

## **NexWatch/Honeywell Changes Training Methodology with Help from CRKInteractive**

### ***Moving From “Free” to “Fee-Based” Training Lowers Real Costs, Enhances Learning***

When a service goes from free to fee-based, one might expect resistance and resentment. Yet, customer satisfaction greatly increased when NexWatch/Honeywell reversed its 30-year old practice of offering free training to dealers’ technicians.

#### ***The Challenge***

NexWatch/Honeywell, a leader in the high-end access control market, and a subsidiary of Honeywell International [NYSE: HON], a \$24 billion diversified technology and manufacturing leader. Over a quarter of a century ago, NexWatch/Honeywell invented proximity access control – a technology that allows access to secure areas by presenting a card to a sensor. More than 50,000 locations around the globe rely on these systems, which are sold via a worldwide network of dealers.

The dealers who sell, install and service the NexWatch/Honeywell product line trained their technicians in a five-day class at facilities in a few locations around the world. Even though NexWatch/Honeywell offered the class to dealers free of charge, the dealer had to cover numerous expenses. Airfare and hotels for trainees averaged \$2,000 apiece, but an even greater cost was the lost revenue incurred. Technicians at training could not put in their typical 40 billable hours a week at \$80 per hour, and dealers lost over \$3,000 in revenue. The real cost of “free” training, therefore often exceeded \$5,000.

Other disadvantages were also noted with the technicians’ classroom training. Students mastered the material at different paces, and the class had to be taught to the “lowest common denominator.” Advanced students grew bored, while students experiencing difficulty were often too timid to speak up. Overall, it was noted that the retention level of course material varied greatly, and many recent training attendees required substantial back up from the NexWatch/Honeywell technical support call-in center.

For all these reasons, a more efficient, cost-effective training regime was desired. In January 2000, NexWatch/Honeywell set a goal of introducing an alternative to its weeklong on-site program by April 15 of that year – in time for a vitally important conference at which the company wished to demonstrate its support for dealers.

### ***The Solution***

After speaking with a number of training firms, NexWatch/Honeywell decided to partner with CRKInteractive for its training initiative. CRKI was chosen not only for its competency, experience and cost-competitiveness, but also for its ability to produce a complex, comprehensive solution in a fairly short time.

CRKI quickly reached a decision to use existing training manuals, which were already logically laid out and easily convertible to another format, for course content. CRKI could then focus its expertise on delivering the message.

CRKI built the course as a Web site delivered on a CD – a strategy that allowed for quick development and ease of updates. It managed the conversion of course materials in a way that took advantage of reusable templates, embedded Flash animations and descriptive graphics that would reinforce the content and improve understanding. The CD consisted of four modules – each adding a layer of complexity to the one prior–rooted in the fundamentals of adult learning theory. The course was crafted so that every lesson begins with objectives and includes interactive exercises and knowledge checks that test the user’s immediate understanding of material just covered.

One integral part of the solution was the use of the Web for taking the final exam. The online testing, which had randomized alternate versions so that each testing experience was equally valid but unique, also provided administrative functionality for tracking and scoring users.

Finally, CRKI handled all production, packaging and licensing Issues, related to the CD.

### ***The Result***

Today, NexWatch/Honeywell dealers purchase e-learning packages (consisting of the CD and two manuals) for \$50 per student. They also pay \$200 for each student to take the Web-based examination. Once students pass the exam, they are ready for the final step – a one-day hands-on class with a NexWatch/Honeywell instructor. These one-day courses can be economically scheduled whenever a critical mass of trainees in a given local area has successfully completed the self-paced part of the course.

All in all, dealers now pay an average of \$1,000 per student rather than \$5,000. Since technicians tend to complete the training at home after hours, they save not only wage expense but also productive billable time.

In addition, technicians now complete the course with greater product knowledge and an increased level of preparedness. NexWatch/Honeywell has significantly reduced the number of calls to its technical support hotline – down by 50 percent in just one year. This has allowed the company to focus on obtaining more advanced training rather than adding staff to its call center. With training costs and time reduced, NexWatch/Honeywell was also able to offer its dealers such advanced revenue-generating services as database conversions and on-site commissioning. Thus, the investment in CRKI's e-learning course has already been recouped.

### ***Going Forward***

The streamlined e-learning program developed by CRKI in collaboration with NexWatch/Honeywell has been a huge success. The dealers have not only embraced the program but are also asking for more. In the near future, the two companies plan to work together to release a number of additional modules that cover a number of new products being introduced to the market.