

Training Costs

Design/Development Cost Rules of Thumb - Initially, costs of designing and developing technology-based training programs seem high when compared to costs for traditional instructor-led training in a classroom. But often very significant savings in the delivery of training offset the high cost of design/development. Some rules of thumb to use in evaluating costs are briefly discussed below. These are taken from *Learning Technologies*, produced by the American Society for Training and Development.

- ***Traditional Classroom Training*** - Assume 40 hours of development time for one hour of instruction. Using \$50/hour to capture the hourly costs (salary & travel), a typical 36-hour training event in NRCS would cost \$72,000 to develop.
- ***Instructional Video*** - Videos are used both to supplement traditional classroom training and are embedded in computer-based applications. Approximately 40 to 120 hours are required to produce one hour of video, the resulting production costs range from \$1,000 to \$50,000 per finished minute.
- ***Interactive Satellite Broadcasts*** - Developing these programs offers an extremely wide range of per-hour costs, depending upon the scope of the media that is produced in support of the instructor. Costs range from \$10,000 to \$50,000 per instructional hour.
- ***Electronic Performance Support System*** - Hypertext documents take less than 100 hours for finished training hour while hypermedia documents require between 100 and 300 hours. Because hypertext is more a publishing medium than a training medium, a page-based rule of thumb may be more appropriate. Assume \$2,000 for every 100 pages of content. The type and amount of embedded media control the figure for hypermedia.
- ***Traditional Computer-based Training (CBT)*** - The benchmark for traditional CBT is 200 hours of development for one finished hour. However, this figure does not take into account the complexity of the learner-interactions and the scope of the media effort. Assume \$15,000 to \$30,000 for each finished hour of CBT.
- ***Interactive Multimedia (CD-ROM)*** - The cost to develop interactive multimedia can range from \$30,000 to \$60,000 per finished hour. Extensive use of video, 3D animation, or highly complex simulations can drive costs even higher.

- **Web-based Training** - An Internet application can range from simple hypermedia to computer-based multimedia. The development cost ranges cited above for the other mediums will be similar for development on the Internet. One consideration in the development of training for the Web is that the design/development step will normally involve expertise other than instructional design specialists and subject matter specialists. One added cost exclusive to the Internet is maintenance of the site that is estimated at \$5,000 per year.

All costs cited above are rules of thumb and should be used for comparison purposes only.