Application on the Job

- Research on what executives want from their learning investments.

- Eight steps to build the case for investing in people.

- Techniques to seamlessly integrate measurement, evaluation and analytics into your programs, projects and practices.

Levels of Evaluation	Measurement Focus	Typical Measures
0. Inputs and Indicators	The input into the project in terms of scope, volume, efficiencies, costs	Participants, Hours, Costs, Timing
1. Reaction & Planned Action	Reaction to the project or program, including the perceived value	Relevance, Importance, Usefulness, Appropriateness, Intent to use, Motivation to take action
2. Learning	Learning to use the content and materials, including the confidence to use what was learned	Skills, Knowledge, Capacity, Competencies, Confidence, Contacts
3. Application & Implementation	Use of content and materials in the work environment, including progress with actual items and implementation	Extent of use, Task completion, Frequency of use, Actions completed, Success with use, Barriers to use, Enablers to use
4. Impact	The consequences of the use of the content and materials expressed as business impact measures	Productivity, Revenue, Quality, Time, Efficiency, Customer Satisfaction, Employee Engagement
5. ROI	Comparison of monetary benefits from program to program costs	Benefit-Cost Ratio (BCR), ROI%, Payback Period

Katzell developed four steps of training evaluation; Kirkpatrick wrote about four steps of training evaluation; Phillips added economic theory and operationalized the framework by adding process and standards and applying it in practice.

What is ROI?

$$BCR = \frac{\text{Program Benefits}}{\text{Program Costs}}$$

$$ROI = \frac{\text{Net Program Benefits}}{\text{Program Costs}} \times 100$$

What is ROI?

$$BCR = \frac{\$750{,}000}{\$425{,}000}$$

$$ROI = \frac{\$750{,}000 - \$425{,}000}{\$425{,}000} \times 100$$

What is ROI?

$$BCR = \frac{\$750{,}000}{\$425{,}000} = 1.76{:}1$$

$$ROI = \frac{\$750{,}000 - \$425{,}000}{\$425{,}000} \times 100 = 76\%$$

Levels of Evaluation	Measurement Focus	Typical Measures
0. Inputs and Indicators	The input into the project in terms of scope, volume, efficiencies, costs	Participants, Hours, Costs, Timing
1. Reaction & Planned Action	Reaction to the project or program, including the perceived value	Relevance, Importance, Usefulness, Appropriateness, Intent to use, Motivation to take action
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We keep reading the same story.

The Telegraph

Metropolitan Police Service

PREMIUM

Met police accused of 'wasting' £10m on leadership training programme as crime soars

03 Jun 2018, 6:30am

Why does this keep happening?

Why does this keep happening?

- L&D opting out

- Fear of the consequences

- Results do not exist and nothing is being done about it

- Programs are not designed to deliver results

Three months free membership if you use this link: https://www.interaction-design.org/invite?r=patti-phillips

Start with Why
- Align Programs with the Business

Make it Feasible
- Select the Right Solution

Expect Success
- Design for Results

Make it Matter
- Design for Input, Reaction, and Learning

Make it Stick
- Design for Application and Impact

Make it Credible
- Measure Results and Calculate ROI

Tell the Story
- Communicate Results to Key Stakeholders

Optimize Results
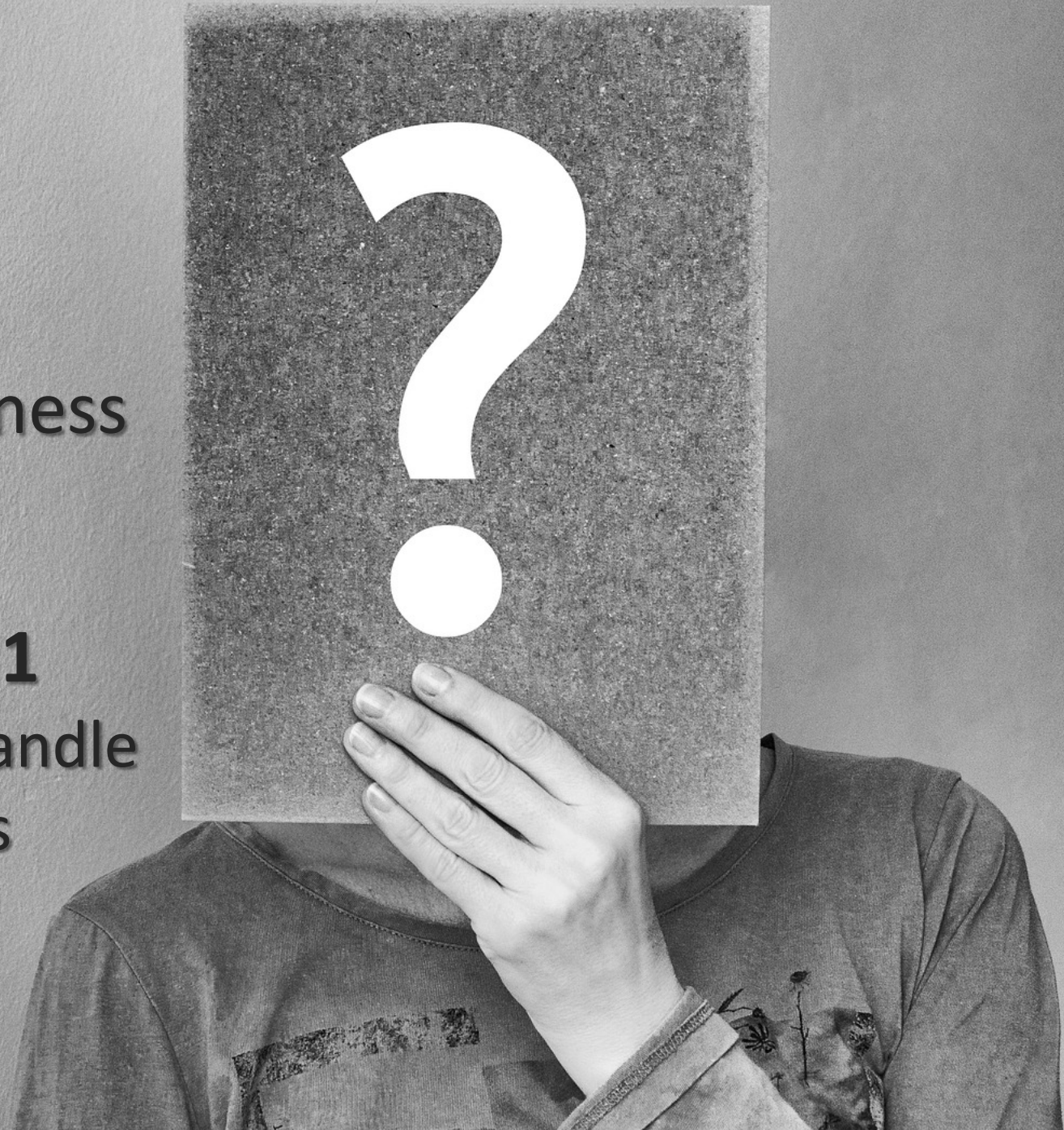- Use Black Box Thinking to Increase Funding
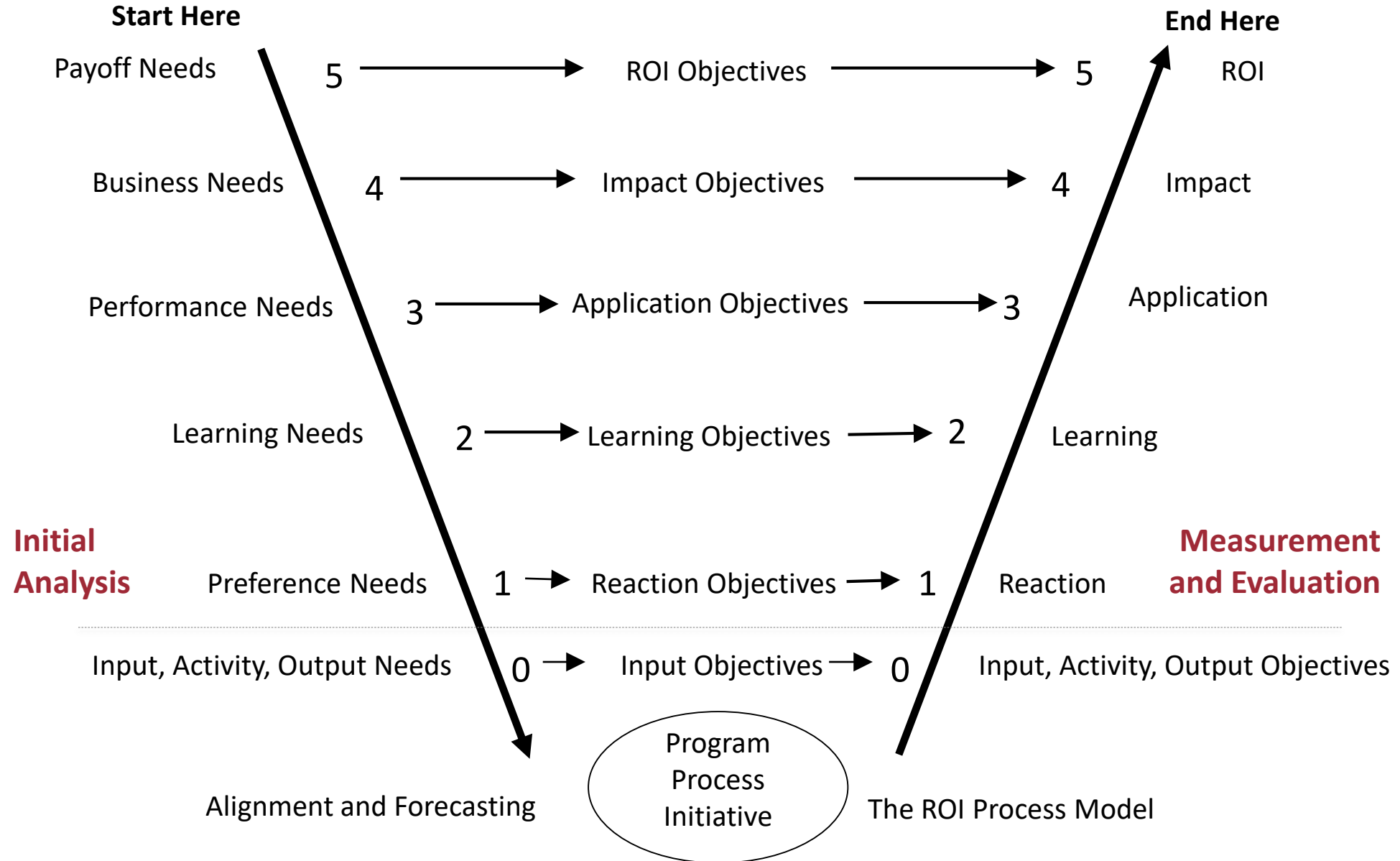
Design for Results

Start with Why
Align Programs with the Business

Design Thinking Principle 1
A problem solving approach to handle problems on a systems levels

Alignment Model

Payoff Needs	5 →	ROI Objectives	→ 5	ROI
Business Needs	4 →	Impact Objectives	→ 4	Impact
Performance Needs	3 →	Application Objectives	→ 3	Application
Learning Needs	2 →	Learning Objectives	→ 2	Learning
Preference Needs	1 →	Reaction Objectives	→ 1	Reaction
Input, Activity, Output Needs	0 →	Input Objectives	→ 0	Input, Activity, Output Objectives

Initial Analysis

Measurement and Evaluation

Program Process Initiative

Alignment and Forecasting

The ROI Process Model

Senior leaders want it.

67% of CEOs say they get a least a basic set of human capital metrics from HR – but **only 24% of survey respondents** said HR also provides analytics that connect their people metrics to business metrics.

Really, the question isn't about relevance of the (HR) function or a 'seat at the table;" rather, it is **what impact has HR made on the business**.

74% of CEOs report that they want ROI, but only 4% are getting it. Next to business impact data, **ROI is the most important metric** in their decision making making about the learning investment.
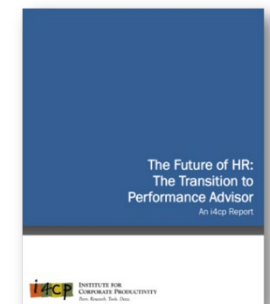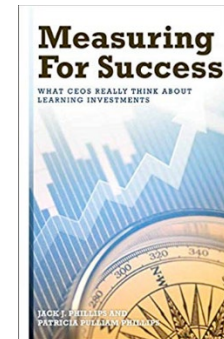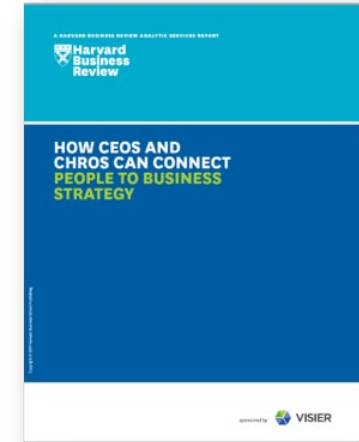
Payoff Needs

- Is this program worth doing?
- Is the problem worth solving?
- Is this an opportunity worth pursuing?

Profit Increase + Cost Savings

Cost Reduction

Cost Avoidance
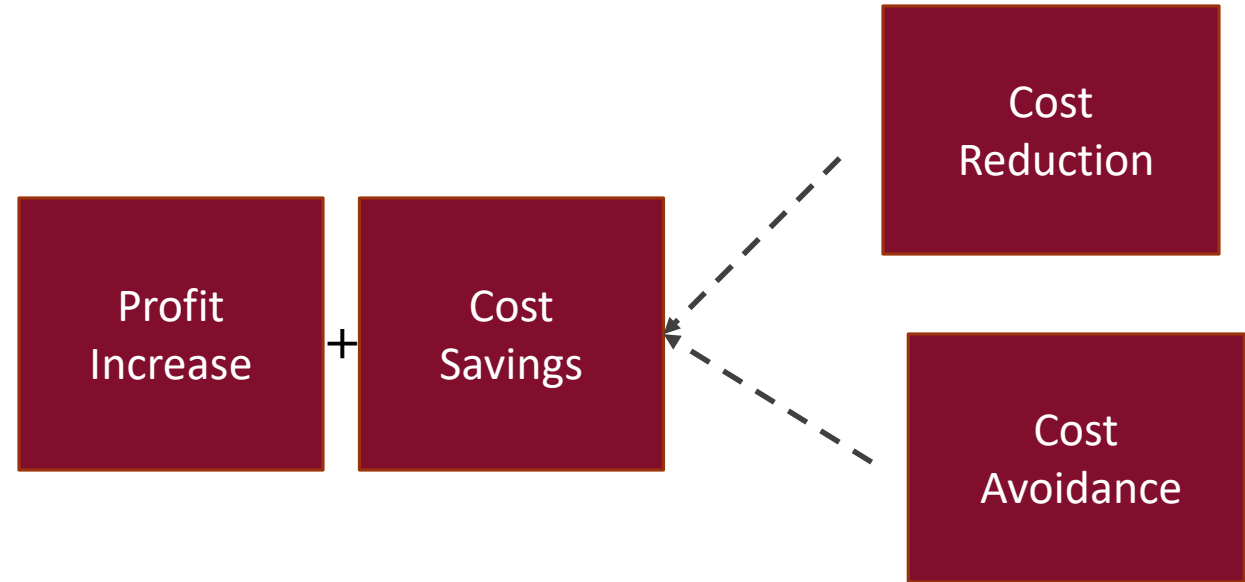
Business Needs

Hard Data

Output	Time
Citizens Vaccinated	Length of Stay
Graduation Rate	Cycle time
Loans Approved	Downtime
Units Sold	Overtime
Forms Processed	Response Time
Inventory Turnover	Wait Time

Cost	Quality
Budget Variances	Readmissions
Unit Costs	Failure Rates
Variable Costs	Dropout Rates
Operation Costs	Rejects
Accident Costs	Product Failures
Cost Per Day	Incidents

Business Needs

Soft Data

Leadership	Client Service
Teamwork	Client Complaints
Collaboration	Client Satisfaction
Networking	Client Dissatisfaction
Communication	Client Impressions

Work Climate/Satisfaction	Development/Advancement
Grievances	Promotions
Discrimination Charges	Capability
Employee Complaints	Intellectual Capital
Organization Commitment	Readiness

Initiative/Innovation	Image/Reputation
Creativity	Brand Awareness
New Ideas	Reputation
Trademarks	Social Responsibility
Patents	Diversity/Inclusiveness

Make it Feasible
Select the Right Solution

Design Thinking Principle 2
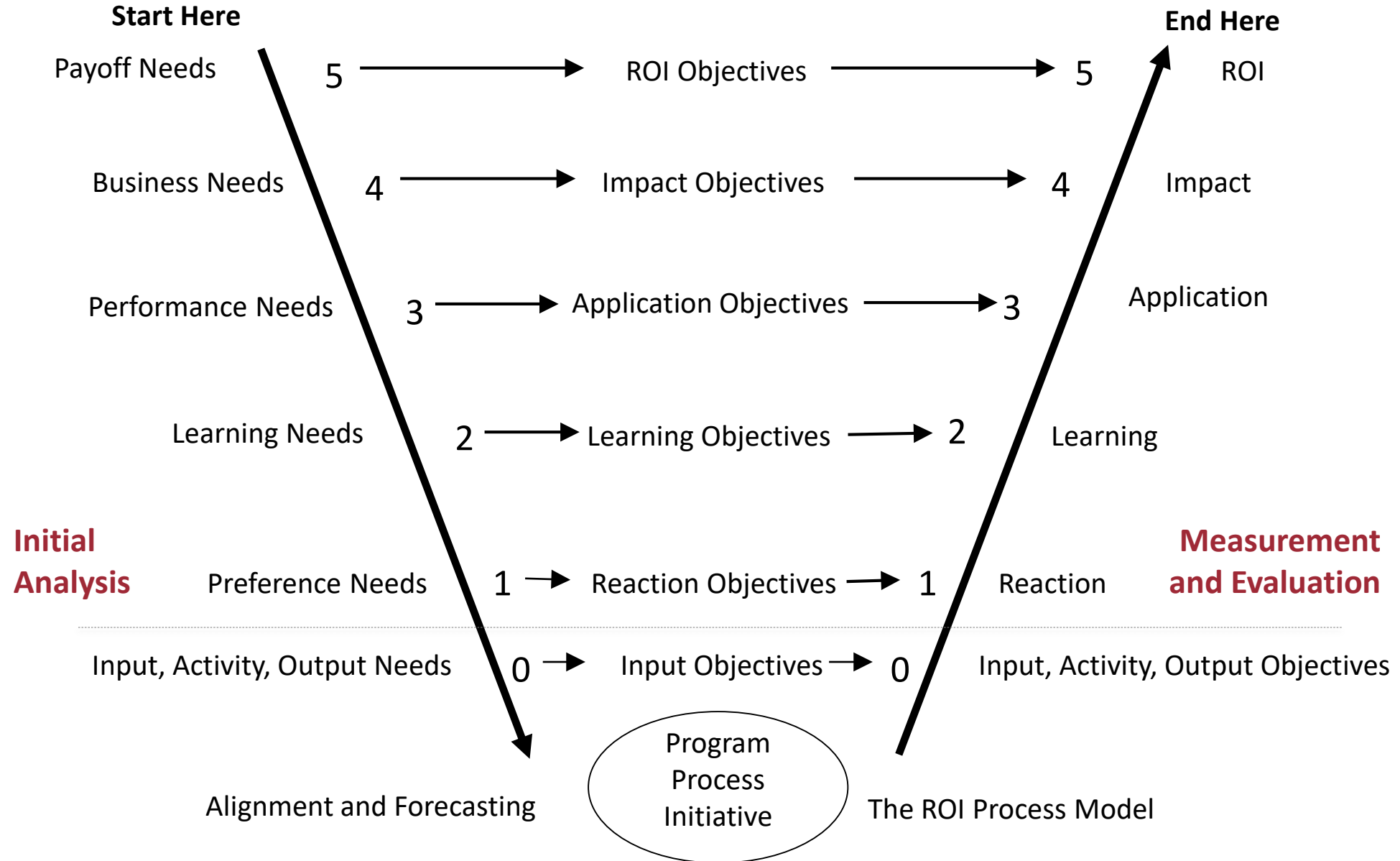### A mind-set for curiosity and inquiry

The point of an effective interface, whether for a computer or a doorknob, must begin with an analysis of what a person is trying to do rather than with a metaphor or a notion of what the screen should display.

Don Norman

Director of The Design Lab at University of California

Alignment Model

Diagnostic Tools

Feasible solutions evolve through the understanding of context, empathizing with the target audience, and identifying performance gaps. The next step is to identify learning needs and how best to deliver relevant information. Forecasting outcomes based on inputs is sometimes helpful.

- Statistical process control
- Brainstorming
- Problem analysis
- Cause-and-effect diagram
- Force-field analysis
- Mind mapping
- Affinity diagrams
- Simulations

- Diagnostic instruments
- Focus groups
- Probing interviews
- Job satisfaction surveys
- Engagement surveys
- Exit interviews
- Exit surveys
- Nominal group technique

Organization Network Analysis

Goals of the Analysis

- Understand how the network was operating after a reorganization
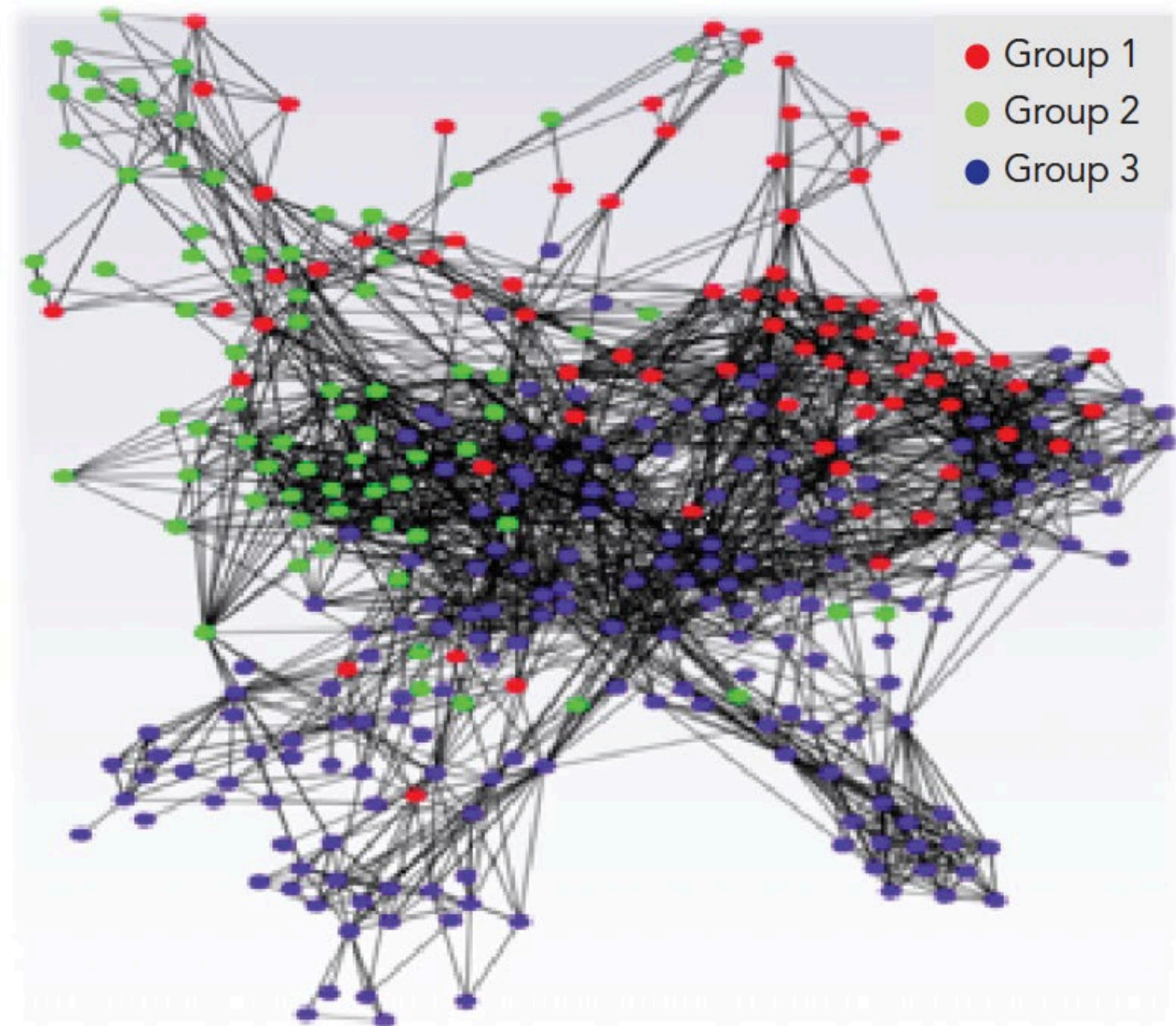
Overall Network Population

- 326 individuals
- 19 countries and 5 regions
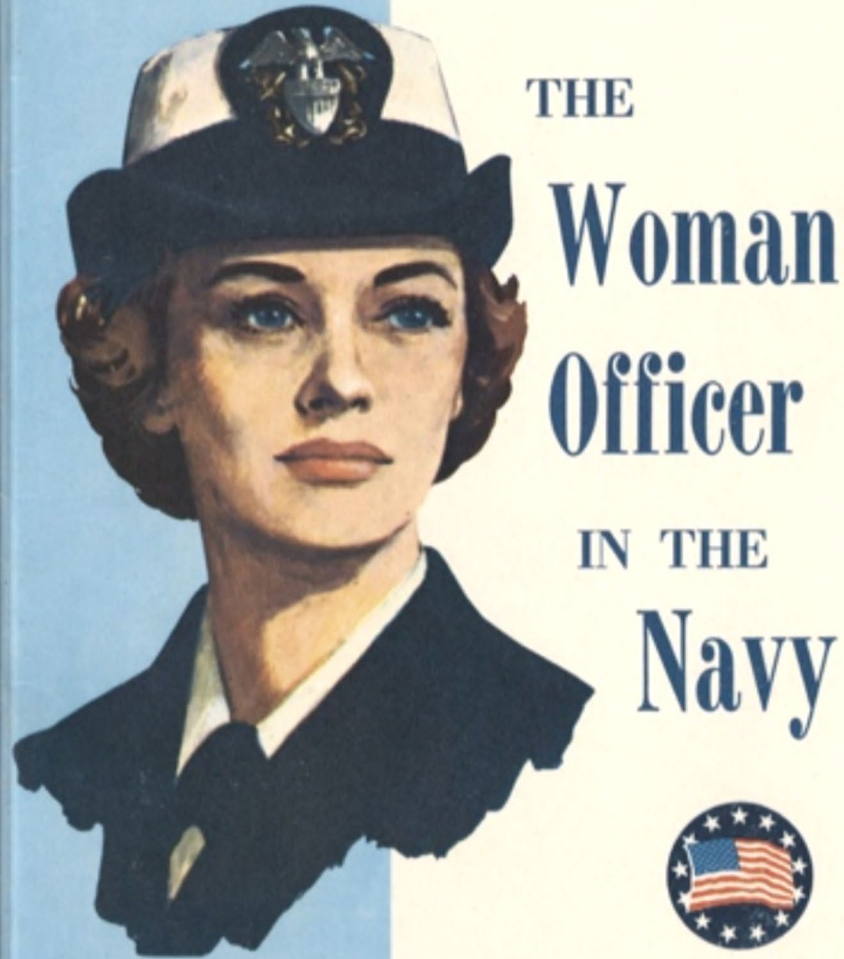- 3 groups

Survey Topics

- Information flow, access, collaboration and overloads

Results

- 3,000 connections
- Collaboration across groups
- Silos in regions and specialties

- Group 1
- Group 2
- Group 3

Interpretative Phenomenological Analysis

Identify effective strategies for female Navy officers, who are mothers, to embrace long-term deployment

- o Face-to-face interviews lasting 45-90 minutes
- o Study Criteria and Demographics Collection Form
- o 11 semi-structured, open-ended questions
- o Use of appreciative inquiry in formulating positive and engaging questions for positive conversation and outcomes

Walker, A. H. *Increasing Female Navy Officer Retention: Deploying Mothers' Perspectives*. The University of Southern Mississippi

Alignment Model
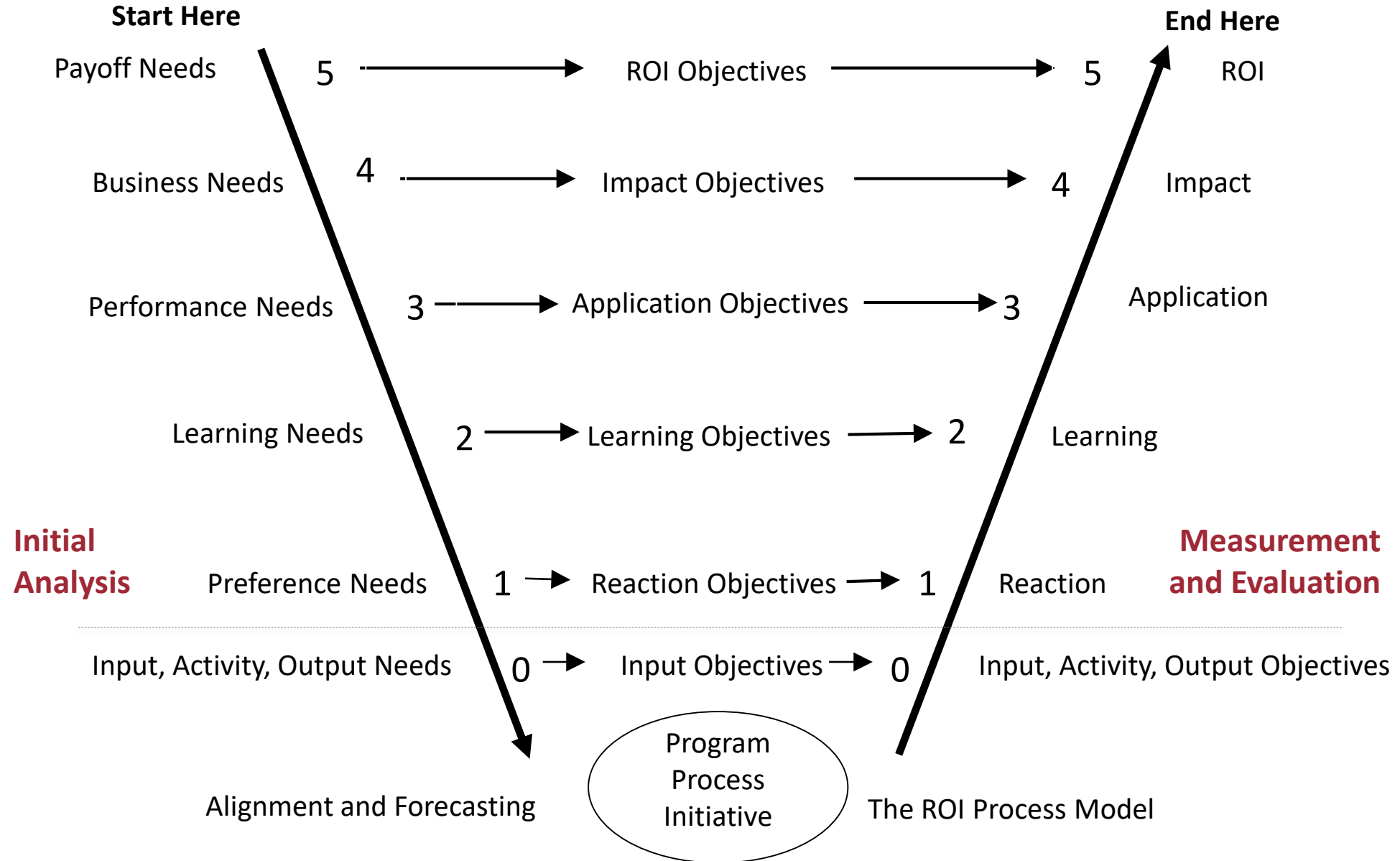
Learning Needs

TECHNIQUES

- Subject-Matter Experts
- Job and Task Analysis
- Observations
- Demonstrations
- Tests
- Management Assessment

CONSIDERATIONS

- Go beyond technical knowledge and tactical skill.
- People need to know the why, how, what, and when.
- Learning needs assessment is important for multiple stakeholders.

Preference Needs

- Individual preference for processes, schedules, and activities.
- Preferences define how the solution will be implemented to ensure all involved perceive it as relevant and important.
- Designing programs for audience preference increases the chances that the audience will commit to and is better equipped to doing what needs to be done, to drive the matters that matter.
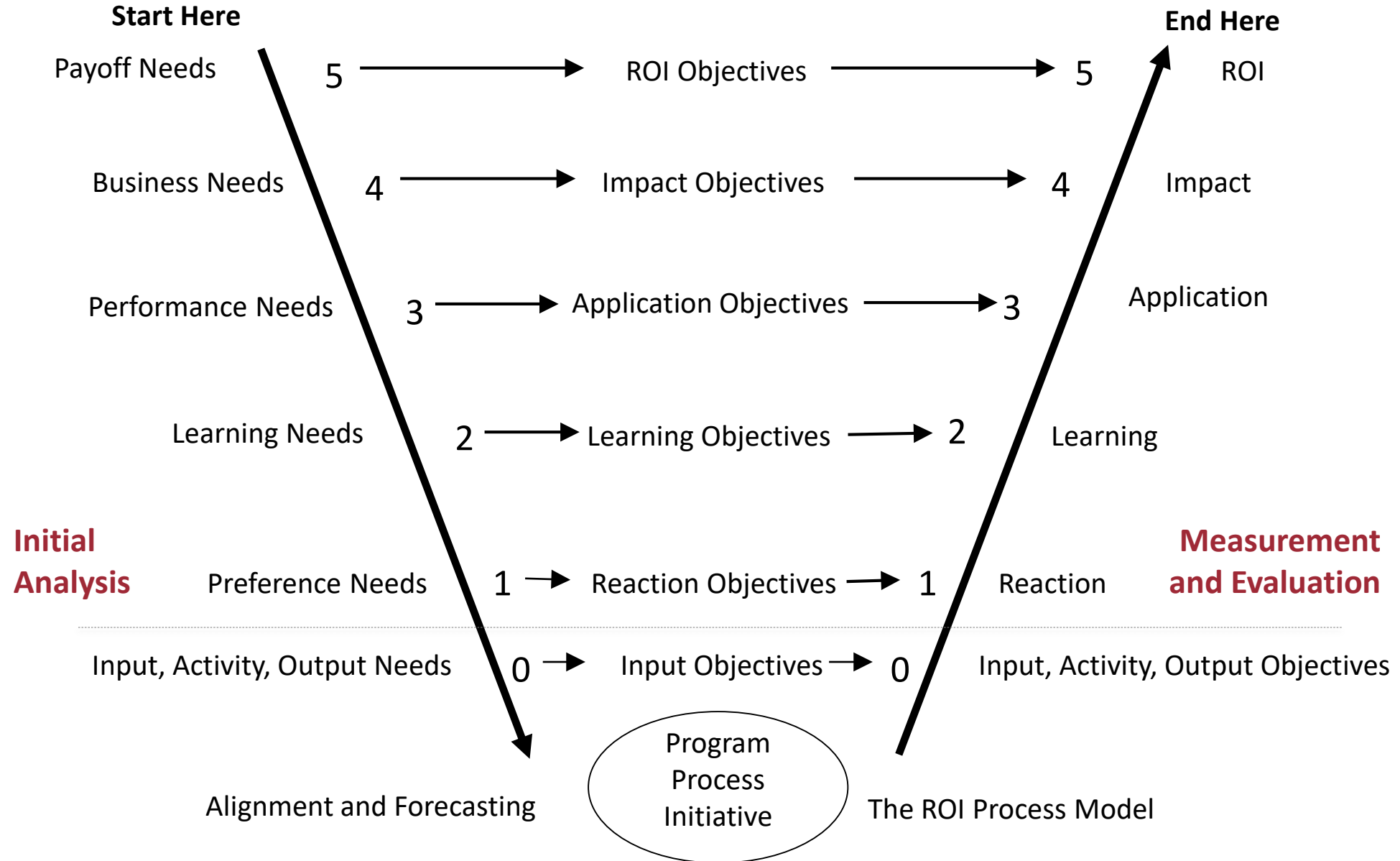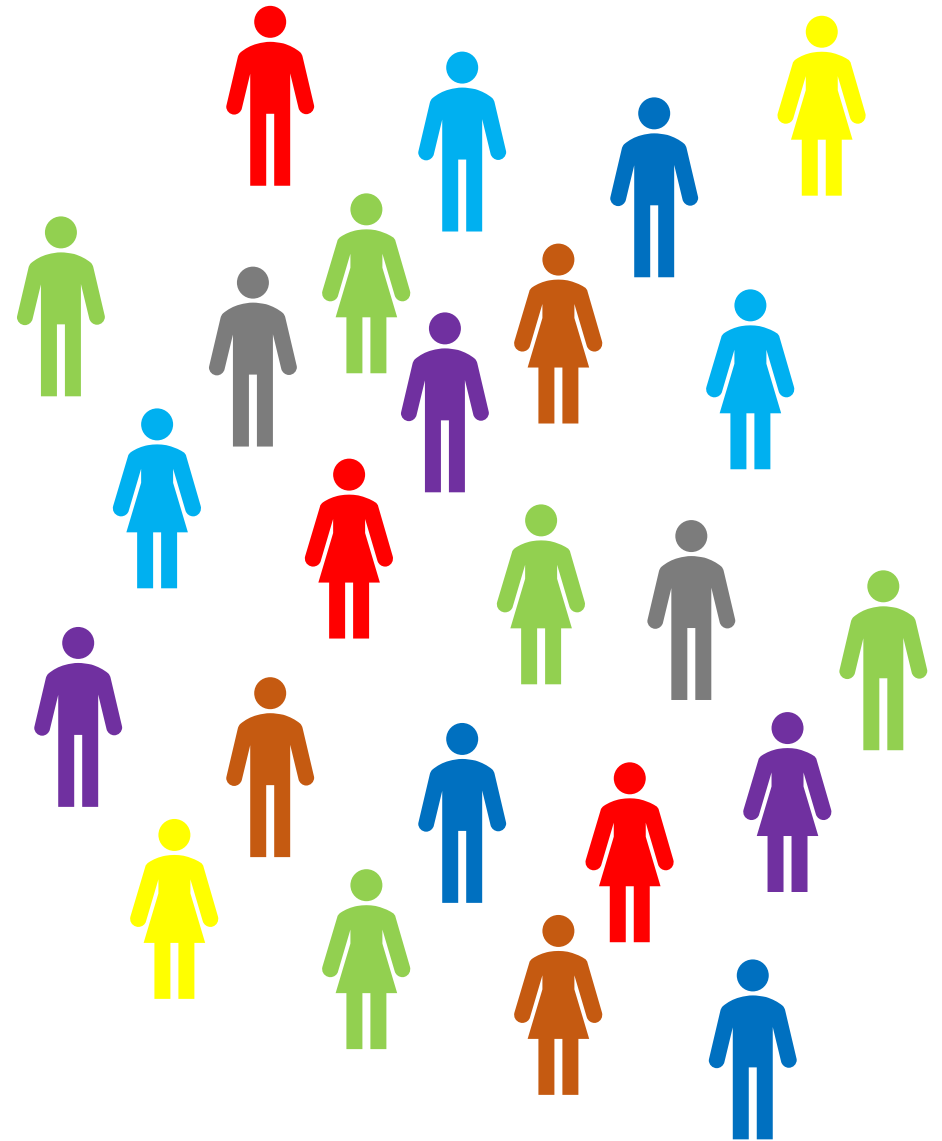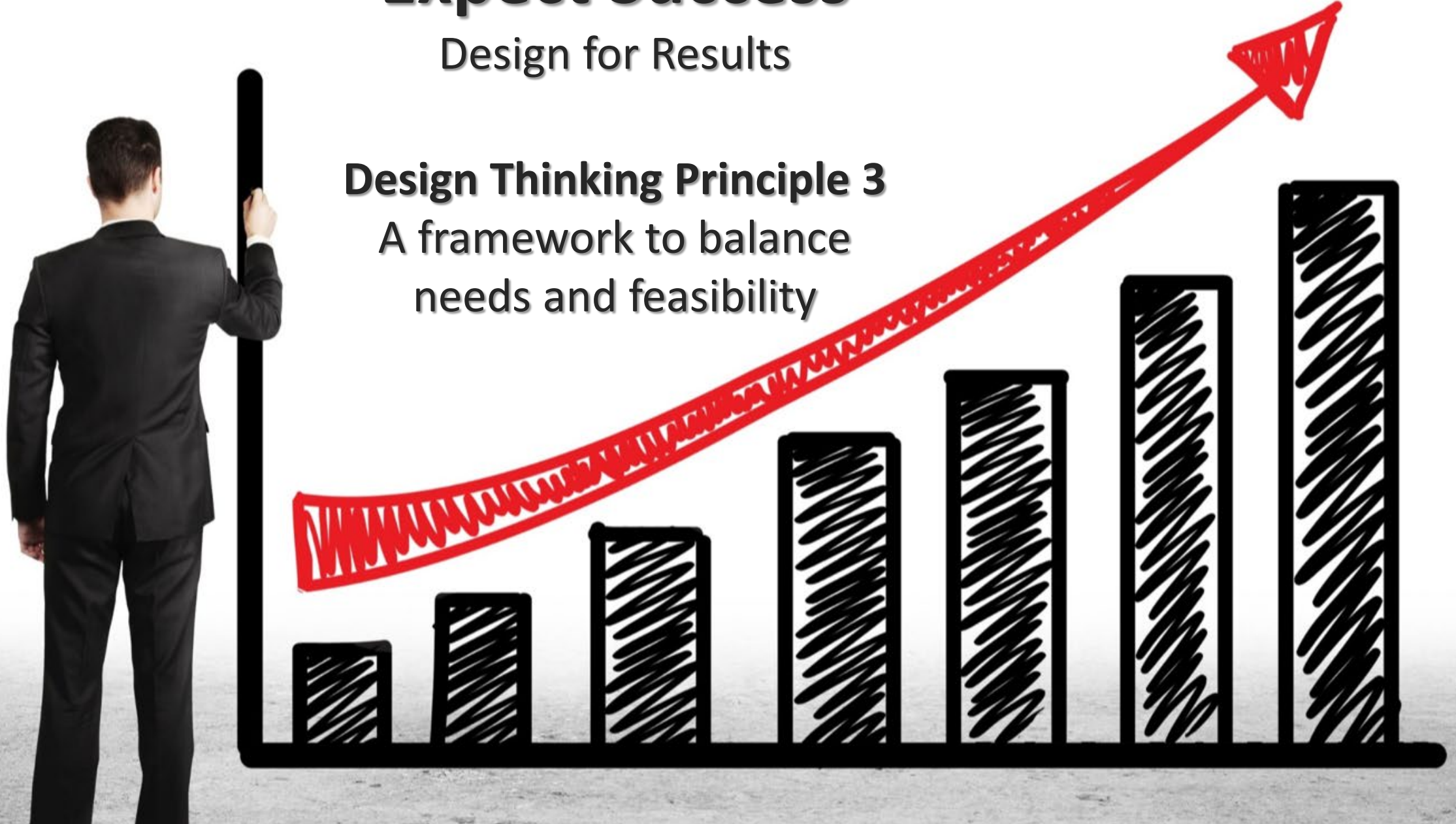
Expect Success
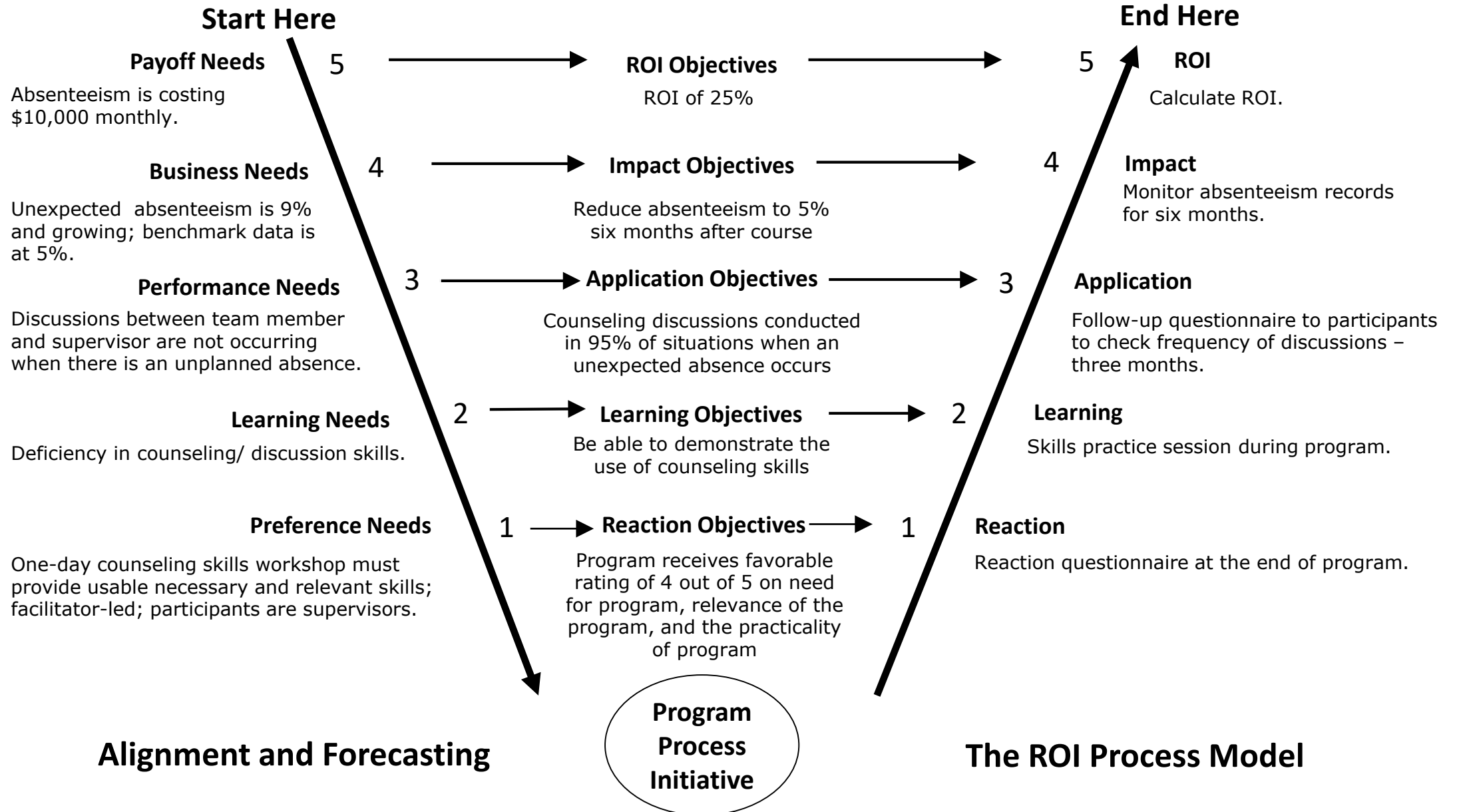Design for Results

Design Thinking Principle 3
A framework to balance
needs and feasibility

Alignment Model

Start Here

End Here

Payoff Needs — 5
Absenteeism is costing $10,000 monthly.

ROI Objectives
ROI of 25%

5 **ROI**
Calculate ROI.

Business Needs — 4
Unexpected absenteeism is 9% and growing; benchmark data is at 5%.

Impact Objectives
Reduce absenteeism to 5% six months after course

4 **Impact**
Monitor absenteeism records for six months.

Performance Needs — 3
Discussions between team member and supervisor are not occurring when there is an unplanned absence.

Application Objectives
Counseling discussions conducted in 95% of situations when an unexpected absence occurs

3 **Application**
Follow-up questionnaire to participants to check frequency of discussions – three months.

Learning Needs — 2
Deficiency in counseling/ discussion skills.

Learning Objectives
Be able to demonstrate the use of counseling skills

2 **Learning**
Skills practice session during program.

Preference Needs — 1
One-day counseling skills workshop must provide usable necessary and relevant skills; facilitator-led; participants are supervisors.

Reaction Objectives
Program receives favorable rating of 4 out of 5 on need for program, relevance of the program, and the practicality of program

1 **Reaction**
Reaction questionnaire at the end of program.

Program Process Initiative

Alignment and Forecasting

The ROI Process Model

Make it Matter

Design for Input, Reaction, and Learning

Design Thinking Principle 4

A way to take on design challenges by applying empathy

Make it Stick

Design for Application and Impact

Design Thinking Principle 5
A culture that fosters exploration
and experimentation

Data Collection Methods

| Method	Level			
	1	2	3	4
• Surveys	✓	✓	✓	
• Questionnaires	✓	✓	✓	✓
• Observation	✓	✓	✓	
• Interviews	✓	✓	✓	
• Focus Groups	✓	✓	✓	
• Tests/Quizzes		✓		
• Demonstrations		✓		
• Simulations		✓		
• Action planning/improvement plans			✓	✓
• Performance contracting			✓	✓
• Performance monitoring				✓

Make it Credible
Measure Results and Calculate ROI

Design Thinking Principle 6
A fixed process and a tool kit

The ROI Methodology® Process Model

Designing for the Delivery of Business Results
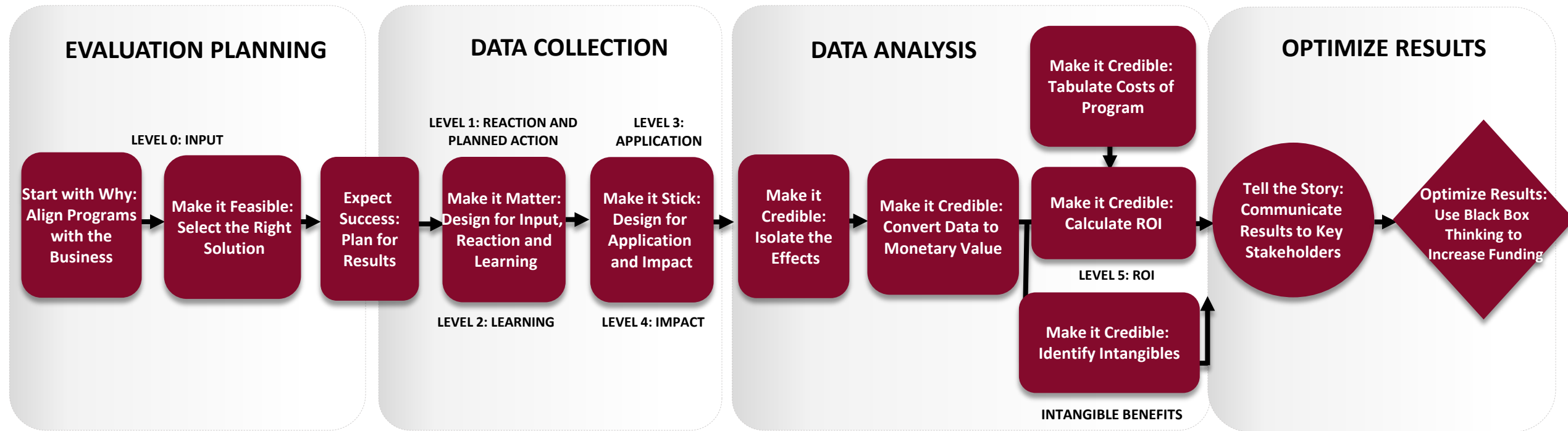
12 Guiding Principles Ensure Reliability in the Process

- Report the complete story
- Conserve evaluation resources
- Use the most credible sources of data
- Choose the most conservative alternatives
- Isolate the effects of the program
- Assume no data, no improvement
- Adjust estimates for error
- Throw out the extreme and unsupported claims
- Use first year benefits for short-term programs
- Include fully-loaded costs
- Report intangible benefits
- Communicate results to all stakeholders

Tell the Story

Communicate Results to Key Stakeholders

Design Thinking Principle 7

A storytelling process to inspire senior executives

Detailed ROI Study

Return on Investment (ROI)

The ROI study tells the complete story of program success and provides a road map to improving the program. It becomes the resource for replicating future studies and the back up if someone challenges the process. The details provide evidence that the program delivered on its promise; and, if it did not, what is the best course of action.

ROI INSTITUTE EUROPE
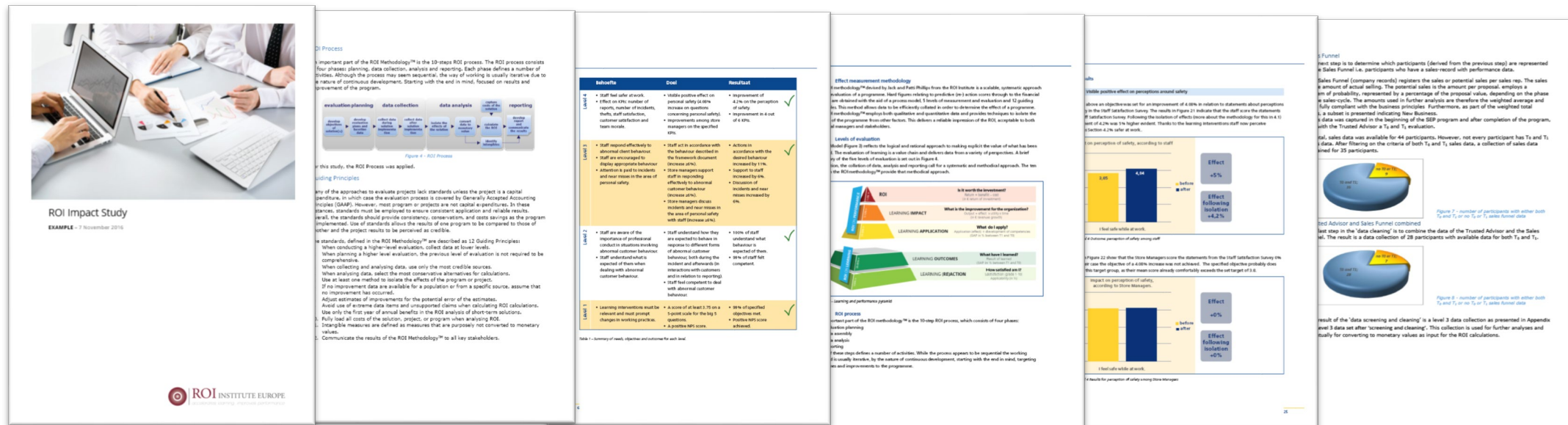
Performance Report

Learning and Application

Employees and supervisors receive a personalized report with the results of the performance scan to gain insight into the qualities and development areas to enhance competencies. This gives them insight into the skills employees need to develop in order to improve their performance.

Infograhic

Management receives information they can use to focus on the strategy and the goals to be achieved. The most important information is displayed in a clear report or in an infographic.

The infographic provides stakeholders insight into the performance of the program including:

- The extent to which participants actually implement the behavior in practice

- The impact of the program on the performance (actual behavior change in practice).

- The most and least applied competencies.
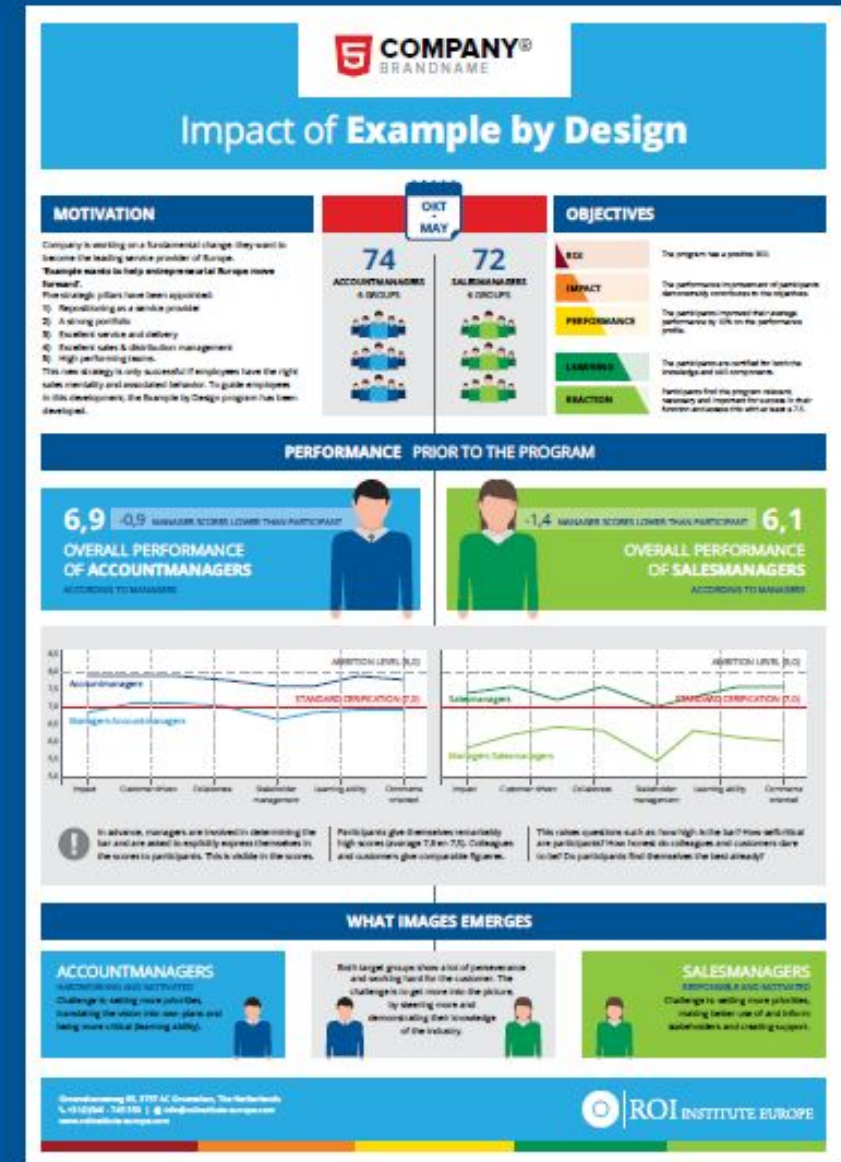
Sample Operations Report

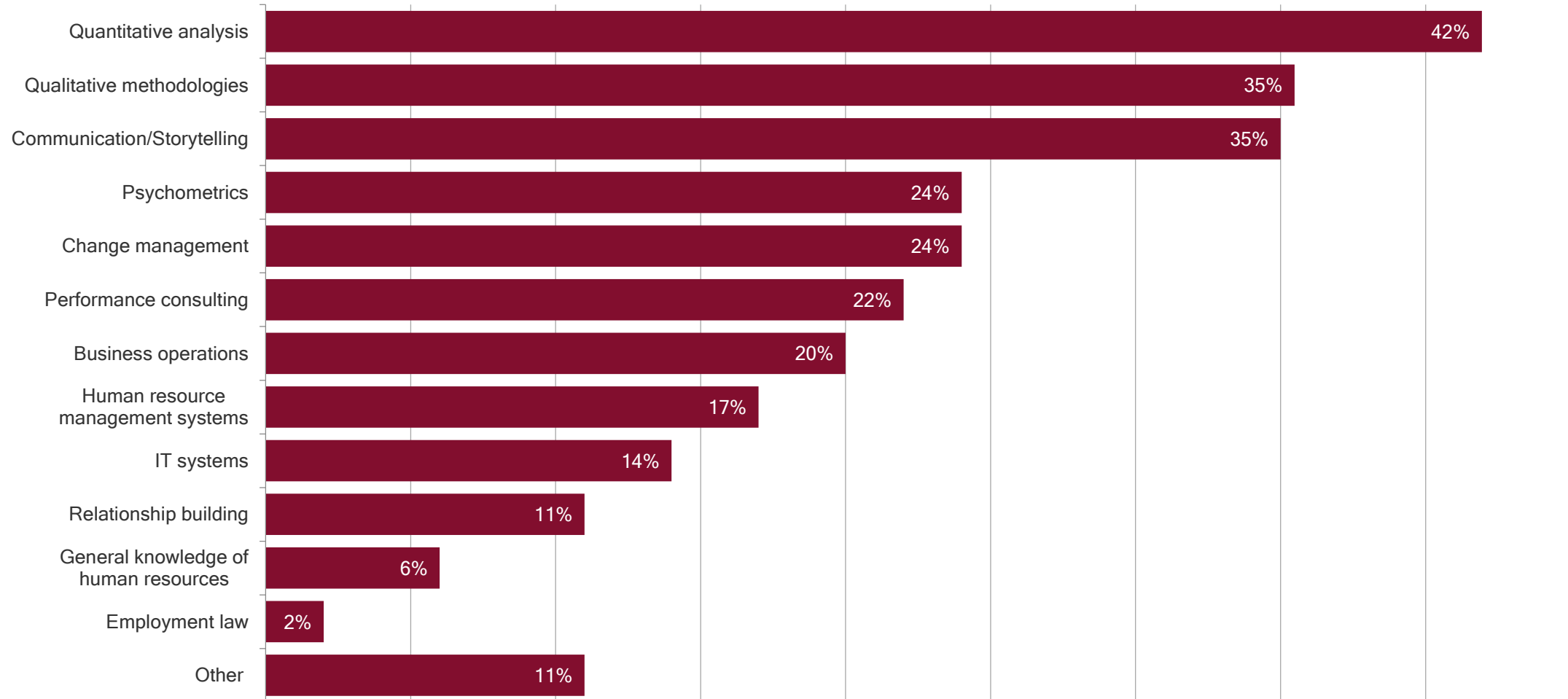|		2015	For 2016				
					Comparison		Comparison
Effectiveness Measures	**Unit of Measure**	**Actual**	**Plan**	**Jun YTD**	**to Plan**	**Forecast**	**to Plan**
Level 1: Participant Feedback (All programs)							
Quality of content	% favorable	76%	80%	79%	1% below	79%	1% below
Quality of instructor	% favorable	80%	85%	86%	1% above	85%	on plan
Relevance	% favorable	72%	78%	73%	5% below	75%	3% below
Alignment to goals	% favorable	68%	75%	69%	6% below	71%	4% below
Total for Level 1	Average of measures	74%	80%	77%	3% below	78%	2% below
Level 1: Sponsor Feedback (Select programs)	% favorable	66%	80%	68%	12% below	75%	5% below
Level 2: Learning (Select programs)	Score	78%	85%	83%	2% below	85%	on plan
Level 3: Application rate (Select programs)							
Intent to apply (from survey at end of course)	% top two boxes	70%	75%	70%	5% below	72%	3% below
Actual application (after three months)	% who applied it	51%	65%	55%	10% below	63%	2% below
Level 4 (Select programs)							
Estimate by participants (end of course)	% contribution to goal	20%	25%	15%	10% below	20%	5% below
Level 5 (Select programs)							
Net benefits	Thousands $	$546	$800	$250	31%	$650	81%
ROI	%	29%	35%	25%	10% below	30%	5% below

www.centerfortalentreporting.org

New International Standard requires reporting on core HR activities

- Compliance and ethics
- Costs
- Diversity
- Leadership
- Organizational culture
- Organizational health, safety, and well-being
- Productivity
- Recruitment, mobility, and turnover
- Skills and capabilities
- Succession planning
- Workforce availability

Skills most important but lacking

2018 i4cp/ROI Institute study indicates that other than skills in quantitative analysis, storytelling and qualitative methodologies are most important, but lacking. (N=317)

Skill	Percentage
Quantitative analysis	42%
Qualitative methodologies	35%
Communication/Storytelling	35%
Psychometrics	24%
Change management	24%
Performance consulting	22%
Business operations	20%
Human resource management systems	17%
IT systems	14%
Relationship building	11%
General knowledge of human resources	6%
Employment law	2%
Other	11%

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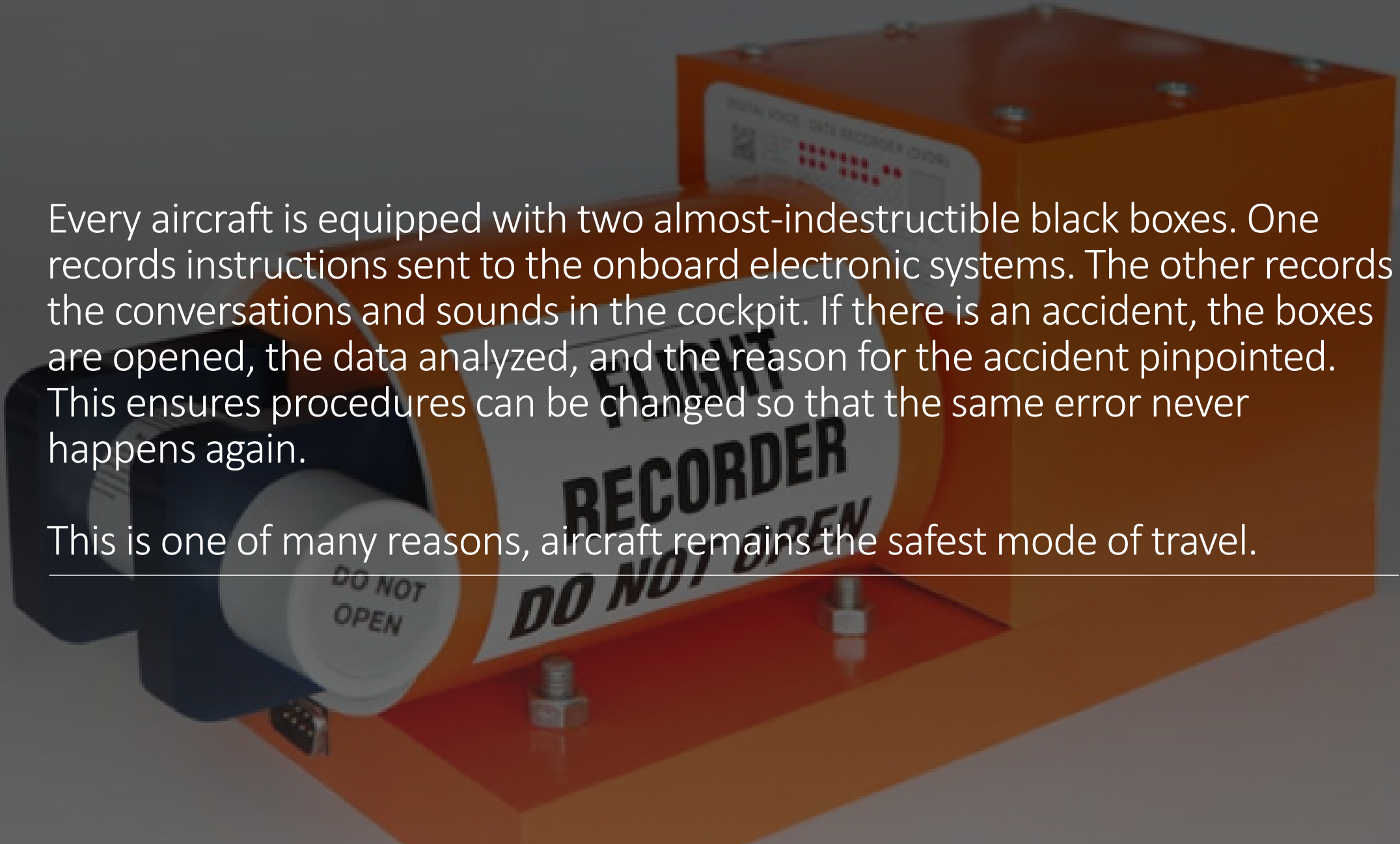Storytelling must be compelling, logical, and credible.

www.powerspeaking.com

Optimize Results

Use Black Box Thinking to Increase Funding

Design Thinking Principle 8
A new competitive logic of business strategy

Every aircraft is equipped with two almost-indestructible black boxes. One records instructions sent to the onboard electronic systems. The other records the conversations and sounds in the cockpit. If there is an accident, the boxes are opened, the data analyzed, and the reason for the accident pinpointed. This ensures procedures can be changed so that the same error never happens again.

This is one of many reasons, aircraft remains the safest mode of travel.

The worst industrial disaster since 2015

An explosion on March 21st at a pesticide factory in Xiangshui county, Jiangsu province, killed at least 78 people and injured more than 600 others. It was China's deadliest industrial accident since 2015. The government blamed local officials and the company, Tianjiayi Chemical, for failing to learn lessons from safety violations at the plant.

Design for Results

Questions?
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patti@roiinstitute.net

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ROI Certification® Events

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Contact: Emma Weber

emma@leverlearning.com

Auckland, New Zealand

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beryl.oldham@completelearning.co.nz