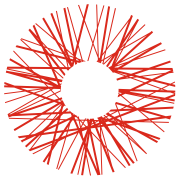




ROI CASE STUDY

PROGRAM: HUMAN CAPITAL MANAGEMENT

DOCUMENT NUMBER: U105 AUGUST 2020



NUCLEUS
RESEARCH

ROI: 3114%

Payback: 2.5 Weeks

SKILLSOFT COMSCORE

ANALYST

Trevor White, Evelyn McMullen

THE BOTTOM LINE

Comscore, a global media and advertising analytics company, maximized an existing investment in Skillsoft learning content to create a program that allowed employees to gain certification in certain programming languages and other critical technology skills. This allowed the company to avoid outside certification program costs while providing employees with a gamified, on-demand experience that increased engagement, adoption, and productivity. Nucleus found that by leveraging Skillsoft learning content to build out its Gold Star Learning Program, Comscore achieved an ROI of 3114% in less than 1 month.

THE COMPANY

Founded in 1999, Comscore is a global media and advertising analytics company that employs more than 1,200 staff, approximately two-thirds of which are technology professionals. The company leverages data science and audience insights across multiple media platforms to serve as a third-party source for the measurement of different audience and advertising metrics.

THE CHALLENGE

Comscore had an existing subscription to Skillsoft learning content, however, the programs were typically self-led, optional, and not pertaining to any pressing skill sets. When Comscore's new Chief Product Officer (CPO) introduced a long-term strategy for new and existing products, a skills gap was unveiled. Specifically, many employees were familiar with JavaScript programming language but not with Python, which the company deemed a critical skill going forward. Additionally, significant staffing changes in 2019 reduced Comscore's then existing certification capabilities for platform administration such as Java SE11, AWS Certified Developers, Solutions architects, and SysOps Administrators. Concurrently, the new CPO's project roadmap created the need to upskill employees in project-driven and developer certifications.

**Cost : Benefit
Ratio**

1 : 12.1

THE STRATEGY

After determining that there was a need to upskill employees in-house in Python and other high-demand skills, the company's Senior Vice President of project engineering met with its Director of Learning to discuss certification resources and strategies. The company already had access to Skillsoft learning content, such as videos, courses, books, audiobooks, and practice labs. Using these resources as a template, Comscore's Senior Vice President and its Director of Learning were able to build Python certification training materials that would eventually become the foundation of the Comscore Gold Star Learning Program.

To ensure widespread adoption of the program, the company built a dedicated webpage in the technology section of its intranet prior to an all-technology company meeting where it was introduced. The webpage included an introductory video and an explanation of the areas where upskilling was most in-demand and how these additional skills related to the

CPO's product strategy. Additionally, links to 12 critical learning paths and 3 non-critical learning paths were listed. The company further increased adoption by using gamification to motivate participation. The webpage was updated with weekly progress statistics to allow employees to view overall progress and to have the opportunity to access leaderboards to track individual growth. Incentives such as gold star badges and branded t-shirts, which could be worn in-office, were also introduced as rewards for employee time and commitment. These employees were selected for special projects and promoted as they became proficient in high-demand areas.

TYPES OF BENEFITS

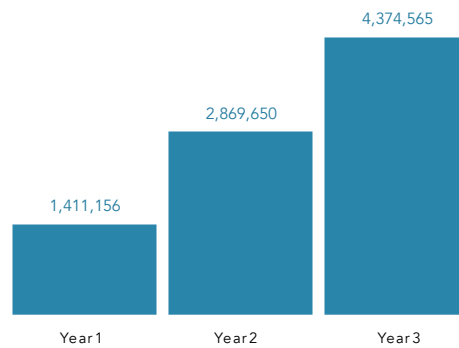


KEY BENEFIT AREAS

Key benefit areas realized as a result of the success of Comscore's Gold Star Learning Program include avoided certification costs, reduced personnel costs, and employee skills gain.

- **Avoided certification costs.** Comscore could have spent more than \$1,000,000 enlisting the services of third-party certification prep providers. By leveraging on-demand content in Skillsoft, Comscore reduced the cost to upskill employees and gave them access to a myriad of training options for obtaining critical and complementary technology skills that would not have been available through outside certification resources.
- **Reduced personnel costs.** One team of 11 technology staff was restructured to require only 2 as the Gold Star Learning Program allowed the team to leverage Python to automate workflows and produce the same level of output with fewer employees, resulting in savings of more than \$1,000,000 annually.
- **Skills gain.** Without the Gold Star Learning Program, the company would not have realized more than \$400,000 in additional annual productivity among the 322 Gold Star Learning Program users. This is due in-part to the fact that many outside certification programs do not allow for on-demand access and take much longer to complete by comparison.

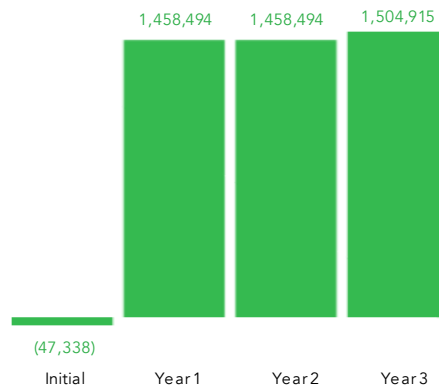
CUMULATIVE NET BENEFIT



KEY COST AREAS


Key cost areas of the Gold Star Learning Program deployment include annual software costs, IT support time for the deployment, one-time costs to build the program's implementation tracks, and employee time spent training on the program.

NET CASH FLOWS



LESSONS LEARNED

When deploying large-scale learning programs and other employee-centric projects, it is critical to involve executive leadership in making a formal introduction to ensure adoption. Comscore achieved this through its all-technology staff meeting and the use of an introductory webpage. The company's efforts at educating affected staff about the potential



value of the program, such as increased prospects for promotions and special projects, was also essential in facilitating the program's success. Within the first 15 months of implementation, Nucleus found that more than half of Comscore's engineering staff increased their Python skills through the program. Additionally, Comscore's use of gamification, including prizes and leaderboards, created friendly competition that further increased participation.

CALCULATING THE ROI

Nucleus Research analyzed the costs of software, hardware, personnel, professional services, and user training over a three-year period to quantify Comscore's total investment in Skillsoft technology and to extrapolate Comscore's month 1 return on investment.

Direct benefits quantified include avoided personnel costs. Indirect benefits include increased productivity in the form of skill gain among the company's technology workforce. Benefits not quantified include avoided outside certification costs.

FINANCIAL ANALYSIS

Comscore Gold Star Learning Program

Annual ROI: 3114%

Payback period: 0.0 years

BENEFITS	Pre-start	Year 1	Year 2	Year 3
Direct	0	1,128,600	1,128,600	1,128,600
Indirect	0	460,500	460,500	460,500
Total per period	0	1,589,100	1,589,100	1,589,100

COSTS - CAPITALIZED ASSETS	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - DEPRECIATION	Pre-start	Year 1	Year 2	Year 3
Software	0	0	0	0
Hardware	0	0	0	0
Project consulting and personnel	0	0	0	0
Total per period	0	0	0	0

COSTS - EXPENSED	Pre-start	Year 1	Year 2	Year 3
Software	46,421	46,421	46,421	0
Hardware	0	0	0	0
Consulting	0	0	0	0
Personnel	917	0	0	0
Training	0	84,185	84,185	84,185
Other	0	0	0	0
Total per period	47,338	130,606	130,606	84,185

FINANCIAL ANALYSIS	Results	Year 1	Year 2	Year 3
All government taxes	45%			
Cost of capital	7.0%			
Net cash flow before taxes	(47,338)	1,458,494	1,458,494	1,504,915
Net cash flow after taxes	(26,036)	802,172	802,172	827,703
Annual ROI - direct and indirect benefits				3114%
Annual ROI - direct benefits only				2141%
Net Present Value (NPV)				2,099,958
Payback period				0.0 years
Average Annual Cost of Ownership				130,912
3-Year IRR				3081%

All calculations are based on Nucleus Research's independent analysis of the expected costs and benefits associated with the solution.