) and will be presented in a format which is readable for the client.

JAM has divided the timeframe of work in this project into three phases of production.

The following is a sample project timeline for this project:

- **Phase 1**                      Pre-Production
- **Phase 2**                      Production
- **Phase 3**                      Post-Production



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### Phase 1: Pre-Production

Under Phase 1, JAM will develop an interface template and design justifications for the look and feel of the instruction modules and lessons including:

Tasks	Outcomes	Milestones	Timeline
JAM develops color scheme that reflects the image of HCC based upon findings from <ul style="list-style-type: none"> <li>• Task analysis</li> <li>• Audience analysis</li> <li>• Content analysis</li> </ul>	HCC provides color schema, logos, and design requests for the look and/or feel of the instruction modules and lessons, including <ul style="list-style-type: none"> <li>• List of tasks participants must learn</li> <li>• Description of target audience</li> <li>• Description of schedule, budget, staffing</li> <li>• Description/evaluation of existing training, areas for improvement</li> <li>• List of concepts in course content</li> <li>• Documentation and agreement between HCC/JAM on goals and expectations</li> <li>• Description of course evaluation criteria</li> </ul>	<ul style="list-style-type: none"> <li>➤ Unanimous management approval of tasks course participants must learn</li> <li>➤ Schedule, budget, staffing conflicts</li> <li>➤ Conflict of interest in areas for improvement in existing training</li> <li>➤ Interruption in communication between HCC/JAM on goals and expectations</li> </ul>	<ul style="list-style-type: none"> <li>➤ Oct. 17</li> </ul>

In order to conduct a thorough analysis of the existing training, a JAM staff member must have access to Subject Matter Experts (SMEs). This is crucial to ensure success of the project.



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## Phase 2: Production

Under Phase 2, JAM produces online training solution for HCC including all items requested and specified by HCC (pending results of the content analysis). HCC approves online module and provides final comments. Any revisions at this point should be minor in nature:

Tasks	Outcomes	Milestones	Timeline
JAM provides contact information to third party vendor for Mysafeworkplace.com	HCC decides to accept and incorporate third party information into Code of Ethics training	➤ Mysafeworkplace.com unanticipated accessibility/technical issues	➤ Oct 31
JAM selects key topics to emphasize in training	HCC lists key topics for JAM to emphasize in training	➤ Decision of which key topics to focus on training needs more time for discussion	➤ Nov. 7
JAM creates scenarios and Q&A knowledge checks	HCC lists Q&A subjects/areas of knowledge to include in checks	➤ Q&A subject/areas of knowledge in formative stage	➤ Nov. 21
JAM delivers training content/template for 13 modules with the media specified by HCC for review and approval	HCC specifies items to be addressed in the contents of modules in addition to supplying available media	➤ Decision of which key items to address in the contents of modules in addition to available media support needs more time for discussion	➤ Nov. 28

## Phase 3: Post-Production

Under Phase 3, JAM provides final guidance for each page and lesson of the 13 module course. Internal piloting of module at HCC discretion to verify that participants are able to successfully log in and take the Code of Ethics training. Content should be considered final at this stage. JAM prepares module for launch.

Task	Outcome	Milestones	Timeline
JAM revises contents of instruction as specified from HCC assessment/evaluations and reviews  JAM acquires additional branding materials such as photos of the HCC complex, employees acting out scenarios, etc.	HCC reviews and provides feedback to course content  HCC supplies JAM with photos of the HCC building and facilities in addition to volunteering employees to participate in the photography process	➤ Schedule conflict in enrollment of participants to provide sufficient assessment/evaluation and review of course  ➤ Additional branding materials or employees to act out scenarios not readily available	➤ Dec. 8



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## V. Levels of Service – Content Development

While maintaining its unique story-based approach, JAM's *A Fork in the Road™* course is completely customizable. The course “shell” is pre-built, with interface, likely Q&A, scenarios and other key elements – all that is left is the development of the storyline to reflect HCC's unique training needs.

A short “backbone” story communicates the basic learning points associated with ethical decision-making in the workplace. This story will be based on HCC's working environment, featuring fictional HCC employees working through realistic issues with fellow workers and HCC customers. Each instance forms a “vignette” focused upon a particular ethical dilemma. By choosing from an extensive library of vignettes, the course can be built to map to your company's specific policies.

HCC will benefit from a custom, high-quality program without the cost and expense of “from scratch” development. A JAM Productions consultant walks you through every step of the process.

Here's how it works:

### Level I Customization:

- ❑ *Branded Training Portal:* We will customize the look and feel of the training to reflect your company's image, including HCC logo and color scheme.
- ❑ *HCC Executive Introduction & Conclusion:* Employee buy-in is a key factor in any compliance training, and a message from a top-level official explaining the need for ethical business practices plays an important role. JAM will help you create a multi-media sequence featuring a key HCC executive.
- ❑ *Reporting Information:* HCC's founding principles demonstrate a dedication to investigating any claim of unethical behavior. To support this effort, JAM will include contact information for Mysafeworkplace.com, a third-party reporting group that accepts anonymous concerns.
- ❑ *Topic Selection:* The flexibility of JAM's story-based eLearning template allows HCC to select the key topics the company wishes to emphasize. JAM will work with HCC to create scenarios and Q&A knowledge checks for the two topics cited by HCC (personal conduct and use of company assets) that are relevant to the company and reflect the realism of employee day-to-day decisions.
- ❑ *Certificate:* The final course certification and electronic signature process includes content and media specific to HCC.

### Level II Customization:

- ❑ Includes all Level I Customizations
- ❑ *Additional Topic Development:* If HCC desires to expand upon its initial two-topic ethics training, JAM will work with HCC to create scenarios and Q&A knowledge checks for two additional topics and apply them to the existing story-based eLearning template.



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- ❑ *Additional Branding:* In addition to the Branded Training Portal included in the Level I Customization, JAM can add additional logos, graphics and personalization to HCC's eLearning experience. Examples may include photos of HCC facilities, photos of HCC employees depicting various scenarios, etc.

### **Level III Customization:**

- ❑ Includes all Level I and Level II Customizations
- ❑ *Full Build-Out of Topic Development:* JAM's eLearning template allows companies to activate and deactivate different modules according to their needs. Should HCC wish to gain a truly robust training solution, JAM will work with the company to build out thirteen ethics topics with scenarios and Q&A knowledge checks that are relevant to the company and reflect the realism of employee day-to-day decisions.
- ❑ *A "Living Solution":* Level III customization can be applied to your ethics course prior to its initial launch, as well as after the first roll out. Therefore, retraining can be constantly kept fresh with new and updated content.



## VI. Learning Management Systems (LMS)

Our plan is to develop a customized, self-sufficient, fully supported and monitored learning management system (LMS) for HCC. The purpose of this section is to help explain what an LMS is, some of the benefits in implementing an LMS for your organization, as well as giving you an overview of what sort of functionality you can expect at different cost levels. In this section, we'll also explain what SCORM is and how it works with a learning management system.

### *What is a Learning Management System?*

A learning management system is multifunctional software launched across an enterprise that can administer online training material. An LMS typically consists of five elements: a courseware launching component that sequences instructional activities for a student, and provides the interface for student access to the activities; a course-development component enables a course administrator to specify the content of the course in terms of lessons and the sequence of these lessons; a roster operations component registers the student and enrolls him or her in courses; an assignment management component assigns the lessons to the student and records the student performance data; and finally, a data collection component provides the automated collection and management of data.

An LMS can support a collaborative learning community, offering multiple modes of learning - from self-paced coursework (web-based seminars and classes, downloadable, CD-ROM and video content), to scheduled classes (live instruction in classroom settings or online), to group learning (online forums and chats). Because of its ability to integrate, organize and standardize learning across broad organizational requirements, the LMS model has been compared favorably to enterprise resource planning (ERP) solutions, which convert a company's back-office into a seamlessly functioning whole.<sup>3</sup>

### *Benefits of using an LMS*

HCC would benefit from using a LMS for a single access entrance to training courseware and to support their product catalog. A LMS also has the ability to track and record employee training performances and evaluate the effectiveness of the material in one centralized location.

A recent study has shown (see graph below) that the top reasons companies have implemented an LMS is because it "(i)ncreases the range of learning opportunities provided to employees, and increases employee satisfaction and retention" - the same concept HCC is looking for in their ethics training, which we can provide them by creating an LMS.

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<sup>3</sup> Hall, John. (2003). *Assessing learning management systems*. Retrieved from [http://www.clomedia.com/content/templates/clo\\_feature.asp?articleid=91&zoneid=29](http://www.clomedia.com/content/templates/clo_feature.asp?articleid=91&zoneid=29) on October 4, 2005.



*Example of how an LMS would work – Hosted by JAM Productions on the eCollege platform*

JAM Productions system has intermediate pricing with advanced functionality and the highest level of quality, which would fit HCC's needs. We provide all of the software, hardware, Internet connectivity, monitoring and expertise that institutions need for highly successful and scalable online programs.

Our "pay-as-you-go" pricing structure offers a low-risk path to profitability and positive return on investment. It is dependent on the usability and content information. With our renewal contracts there is discounted pricing available. This easy-to-use teaching and learning environment is hosted in a highly reliable, scalable and secure technology environment that empowers program success and growth. It is designed specifically to maximize personalized interaction, and provide easy course customization. It provides a suite of tools to efficiently manage the operation and continual improvement of large and growing online programs, such as:

- Intuitive user interface
- Maximizes personalized interaction among all course members
- Sophisticated synchronous suite of tools facilitates live problem solving
- Multiple access levels
- Easy, menu-driven content authoring
- Quickly tracks progress and activity
- Automates critical day-to-day activities
- Provides event-driven communication and reporting
- Flexible and convenient reporting
- Historical analysis of trending in assessments and learner performance
- Allows for effective management of overall program
- All content and courseware is SCORM compliant

*What is SCORM?*



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SCORM is an acronym for **S**hareable **C**ontent **O**bject **R**eference **M**odel, and is defined as exchanging, sharing, and re-using content between organizations. Basically, it is a set of programming codes (often referred to as “calls”) that allow for the interactivity of learning modules regardless of the learning management system a course is hosted on. SCORM allows all of the content items to have the ability to be re-used within different training courses.

Like all software, SCORM calls go through a variety of version updates. JAM Productions currently uses version 1.2, which is much more stable and supported than the newest version, 2004. Most eLearning platforms have not upgraded to 2004 due to its instability. Any existing content items that may have already been created within HCC’s existing catalog, or elsewhere, that is also SCORM compliant, can be tested and integrated within JAM’s LMS system.

The advantages of using SCORM items are:

- These materials are fully tested into our system.
- Within the LMS there is an online library, or repository, of these content items that are shared with an easy-to-use searchable directory and is categorized by subject area and searchable by keyword. The repository makes it convenient to deliver, manage, and re-use these items.
- SCORM items can also track the learners’ performance and progress within an individual content lesson.

The projected future outcome of using SCORM content is:

- Re-useable items will be cost effective for HCC.
- You will not need to redesign the information each time you want to reuse these materials, rather you can make updates to the information that will be dispersed throughout all of re-used items.
- Should HCC decide to no longer use JAM Productions’ LMS system, our content can be easily transferred to your new LMS without having to redesign the information.
- Since we are currently using version 1.2, if there is a need to upgrade to a newer version. The existing 1.2 content item versions will automatically upgrade.

### *LMS Functionality Expectations*

JAM understands that cost-effectiveness is a key component of HCC’s decision-making process. The cost of a learning management system can range from free to several thousands of dollars, depending on the level of functionality desired. While the final cost of implementing an LMS will depend on what system is selected, we have prepared the table below to give you an example of what functionality you can expect from three generic pricing examples:



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LMS Packaging	Functionality	Pricing
Basic:	<ul style="list-style-type: none"> <li>• Site is always managed by an administrator</li> <li>• Create all content materials individually by HCC</li> <li>• Open source</li> <li>• Limited storage space</li> </ul>	Free if you already have your own server \$2,000/year to use their servers
Intermediate:	<ul style="list-style-type: none"> <li>• Off-the-shelf content and 'fixed' simulation features with little room for creativity</li> <li>• Consolidate training initiatives</li> <li>• Assemble and deliver learning content rapidly</li> <li>• Measure the effectiveness of training initiatives</li> </ul>	48 licenses to a hosted name user = \$5,000/year with a minimum 5 year contract agreement, plus a support fee calculation of 22% of the perpetual license fee
Advanced:	<ul style="list-style-type: none"> <li>• Unlimited storage space</li> <li>• 24/7 reporting and technical support</li> <li>• Reliability</li> <li>• Scalability</li> <li>• Security</li> <li>• Fully Managed system</li> </ul>	\$30,000/year for unlimited users and full content and technical administrative support



## VII. Return On Investment (ROI)

HCC has indicated its desire to ensure that their training solution is cost-effective. JAM understands that this means that HCC is willing to spend more money to implement effective training as long as the value is there. In short, HCC is looking for a good Return On Investment (ROI) for their training dollar. We feel that our online training solution will help provide the best ROI over the long term.

Once HCC has indicated their choice of service, JAM will provide a cost-benefit analysis comparison of their current training choice and our solution. However, it is possible to examine the ROI of eLearning on another level. Think of it as a ROE - Return on Expectation. Companies expect their learners to learn, and traditional training methods have been unable to consistently and effectively support learning as an embedded organizational process. In essence, if HCC feels that the training solution they select meets their expectations, they have achieved their ROI and ROI for that project.

Let's take a moment to examine why traditional measurement of ROI for eLearning often falls short and it becomes useful to examine ROE, based on a number of different factors<sup>4</sup>:

- *Training Delivery Expense*: This should be the last reason you use to calculate eLearning ROI. While eLearning does reduce employee and/or trainer travel expense, that is only a small part of how eLearning improves your organizational value.
- *Not Doing Any Training*: Many learners are sent to a training class because someone else thinks they "need fixing." Training the wrong people on the wrong topics is a waste of money, no matter how "effective" the training might be. With eLearning an employee can test out" of a required module or quickly drop out of a presentation that does not fit their needs, or access only the module/level that they need. With eLearning used with an LMS, these actions may be tracked and evaluated, determining whether employee knowledge matches employee behavior, thus allowing the company to focus its efforts on the actual problem.
- *Targeted Learning*: With eLearning, a learner does not need to sit all day in a class that is too elementary or advanced. They can simply access the content they need, when they need it. All the immense overhead of sending people to the wrong classes is saved. Or, they can drop into a learning module if their circumstances change and they need to learn a topic that was not defined in the original needs assessments. While this is not typical of a compliance course, it is useful to keep targeted learning in mind when thinking of an online course as a living document reference for all learners.
- *Managing Printed Material*: The need for printing, shipping, inventorying, editing, reprinting, reshipping, version tracking, inventory, etc., is almost, or totally, eliminated.
- *Removing Hidden Costs*: The hidden cost of learners physically storing and trying to find information in printed training materials is infinitely expensive. The best proof of effective learning processes is not represented by the thickness of a binder, it is in the use, reuse and application of that information.

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<sup>4</sup> Condensed from the following article: Tobin, Dan. *Traditional eLearning: ROI and ROE*. Retrieved on September 22, 2005 from <http://www.managersforum.com/eLearning.ROI.htm>



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- *Information Efficiency:* What are the cost savings of allowing people to have access to a searchable learning environment? Texaco determined workers spend about 75% of their time just looking for information or trying to find someone who knows the information. Processes that make it easier, better, faster for someone to find the informational resources they need, when they need it will have easier, better, faster ROI.
- *Reduced TTE (Time To Effectiveness):* Time is the most precious resource of any individual or organization. By helping employees become effective more quickly with targeted learning, you improve your own organizational value.
- *Reducing Development Time:* With iterative eLearning development processes, you can integrate the analysis and development into one tangible process. Using prototypes allows people to indicate very quickly and concisely which elements are/are not useful. Using this method you can avoid creating expensive elements that are not needed and focus on developing effective, cost-efficient elements. This is a particularly useful element for HCC, as the company has indicated that it may be interested in adding an effective ethics training program to its own course catalog.

Soft skills, such as ethical behavior, are notoriously difficult to quantify. Often, training companies will sell their solutions with the “affirmative defense” argument – if you do not train this class and get sued, it will cost you XX amount of dollars. While can be an effective argument, it does not examine the effectiveness of the training – the return on expectations for the learning. ELearning is not a one-shot deal. The “return” is no longer the famous bottom line, and the “investment” is more likely a subscription fee than a one-time payment.

JAM Productions uses Kirkpatrick’s Four Levels of Evaluation<sup>5</sup> to determine the effectiveness of its training, and to ensure that HCC receives the caliber of training agreed upon at the beginning of the project. Through surveys, discussions, analysis of assessment results and observations, JAM will help HCC determine the success of our eLearning solution.

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<sup>5</sup> Reactions, Learning, Transfer, Results – for more information, visit <http://coe.sdsu.edu/eet/Articles/k4levels/>



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## VIII. Project Scope and Pricing

JAM Productions will provide a pricing model and scope of services once HCC has selected the level of services the company believes it requires.

We ask that HCC examine the following checklist of services, selects the elements in which it is interested, and return the list to JAM for pricing and project planning. JAM offers bundle pricing on its services – for example, the cost of Level I plus Code of Ethics is less than if you were to purchase each separately:

- Level I Customization
- Level II Customization
- Level III Customization
- Code of Ethics based on HCC's policies
- LMS – Hosted on JAM's servers
- Third-party LMS, basic level
- Third-party LMS, intermediate level
- Third-party LMS, advanced level

### *Other Cost Considerations:*

When deciding upon services, HCC must also keep the following cost factors in mind:

- Network upgrade costs, if necessary (computers, sound cards, headphones, etc.)
- Long-term application of training, whether it be expansion to all employees at HCC, or adding the training to HCC's catalog of courses
- Should HCC wish to partner with JAM for other courses, pricing structures would reflect the long-term business relationship



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## Project Plan Overview

JAM is committed to providing HCC with more than just a prepackaged learning solution. We at JAM Productions want to ensure that HCC will have a successful training experience from Pre-Production, to Production and rollout, to Post-Production and course completion.

JAM Productions has a solid background in instructional design solutions, and experience with past clients demonstrates our dedication and loyalty in successfully assisting clients in implementing effective training solutions. Our customer base continues to grow as our reputation in the consulting business of instructional design and learning solutions evolves into a leading consulting company across the United States. Our customer satisfaction record consistently exceeds 95% completion (70% above the industry average)<sup>1</sup>, and our high percentage of returning customers exemplifies our dedication and loyalty to working with clients to ensure their learning solutions in employment training are manageable, successful and timely.

The purpose of this document is to provide you with a high overview and project plan estimate to show you how our experienced staff at JAM Productions will assist you throughout our training effort together. The link to a detailed project plan Gantt Chart follows this overview.

## Project Kick-Off

To kick-off the production process into high gear, JAM productions will schedule a meeting with HCC to assign a primary person of contact. Because we are a mid-sized consulting firm, we can provide you with the personable service necessary to manage your JAM Productions account. The assigned training coordinator is your personal liaison to various personnel within JAM Productions. Throughout your licensed term with us, the Training Coordinator is committed to meeting all of your training needs.

In the event HCC needs our technical support, your assigned JAM Training Coordinator will provide HCC with detailed FAQ's to help with internal inquiries. The Training Coordinator can schedule meetings between HCC's technical support and JAM's Technical Engineers to provide training for your help desk representatives.

It is our intent to provide HCC with as many tools as possible to ensure an effective and efficient training process. For issues that cannot be resolved by your organization's Training Administrator or technical support contact, JAM Productions' technical support is available throughout the license term.

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<sup>1</sup> Seventy-five percent to 80% of people who start an e-learning course do not complete it. Zielinski, D. (2000). The Lie of Online Learning. *Training*, 37(2), 38-40; American Management Association, 1997.



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## **Pre-Production**

The Pre-Production phase of development consists of many critical steps toward the resulting training product. These steps include LMS Set-Up, Needs Analysis, Branded Training Portal and Code of Conduct (CoC). This section identifies each of these areas of Pre-Production.

**LMS Set-Up** – In the set-up of your LMS system we will design a solution using HTML fulfilling SCORM standards, code the system to include specific LMS essentials (registration, tracking, custom, tracking, catalog), and quality assurance testing of the completed LMS system to ensure it meets HCC's needs for topic requests. HCC will conduct site reviews and sign off on the approved and completed LMS system to move forward with the needs analysis. The engineers at JAM Productions will work with HCC staff to integrate our training package into an LMS system customized for HCC.

Before the training is active and running for HCC employees to access and use, JAM assists you in performing early quality assurance testing to validate that the LMS program is functioning according to your needs. JAM will address any unanticipated technical issues or delays during this time. When it is time to enter the Production phase, we want to ensure that the remaining phases of development with HCC is done with ease and is free of error.

**Needs Analysis** – As part of the needs analysis JAM Productions will distribute a questionnaire to assess areas in need of training for ethical behavior in the workplace, in addition to surveying the training audience. The questionnaire results will be shared with HCC for discussion on topic selection for the training and to sign off on the agreed topics to address in the training. It is during this stage that course structure, lessons and learning interactions are discussed and outlined for HCC's understanding in preparation for the Design Document. Expectations and measurements for training will be determined by HCC and signed off.

**Branded Training Portal** – JAM Productions believes part of an effective online course environment is one that reflects the image and persona of the company and its employees. We will work with you to create and design a learning solution that reflects a personalized and customized feel of HCC incorporating HCC's logo and color scheme. A screen shot of the interface design will be provided for review, feedback, and approval. Revisions will be made as necessary and HCC will sign off on any modifications to move forward in the next step of development, establishing a Code of Conduct.

**Code of Conduct** – Existing and previous HCC policies will be obtained for analysis to identify how a document may be revised to have a more effective tone. A draft of the revision will be provided by JAM Productions for review. HCC will sign off on the finalized draft of the CoC document for training.



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## **Production**

The Production phase of development consists of many critical steps toward the resulting training product. These steps include Training Certification, Reporting Information, Design Document Creation, Additional Branding, Final Course Creation, LMS Population, and Course Roll Out. This section identifies each of these areas of Production.

**Training Certification** - JAM will draft a version of the Certificate of Completion to HCC Code of Ethics training. HCC will review and revise the draft as needed and sign off approval.

**Reporting Information** – Establish contact between HCC and Mysafeworkplace.com, HCC signs contract with Mysafeworkplace.com and provides JAM Productions with information gathered to incorporate into training.

**Design Document Creation** - JAM produces a draft Design Document discussing proposed scenario scripts to situational-based learning solutions, as well as finalized course structure, lessons and learning interactions. HCC provides feedback and signs off on revised draft.

**Additional Branding** - Storyboard is created and incorporates any final additional requests of branding by HCC. Permission by appropriate HCC personnel is granted and selection of media is reviewed and approved by HCC.

**Final Course Creation** – Learning strategies and requirements from the Design document are implemented into the Fork in the Road shell, along with the approved CoC and Mysafeworkplace.com information obtained by HCC to JAM.

**LMS Population** - Course content is placed in the course shell. The course shell is active and accessible by all HCC employees granted permission to access the learning system. A pilot test is established at this time.

**Course Roll Out** - JAM sends out a template package of the ethics training to HCC and contacts the system administrator to arrange course offerings and descriptions in the company catalog. The first course offering is completed at this time.

JAM Productions' clients are provided with a kick-off internal marketing package. The materials include sample letters, memorandums, e-mails and posters to explain the ethics training program to HCC employees, and more importantly, to encourage them to complete their course assignments. Your assigned JAM Training Coordinator assists you in preparing these materials, which are fully customizable.



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### **Post- Production**

The Post-Production phase of development consists of three interim steps of analysis on the effectiveness of your newly implemented training solution. The purpose of these periodic analyses is to provide HCC feedback on the effectiveness of the training and how it is meeting the expectations established at during the Pre-Production phase of development. This section discusses the three interim Analysis of Course Effectiveness phases in the Post- Production period.

**ROE Analysis** - Occurs three times in 3-day intervals. The purpose of the analysis is to compare HCC's expectations against the results of the course evaluation. Areas of inefficiency or unsatisfactory results in training are identified, addressed and reported by HCC to JAM. Together, HCC and JAM work to revise the learning solution within the scope agreed to in the licensing agreement to correct the outcome of the analysis and evaluation period. The Training Coordinator is in constant communication with HCC at this time to address any problems, to provide ongoing guidance in the training rollout, and most importantly, to ensure that HCC employees are finishing their assigned courseware.

HCC will receive a detailed monthly status report from JAM, including a count of HCC employees who have started and completed training. JAM constantly monitors the HCC training account and is proactive in providing guidance on how to best manage your training effort.

As the HCC's training needs continue to grow and evolve, your assigned JAM Training Coordinator can provide access to the appropriate resources and personnel within JAM Productions to assist you.



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### Project Plan Overview Conclusion

We at JAM Productions measure our success by your success. HCC's decision to choose JAM's *Fork in the Road™* course template is based on its quality instructional design and learning strategy, and is just the first step towards a successful compliance training effort.

JAM's set-up, hosting and learning management system allows you to have an exceptional training experience. The *A Fork in a Road™* course template is used to effectively deliver your code of ethics training and continue HCC's legacy of Accountability, Honesty, Integrity, Openness and Respect. JAM Productions can provide HCC with the tools to fulfill its vision of ethical business.

We look forward to a long and successful relationship!



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### Snapshot Project Plan Overview

The following spreadsheet and Gantt chart illustrate the estimated timeline JAM Productions anticipates in working together with HCC for a successful training solution. (Project milestones are highlighted.)

#### Spreadsheet

Task_Name	Start Date	Finish Date
<b>Project kick-off meeting</b>	12/19/2005	12/19/2005
<b>Pre-Production</b> This phase consists of many critical steps toward the resulting training product. These steps include LMS Set-Up, Needs Analysis, Branded Training Portal and Code of Conduct (CoC).	12/19/2005	2/6/2006
<b>LMS Set-Up</b>	12/19/2005	2/6/2006
<i>Formal HCC site signoff</i>	2/6/2006	2/6/2006
<b>Pre-course benchmarks/Needs Analysis</b>	12/19/2005	1/19/2006
<i>HCC signs off on final topics</i>	1/17/2006	1/17/2006
Expectations & Measurement for training determined with HCC	1/16/2006	1/19/2006
<i>HCC signs off on expectations for training</i>	1/19/2006	1/19/2006
<b>Branded Training Portal</b>	12/19/2005	12/21/2005
<i>Final HCC signoff on Training Portal</i>	12/21/2005	12/21/2005
<b>Code of Conduct (CoC)</b>	12/19/2005	2/1/2006
<i>Final approval on CoC from HCC</i>	2/1/2006	2/1/2006
<b>Production</b> This phase consists of many critical steps toward the resulting training product. These steps include Training Certification, Reporting Information, Design Document Creation (including course structure, lessons and learning interactions), Additional Branding, Final Course Creation, LMS Population, and Course Roll Out.	2/6/2006	5/11/2006
<b>Training Certification</b>	2/6/2006	2/7/2006
<i>Final approval from HCC for certificate</i>	2/7/2006	2/7/2006
<b>Reporting Information</b>	2/6/2006	2/9/2006
<i>HCC delivers reporting information to JAM for incorporation into course</i>	2/9/2006	2/9/2006
<b>Design Document Creation</b>	2/8/2006	3/8/2006
<i>Final HCC approval on Design Doc</i>	2/6/2006	3/6/2006
<b>Additional Branding</b>	3/6/2006	3/21/2006
<i>Meet with HCC to determine extent of add'l branding requested</i>	3/6/2006	3/6/2006
<i>HCC review and selection of media</i>	3/17/2006	3/21/2006



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<b>Final Course Creation</b>	3/6/2006	4/4/2006
<b>LMS Population</b>	4/4/2006	5/8/2006
<b>Course Roll-out</b>	5/8/2006	5/11/2006
<i>First course completed</i>	5/8/2006	5/8/2006
<b><u>Post-Production</u></b> This phase consists of three interim steps of analysis on the effectiveness of the training. The purpose of these periodic analyses is to provide HCC feedback on the effectiveness of the training and how it is meeting the expectations established at during the Pre-Production phase of development.	5/8/2006	7/28/2006
<b>ROE Analysis</b>	6/26/2006	8/3/2006

### Gantt Chart

Gantt Charts for project plans can be unwieldy to view when saved outside of the program in which they were created. JAM Productions uses MS Project to track all project tasks. We are sensitive to the fact that many of our clients do not have the application MS Project installed. Therefore, JAM Productions regularly uploads images of the Project Plan to a special site created for its clients.

To access a graphical representation of your Project Management Plan, please click on the following link:

<http://home.comcast.net/~faulkner43/JAM/index.html>



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**Projected Fees for Services – Business Ethics Training Solution:**

Because JAM Productions works hard to offer its clients a customized solution that works for them, JAM is pleased to offer HCC its choice of licensing agreements. Should HCC decide to work with JAM Productions for the Business Ethics training only, the following pricing would apply:

**Option One – Three Year Licensing Agreement\***

*\*Agreement includes – legal review and updates to reflect changes in law, client requested changes up to 10 pages per topic module. Agreement renews for 12-month terms after Year Three.*

		<b>Projected Cost Per Student Per Year</b>	
		<b>Managers</b> <i>(based on 100 learners)</i>	<b>All Employees</b> <i>(based on 500 learners)</i>
<b>One-Time Development Fee</b>	\$40,000	---	---
<b>Year One Licensing Fee</b>	\$35,000	\$750	\$150
<b>Year Two Licensing Fee</b>	\$30,000	\$300	\$60
<b>Year Three Licensing Fee</b>	\$25,000	\$250	\$50
<b>Total Payments</b>	\$130,000	---	---

**Option Two – Five Year Licensing Agreement\***

*\*Agreement includes – legal review and updates to reflect changes in law, client requested changes up to 10 pages per topic module. Agreement renews for 12-month terms after Year Five.*

		<b>Projected Cost Per Student Per Year</b>	
		<b>Managers</b> <i>(based on 100 learners)</i>	<b>All Employees</b> <i>(based on 500 learners)</i>
<b>One-Time Development Fee</b>	\$35,000	---	---
<b>Year One Licensing Fee</b>	\$32,000	\$670	\$134
<b>Year Two Licensing Fee</b>	\$21,000	\$210	\$42
<b>Year Three Licensing Fee</b>	\$17,000	\$170	\$34
<b>Year Four Licensing Fee</b>	\$15,000	\$150	\$30
<b>Year Five Licensing Fee</b>	\$10,000	\$100	\$20
<b>Total Payments</b>	\$130,000	---	---



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**Projected Fees for Services – Business Ethics Training Solution with Long-Term Partnership:**

As was discussed in earlier meetings, JAM Productions is committed to developing a long-term relationship with HCC in the realm of on-line training solutions. Should HCC wish to enter into a 3-year partnership during which JAM Productions would develop further training solutions for HCC and/or HCC would offer the business ethics training as part of its training catalog, the following pricing would apply:

**Option One – Three Year Licensing Agreement\***

*\*Agreement includes – legal review and updates to reflect changes in law, client requested changes up to 10 pages per topic module. Agreement renews for 12-month terms after Year Three.*

		Projected Cost Per Student Per Year	
		Managers <i>(based on 100 learners)</i>	All Employees <i>(based on 500 learners)</i>
<b>One-Time Development Fee</b>	\$35,000	---	---
<b>Year One Licensing Fee</b>	\$28,000	\$630	\$126
<b>Year Two Licensing Fee</b>	\$23,000	\$230	\$46
<b>Year Three Licensing Fee</b>	\$18,000	\$180	\$36
<b>Total Payments</b>	\$104,000	---	---

**Option Two – Five Year Licensing Agreement\***

*\*Agreement includes – legal review and updates to reflect changes in law, client requested changes up to 10 pages per topic module. Agreement renews for 12-month terms after Year Five.*

		Projected Cost Per Student Per Year	
		Managers <i>(based on 100 learners)</i>	All Employees <i>(based on 500 learners)</i>
<b>One-Time Development Fee</b>	\$32,000	---	---
<b>Year One Licensing Fee</b>	\$24,000	\$560	\$112
<b>Year Two Licensing Fee</b>	\$18,000	\$180	\$36
<b>Year Three Licensing Fee</b>	\$12,000	\$120	\$24
<b>Year Four Licensing Fee</b>	\$10,000	\$100	\$20
<b>Year Five Licensing Fee</b>	\$8,000	\$80	\$16
<b>Total Payments</b>	\$104,000	---	---