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How On-Demand Companies Are Pioneering A New Kind of Training

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The On-Demand Landscape

Something different is happening in the on-demand economy at the intersection of training, operations and product development.

Companies that match a consumer with a provider, like Uber, Lyft, Airbnb and Instacart, are creating a model that is unique in economic history — though it has some overlap with marketplaces that bring buyers and sellers together. They have a unique context in that many are mobile native and were born in the smartphone era.

And they are unique in terms of scale, activating and onboarding enormous numbers of people on the provider side of their platforms. Intuit, the financial management software company, estimates that over 50 million people are currently self-employed and that the number of people working in the on-demand sector will double to more than 7.6 million by 2020. (See sidebar.)

This new model and context means on-demand companies require a fundamentally different view of onboarding and training. These fundamental differences can be boiled down to two points.

First, provider training for these companies is mission critical. A platform succeeds when the providers on it succeed.

Second, these companies see provider training as a core feature of their platform, bringing learning to the users where and when they need it. Learning and development in this environment is tightly interwoven with the rest of the organization's operations, rather than treated as a stand-alone system that lives outside the company's core platform.

In short, training for the provider side of the on-demand economy is opening up a new frontier in elearning, and these companies are the pioneers.

Partners in Branding, Partners in Success

Vital to the success of any on-demand economy enterprise is the efficient and thorough training of its external providers. Creating well-trained external providers is even more important to the long-term success of the company than training internal employees is for a traditional company.

One reason is, to a much greater degree than with employees in a traditional company, providers are the face of the brand. Fundamentally, on-demand platforms exist to facilitate

connections between two external parties — the customer and the provider. The feelings customers have about the company and their likelihood of returning are heavily dependent on independent contractors.

Successful companies in this sector use training to communicate the company's brand values and how those values should be incorporated into the service. Last year's demise of home-cleaning platform Homejoy is an example of inadequate training in the on-

> These companies win customers because they design excellent products where a push of a button summons the service the customer needs. Training for the providers is best when it works by the same principle.

demand economy. As observers have pointed out, many factors contributed to the collapse, but chief among them was Homejoy's failure to properly train its cleaners, leading to dissatisfied customers.

Training is also vital to the long-term success of on-demand companies because drivers, hosts and other providers earn more money and stay more engaged when they do well on the platform. Training supports them in getting more assignments and earning more. The company benefits with less turnover, greater economies of scale and more revenue.

This means on-demand platforms and providers are fundamentally partners in success. Done right, training for providers helps them participate in growing the brand and in attracting and retaining satisfied customers. Companies that heavily invest in that partnership over the long haul are establishing a foundation that will last.
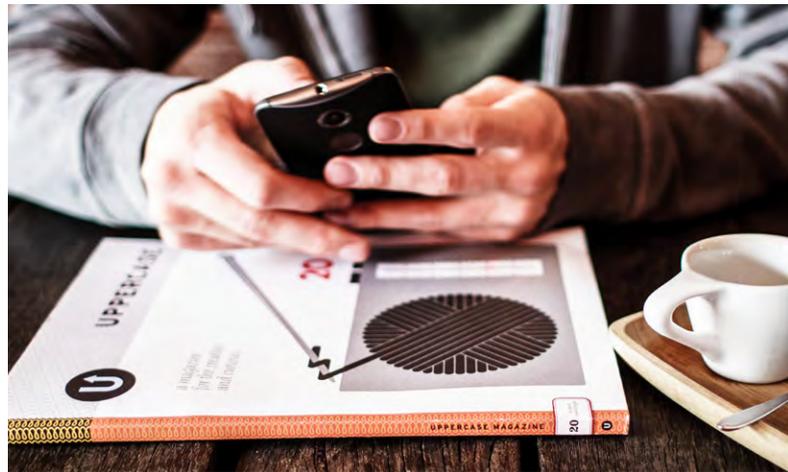
Provider Focused Means Results Focused

The goal of training in this on-demand economy context is very different than in a traditional corporate setting, which is typically driven by compliance issues and is mandated from a central human resources department. Traditional training aims to make the employee a good worker for the company and has less focus on the end user. Some skills-based instruction may be mixed in — how to make a sale or how to deal with a difficult customer — but mostly the training ensures the employee performs their job well within the context of the corporation's needs.

Traditional training methods require the employee to spend time in a classroom, reading policy manuals or working through elearning modules. Once the employee finishes the assigned training, they get a score, and HR records another mandatory course as complete. This is check-the-box training that doesn't measure whether the employee truly absorbed the instruction or whether their performance has any impact on the corporate bottom line.

Contrast that with training in the on-demand economy model, which is focused on providers and strives to empower them to succeed on the platform. By giving best practices to follow, this training teaches providers how to deliver services in a way that will ultimately lead to their success and profitability on the platform. These pioneering companies are tracking metrics like:

- customer satisfaction.
- growth of the platform's user base.
- quicker activation and onboarding of interested providers.
- improved ratings for the providers.
- increased revenue for the provider.
- increased revenue for the company.

Unlike compliance training in the corporate world, training in the on-demand economy isn't measured by completion rates or correct answers. Successful on-demand economy companies leverage training to produce measurable business outcomes.

Winning the Competition for Providers

The on-demand economy is in a heated competition for talent. Providers want to get into the field and start earning, and they will work with the company that best helps them do that. If an independent contractor with valuable skills wants to participate in an on-demand platform but meets too many technology obstacles at the start of the relationship, they might simply seek another platform. This is especially crucial as "second movers" — new entrants who hope to learn from and quickly catch up to innovative companies — enter the marketplace.

Companies therefore need comprehensive and robust assets to raise awareness and attract interested providers; then they must provide a seamless and frictionless process for application and activation. At each of these stages, the platform and providers benefit by having engaging and highly contextual in-app learning experiences. Learning modules and how they are presented help set the tone for the ultimate success of both parties, ensuring the company can recruit strong providers and grow the platform.

An onboarding program can do this and still hold potential providers to very high quality standards by confirming they possess the basic requirements for the job and can suitably represent the brand. Best-in-class onboarding in the on-demand economy business model combines the brand's standards, ease of use and rapid entry onto the platform.

On-Demand Training for an On-Demand Workforce

The voluntary nature of provider training offered by on-demand companies drives some fundamental differences in how it is delivered compared to traditional employee training. For instance, a user-friendly experience for the contractor is critical, and the content has to be engaging and provide clear value to the providers.

Moreover, the learning experience must be embedded in the company's platform — within the product itself. Effective training in this environment reflects the essential value proposition being made to customers and providers in every other experience with the company — just-in-time, frictionless and mobile.

These companies win customers because they design excellent products where a push of a button summons the service the customer needs. Training for the providers is best when it works by the same principle. If a driver needs to know how to handle a customer when the ride is running behind schedule, for example,

they should find that information at their fingertips while in the car and in the moment.

> **Pioneering on-demand companies are getting training material from internal experts and team members who have worked closely with designers and developers to embed the training into the experience.**

Training sessions in conference rooms or webinar applications downloaded to a desktop computer won't be as effective for these providers. Their learning supports typically come in the form of short pieces of information the driver can easily access and absorb. The format — an email, short video, brief instructional manual — doesn't matter as much as the provider's immediate access to the pertinent training.

These micro-learning nuggets then can be easily and quickly applied to the contractor's workflow. Another advantage of micro-learning is that science has shown humans retain information better when given in short chunks. So serving up instruction in compacted modules shapes a better provider — and consumer — experience.

Contextual and Relevant Training

Unlike corporate training driven more by compliance issues, on-demand economy training develops within the context of the provider's relationship with the consumer.

In essence, training grows from the real-world experience of the team member actually providing services to the consumer. This type of training requires a learning solution vastly different from traditional corporate training, in which where modules are typically purchased from an eLearning library and plugged into a learning management system.

Nor can effective contextual training be delivered if it is treated as a separate silo or department. Pioneering on-demand companies are getting training material from internal experts and team members who have worked closely with designers and developers to embed the training into the experience. The operational people closest to the contractors' daily challenges and work are heavily involved.

The Communal Learning Experience
Traditional corporate training often taps into an organization's

institutional memory by having experienced employees serve as teaching resources for younger staff. On-demand economy companies can do something similar at an even greater scale because of the size of their networks. They can use the large number of providers on the platform to build user-generated community-based instruction facilitated by technology.

For example, on-demand economy companies can tap into the collective knowledge and know-how of the top 20 percent of their workforce by hosting short lessons on how to perform particular tasks or meet certain challenges in the workday. In this model, a successful Airbnb host might post a video for newly onboarded providers on how to successfully rent a property. This user-generated learning content proves an invaluable resource to team members however long they've been on the platform.

Not only does this pass along best practices, it reinforces the community aspect of the on-demand economy. On-demand economy companies view providers as team members and community participants vital to the success of the brand. Successful on-demand economy companies engage their community of providers and have them participate in peer-to-peer learning and sharing.

Motivating and Inspiring with Training
On-demand economy companies typically respond to customer complaints with free vouchers. While that may resolve an individual case, it fails to address the root of the provider's poor performance, which ultimately damages the entire brand. Even with efficient and comprehensive onboarding and training, some providers will invariably fall short of expectations on occasion.

An integrated learning solution mitigates this by serving up a frictionless, user-friendly and highly contextual learning experience.

This helps on-demand economy enterprises ensure ongoing training by monitoring provider performance on the platform. For example, if a provider reaches a preset number of bad consumer reviews, they may be blocked from the platform until the situation is addressed through re-training. The training is a tap away so the provider can immediately get onboard and earning income again.

Even excellent providers can benefit from ongoing and updated training. To confirm that contractors have absorbed the instruction, the learning solution sends out knowledge checks, such as brief quizzes, encouraging providers to access the instruction and to apply it to their work. On-demand economy companies can demonstrate how training increases a provider's revenue. One Lyft driver, for example, reported that since using the training modules in the app he had increased his earnings from $30 to $60 per hour. If the platform can establish the link between training and increased revenue, the provider will be motivated to take the courses.

How a Learning Platform Makes It All Happen

Part of what makes the on-demand economy unique is its scale and speed. Companies in this sector need to build the provider side of their platforms — and to ensure quality there — as diligently as they are building their customer base. Sometimes that means onboarding and training a few providers, and sometimes it means a sudden burst of growth.

The learning solution powering such training has to enable that scale and speed. It has to use a pricing model based on actual use, rather than an estimated use in the future. It should also permit easy updates, additions and revisions to the learning content, unlike traditional PDF-dependent corporate training materials.

In-person training only goes so far in the on-demand economy

business model. Continuously hiring more and more trainers to teach large groups of providers isn't a scalable or affordable solution.

Fortunately, today's technology permits on-demand economy enterprises to embed adaptable learning solutions that offer all those elements: the capability to integrate seamlessly with the platform, the power to grow as the platform's user base grows and the ability to quickly integrate changes and updates to the content.

[Click here](#) to learn how to kickstart your on-demand training program with our webinar recording.

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