

# The Value of ITQ to John Lewis

*A training evaluation case study*

# The Value of ITQ to John Lewis Case Study



## Background

John Lewis (JL) is a highly successful organisation, running 27 department stores across the UK as well as a successful online and catalogue business. The business is entirely owned by its employees, all of whom are Partners in the organisation, sharing in its success.

Feedback from a Partner survey at the Welwyn store highlighted a requirement from Departmental Managers for more training and support on the use of core IT. The JL Welwyn Branch in conjunction with Cambridge Regional College provided a training programme leading to ITQ certification for 16 Departmental Managers during 2008.

ITQ is the National Vocational Qualification for IT Users which demonstrates staff competence in the use of IT in the workplace. ITQ, which is primarily aimed at IT users, was developed by employers for use in the workplace and has the full backing of a number of awarding bodies. It has been in use in all sectors of business and industry for 3 years.

## The Value created by the ITQ - Headline Results

e-skills UK, the Sector Skills Council for Business and Information Technology, invited The ROI Academy to measure the impact of the ITQ programme and calculate its approximate value to JL. The headline results show:

- The minimum value of the ITQ programme to JL is approximately £40,000 over the first year following the programme, after taking costs of the programme into account.
- The Return on Investment in the programme, 12 months after completion, based on the costs paid to the training provider and the approximate cost of the Partners time for training is 140%.

The Departmental Managers spend time on the shop floor serving customers and supporting staff as well as using IT in their managerial role. Therefore, whilst these numbers represent a very favourable return on investment, for Partners in other areas making greater use of IT the benefits could be greater.

**"Now I can use instant search effectively. I am giving much better service to Partners"**

## Why JL chose the ITQ

Though there are many off the shelf IT training programmes, JL Welwyn store chose the ITQ because it had most to offer their trainees. Angela Baker-Croft, HR manager at the Welwyn store explains "The Departmental Managers have mostly been promoted through the retail departments, and may have had limited need to use most IT programmes in previous roles. We chose the ITQ because it allowed each delegate to select the modules most appropriate to their need, and provided a broad programme covering all the core software in use in JL. The qualification offered on completion of the programme is also attractive, particularly for those Partners without many formal qualifications."

## How JL benefited from the ITQ

The ITQ was delivered as a weekly one hour session. Delegates then had to apply their learning in a specific work based project. These projects showed for example: significant time savings in terms of Document Creation; the ability to make much better use of Management Information; and important IT risk reduction activity. Such outcomes are not inevitable from standard 1 or 2 day training courses.

**"I can now extract the 22 line items that are critical to my department's success from the pages of management information I receive"**

The evaluation methodology selected by e-skills UK is based on The Performance Pound™ methods developed and implemented by The ROI Academy.

The Performance Pound™ method creates a model that shows WHERE and HOW value may be added by the ITQ in specific areas that are generic across many organisations. The ROI Academy created this model working with John Lewis ITQ trainees, and then went on to MEASURE how much the ITQ added value in this case. The elements of the model are applicable across ALL ORGANISATIONS i.e. they are not specific to John Lewis.

## Model of WHERE & HOW the ITQ can add value

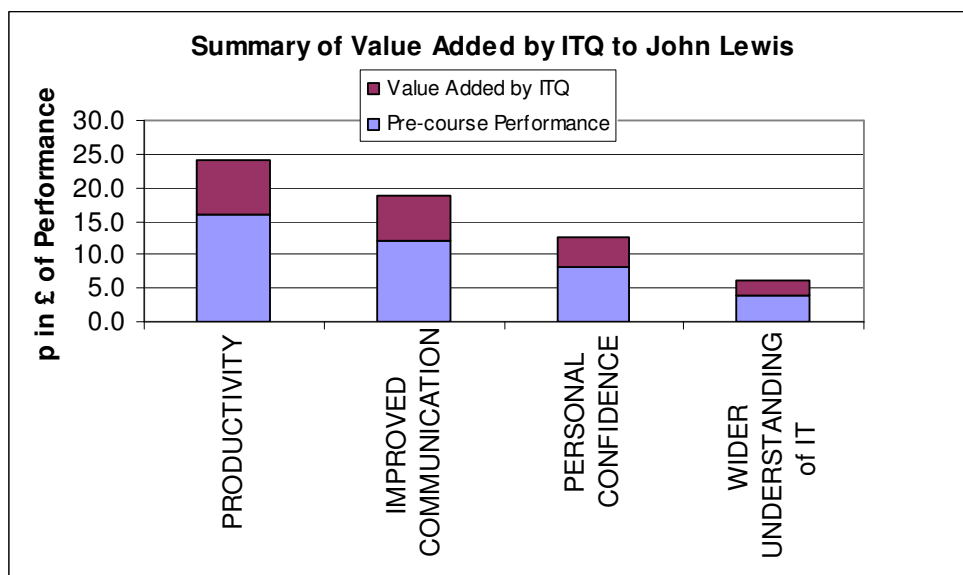
Productivity	Improved Communication	Confidence	'Big Picture' Understanding
Document Creation	Written Reports – content	Know what I know	Application of skills across many different tasks
Data Extraction	Written Reports – readability, getting the message across	Support and train my team	Sourcing internal information
Data Analysis	Presentations – readability and structure	Working with peers	Risk Management
Use of mass communications (mail merge etc)	Effective emailing	Working with/for Senior Managers	Risk Reduction
Sourcing external information	Using Charts & Graphs		
	Netiquette		

The Performance Pound™ methodology assumes that if someone were performing their role perfectly with respect to these attributes, then they would be operating at a value of 100p in the pound. The ITQ programme at JL showed the following:

- On average the trainees improved from a starting point of about 30p in the pound of effectiveness to about 68p in the £ of effectiveness (industry norms are about 65p in the £). An increase of 38p in the £, which is a very significant increase.
- The trainees reported that the single biggest performance improvement arising from the programme was for Creating Presentations within the Improved Communications category.
- John Lewis gained most value from improvements in Document Creation and Data Analysis within the Improved Productivity Category.
- Improvements in the overall Performance Pound™ scores are worth approximately £4,300 per trainee per annum.

Anecdotal evidence was used to find specific evidence of actual value added to JL to support the value identified in the model above. The anecdotal evidence suggests that the benefits to JL were greater than was readily measurable within the time-scale and scope of the evaluation project.

**“Before the ITQ we could use specialist technology but not the basics”**



## **Are these results repeatable elsewhere?**

Because the methodology is NOT anecdotal, but based on data gathered across the trainee population, these results would be repeatable where a similar situation exists as follows:

- a) trainees (mostly) need to make substantial improvement in some of the items listed in the ITQ
- b) trainees are at the same salary/influence level as this group.

If trainees are more senior, yet still requiring the same improvement with respect to ITQ skills, then the benefits accruing could be expected to INCREASE.

Intuitively, improving essential skills for more senior people adds more value than for junior people, because the decisions and actions of senior people have wider impact across the organisation.

If trainees are more junior, the benefits may DECREASE (the converse of the logic above). However any fall in the value of performance improvement arising from the lower value of more junior people to an organisation could be offset by the following:

- there are more junior staff to train, so reducing the unit cost of training
- junior employees make greater improvement perhaps because they are younger/more used to learning/more at home with IT
- there is more scope for junior employees to use improved IT skills over the lifetime of their employment with JL

## **Final word from JL**

Even before knowing the results of the measurement programme, Angela Baker-Croft was able to say "From the feedback we know that this ITQ programme has made a substantial difference to these Partners' confidence and ability in the use of IT."

### **About The ROI Academy™**

The ROI Academy, a division of 3C Associates, is the UK's leading organisation for evaluating and measuring the value of training within an organisation. We focus on measuring training impact, performance improvement, and business benefit. Our clients select from our library of "off-the-shelf" solutions as well as commissioning us on a bespoke basis to measure high value programmes. Clients include public and private sector organisations, including national and global businesses; as well as a growing partner network.

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### **About e-skills UK**

e-skills UK is a not-for-profit, employer-led organisation, licensed by government as the Sector Skills Council for Business and Information Technology. e-skills UK brings together employers, educators and Government to address together the technology-related skills issues no one party can solve on its own. It provides advice, services and programmes that have a measurable impact on IT related skills development in the UK.

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