



Protecting Your Learning and Development Budget in Difficult Times:

Seven Actions To Take Now

ROI INSTITUTE®

Presented by:
**Patti P. Phillips, Ph.D. and
Jack J. Phillips, Ph.D.**

Objectives

After completing this session, participants should be able to:

1. Identify the five levels of outcomes for any L&D program.

2. Describe what types of data executives want to see from L&D.

3. Explain 10 of the 12 steps in the ROI Methodology®.

4. Name five key elements of an evaluation strategy.

5. List three ways to make reaction data more executive - friendly.

6. Describe how an ROI forecast is developed.



Actions to Take Now

-
1. Measure the impact and perhaps ROI of a major program now.

 2. Ensure that virtual learning is effective.

 3. Update your measurement and evaluation strategy.

 4. Design future programs to deliver results.

 5. Capture more executive-friendly reaction measures.

 6. Be prepared to forecast the impact and ROI of a major initiative.

 7. Share the joy of delivering and measuring business results.

Serious Performance Challenges

**True
or
False?**

1. Most learning and development is wasted (not used).
2. The learning outcomes desired by executives in client organizations are rarely measured.
3. Most learning providers do not have data showing that they make a difference in the organization.
4. Most executives see learning as a cost and not an investment.
5. Most executives view hard skills more valuable than soft skills.

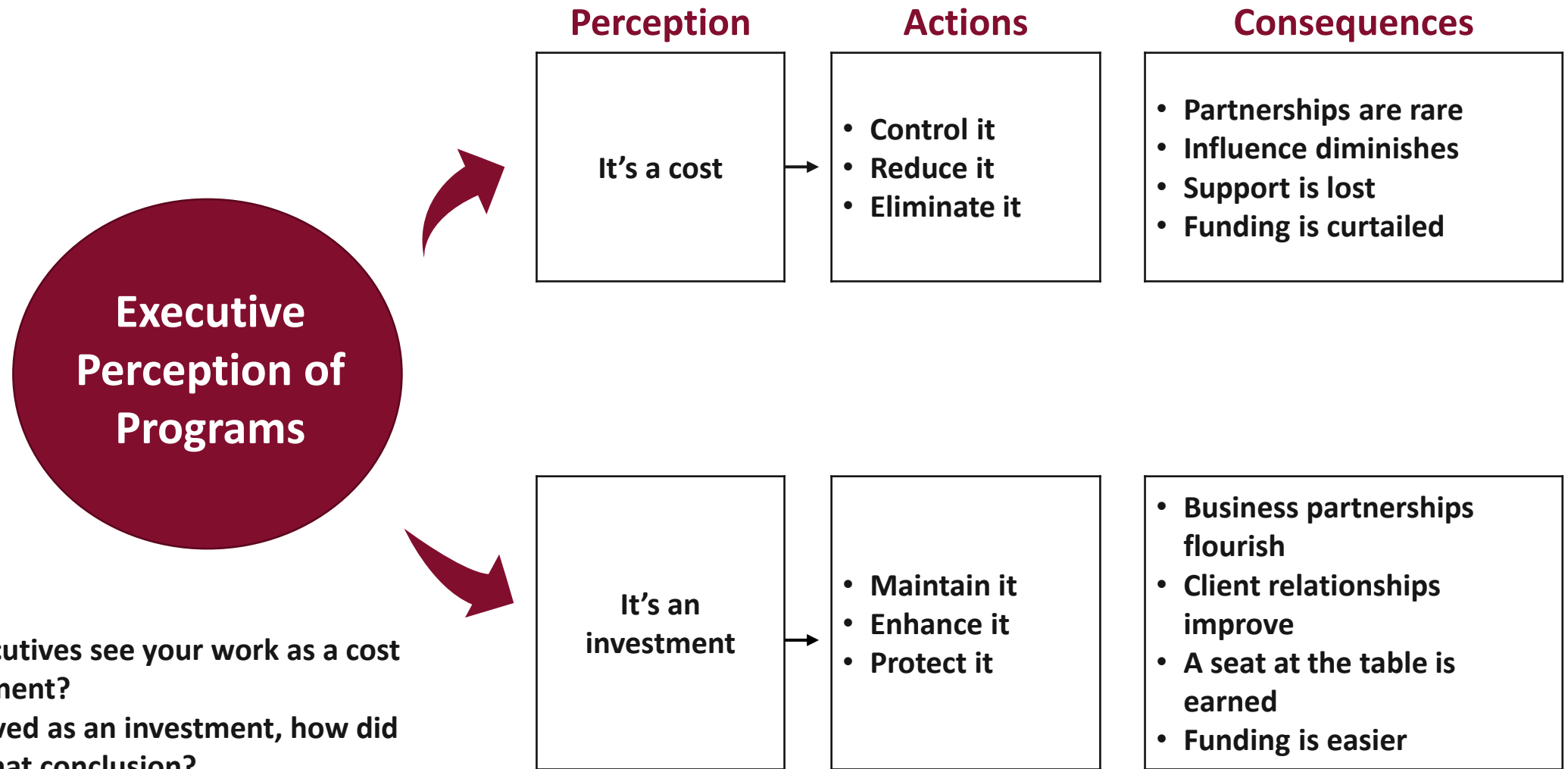
What CEOs Want

ROI Institute and ATD research show that the data CEOs receive are not demonstrating what they want out of their talent investment. (N=96)



Measures	Currently Measure	Should Measure	Importance
Inputs and Indicators	94%	86%	6
Efficiency	78%	82%	7
Reaction	53%	22%	8
Learning	32%	28%	5
Application	11%	61%	4
Impact	8%	96%	1
ROI	4%	74%	2
Awards	40%	44%	3

Costs Versus Investment Perception: The Reality

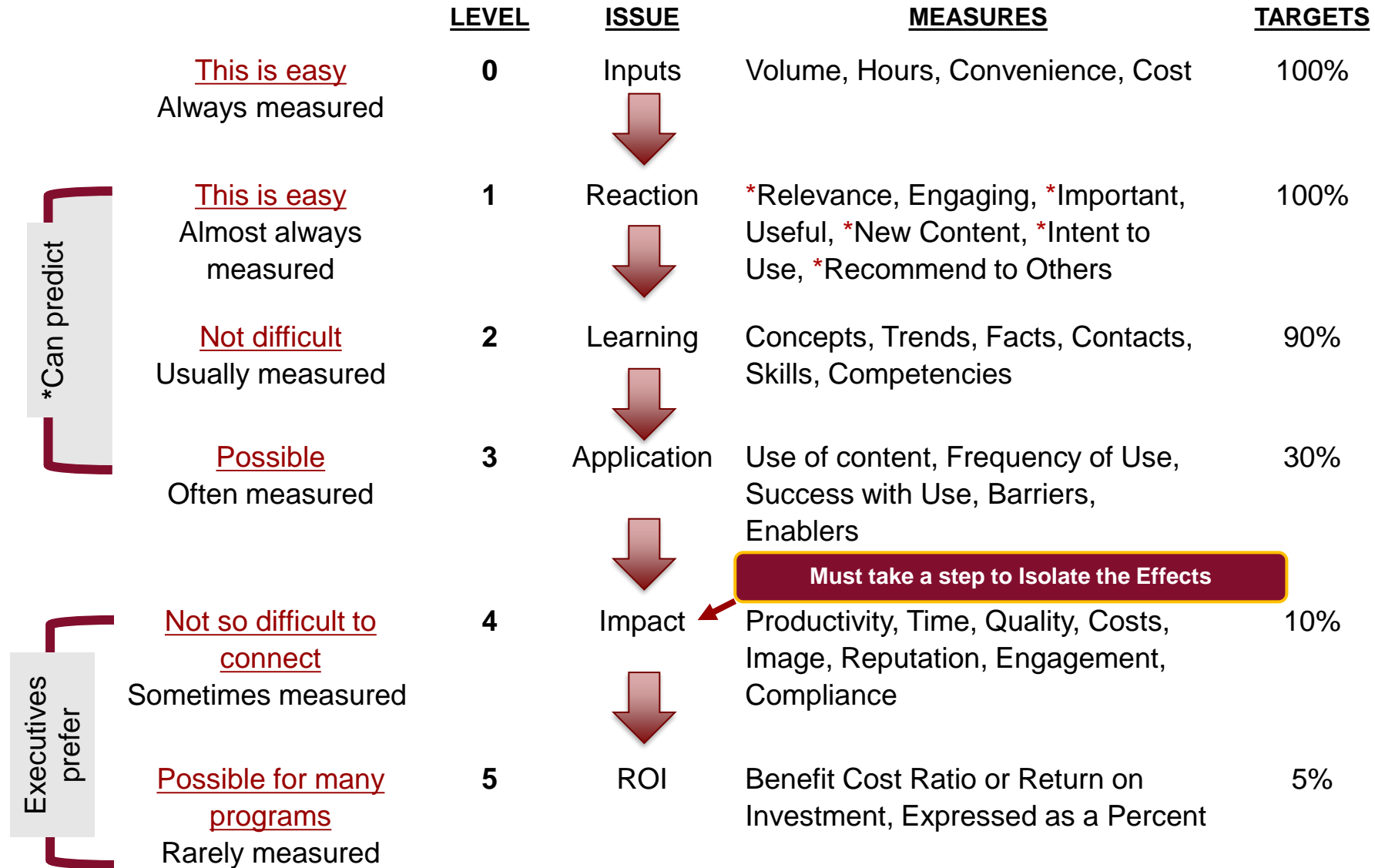


1. Do your executives see your work as a cost or an investment?
2. If it is perceived as an investment, how did they reach that conclusion?
3. If it is seen as a cost, what will you do to convince them that it is an investment?



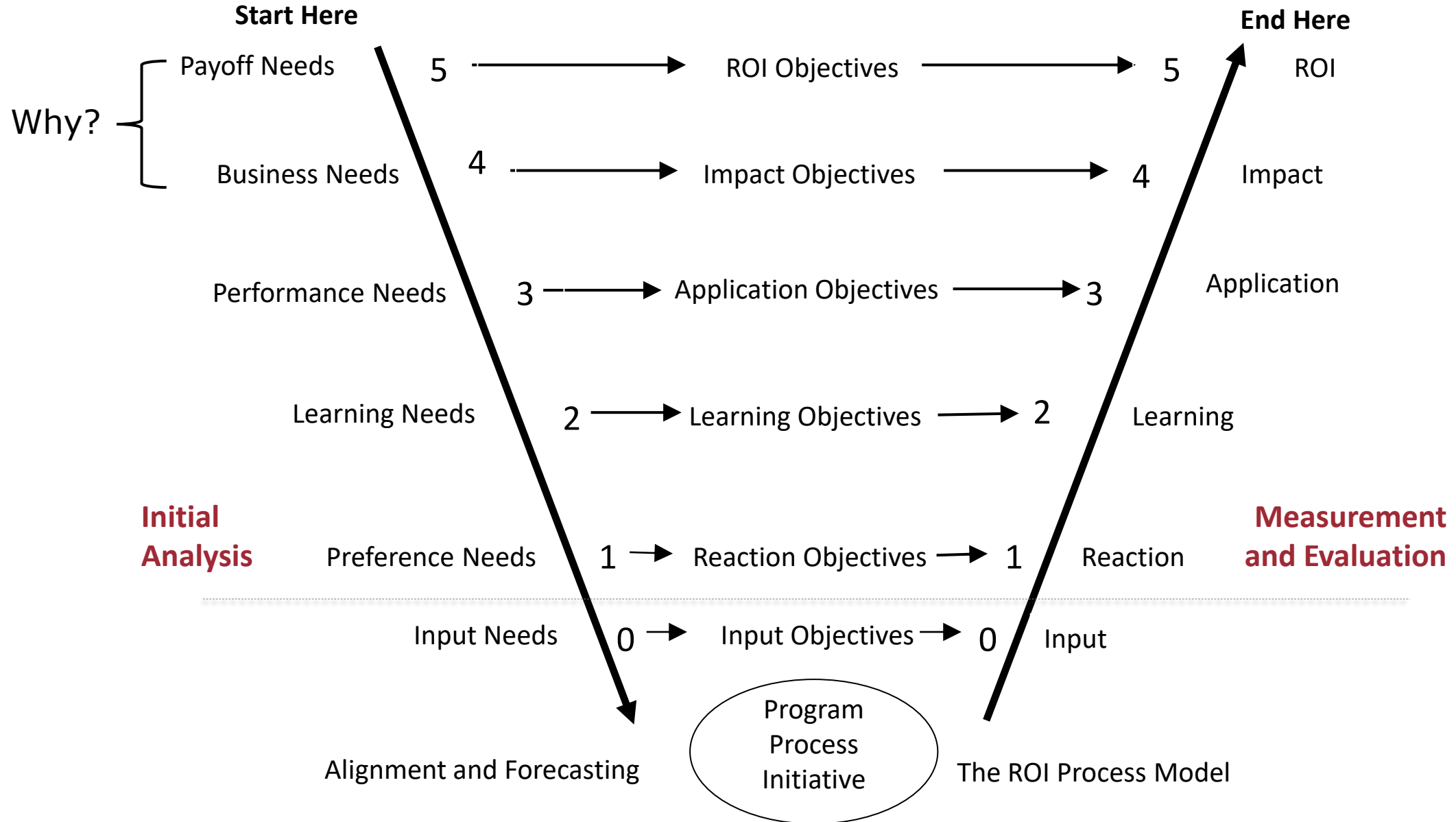
What is Value?

The Value Chain



*Best Practice: Percent of Programs Evaluated at this level each year.

Alignment Model

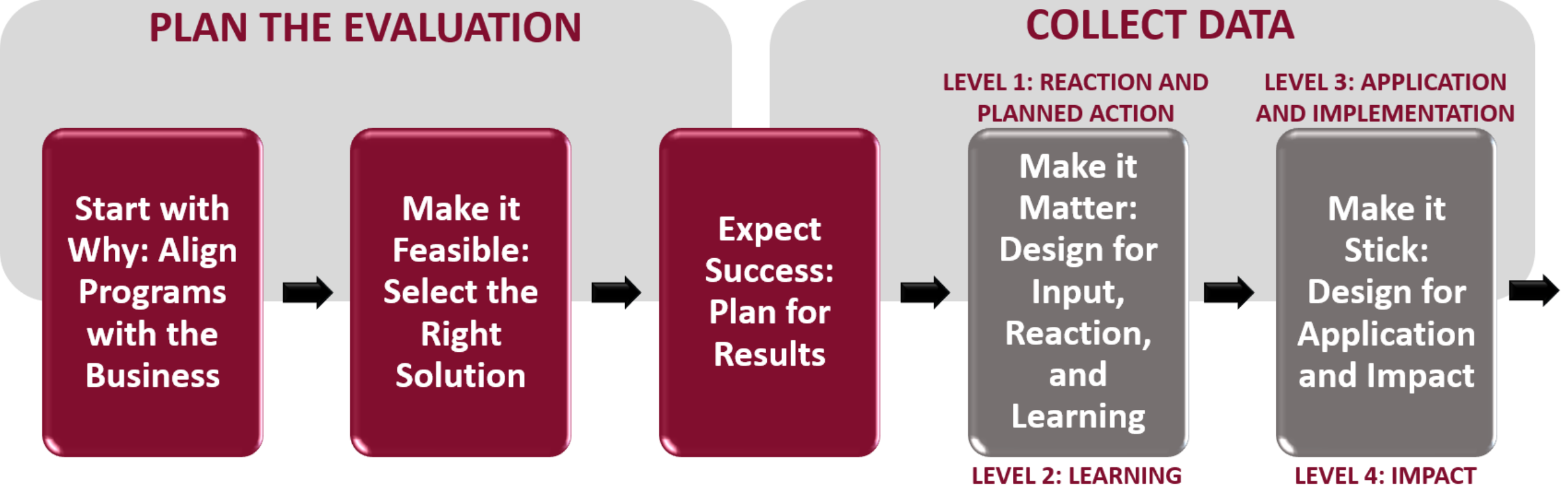


What Percentage of Your Programs Are Measured at Impact (Level 4)?

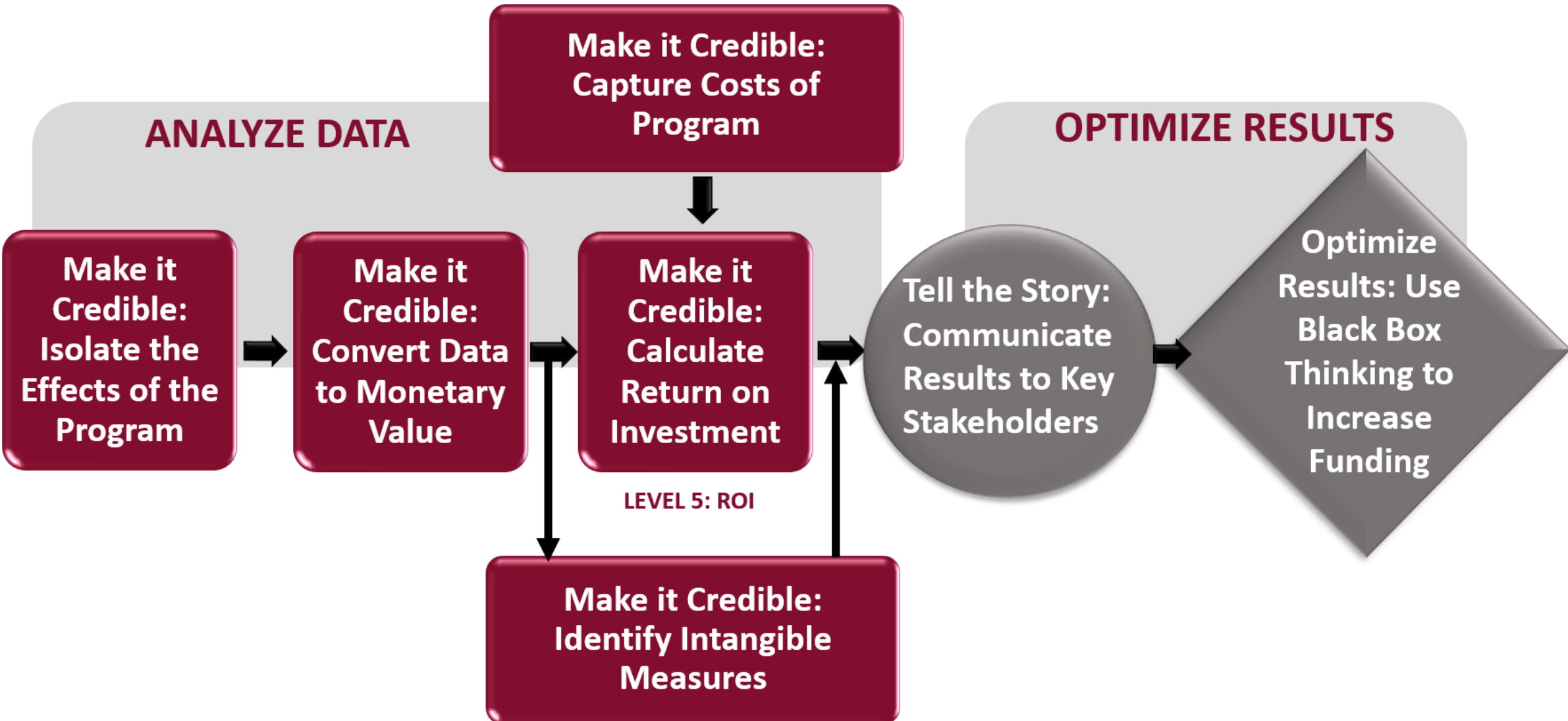


- A. 0
- B. 1% - 3%
- C. 4% - 9%
- D. 10% - 20%

The ROI Methodology[®] Process Model



The ROI Methodology® Process Model



Developing Objectives for Each Level

Levels	Focus
Level 1, Reaction	Defines specific measures of expected reaction to the program as it is revealed and communicated to the stakeholders
Level 2, Learning	Defines specific measures of improvement in knowledge, information, contacts, and skills as the participants and other stakeholders learn how to make the program successful
Level 3, Application	Defines specific measures of actions taken that define success with application and implementation of program
Level 4, Impact	Defines the specific impact measures that will change or improve because of the program's implementation
Level 5, ROI	Defines the minimum return on investment from the program, comparing program costs with monetary benefits from the program

Rules for Objectives

1. Must be measurable and represent minimum acceptable performance.
2. Fewer objectives are better than many objectives.
3. Involve subject-matter experts and key stakeholders.
4. Keep them relevant to the situation, program, and key stakeholders.
5. Create stretch objectives, but make sure they are achievable.
6. Allow for the flexibility to change as conditions change.
7. Failure is OK; process improvement is the key.
8. Objectives are tools for progress, not weapons for performance review.
9. Most objectives should be time-bound.
10. Objectives provide the focus for design, development, implementation, and evaluation.

Evaluation Levels with Objectives

After participating in the learning program, participants should:

Objective

1. Decrease citizen complaints by 20% in one year.
2. Be able to manage a remote team.
3. Perceive the performance management system as appropriate.
4. Decrease the amount of time required to move to the next job level.
5. Achieve a 20% ROI one year after implementation of flexible work system.
6. Perceive diversity to be important to the success of the organization.
7. Conduct a proper investigation using the seven-step process in 95% of complaint situations.
8. Decrease security breaches by 25% in six months.
9. Score an average of 75 or better on new strategy quiz.
10. Complete a disclosure form each year as part of the new ethics policy.

1	Reaction
2	Learning
3	Application
4	Impact
5	ROI

Evaluation Levels with Objectives

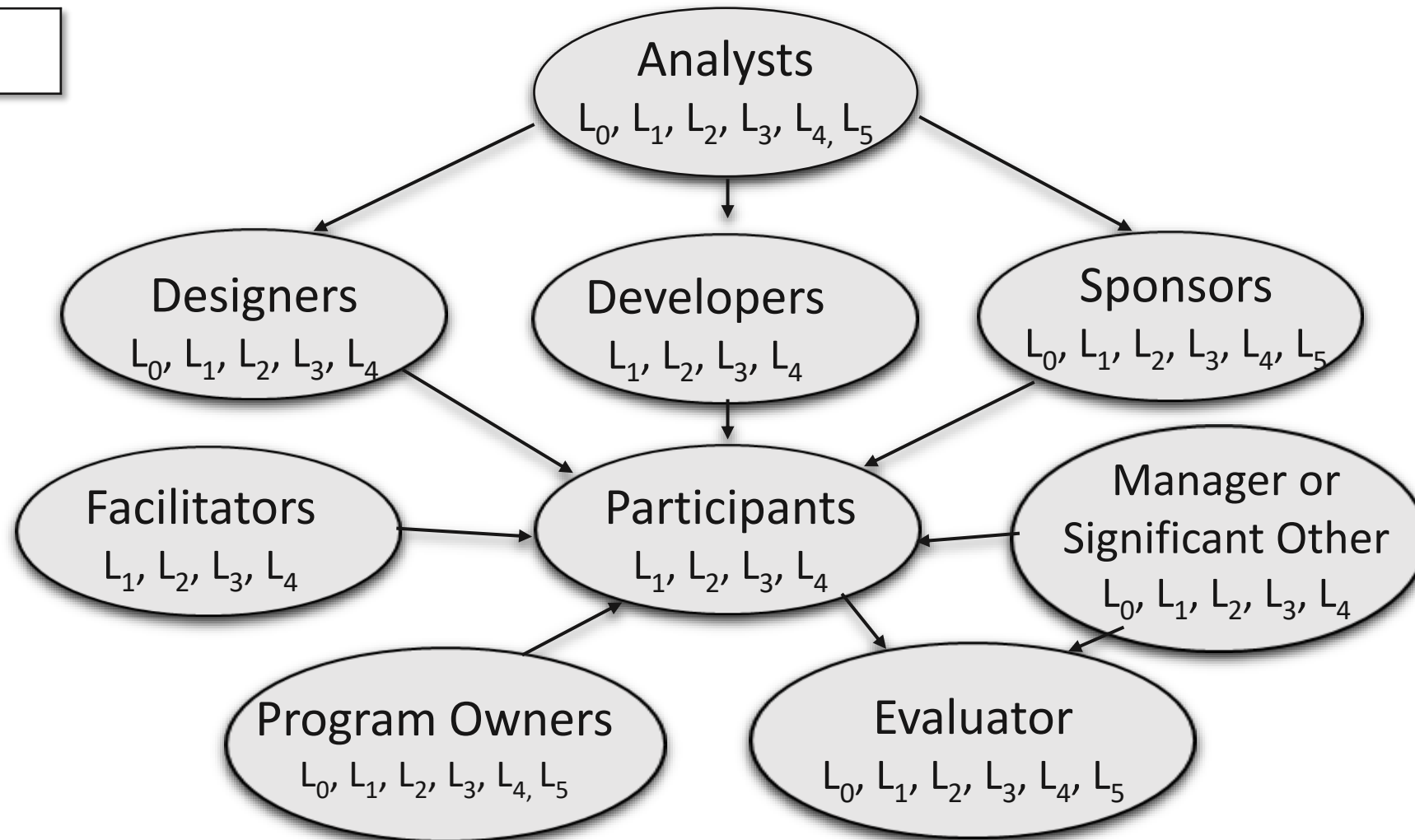
After participating in the learning program, participants should:

Objective

- | | |
|--|---|
| 1. Decrease citizen complaints by 20% in one year. | 4 |
| 2. Be able to manage a remote team. | 2 |
| 3. Perceive the performance management system as appropriate. | 1 |
| 4. Decrease the amount of time required to move to the next job level. | 4 |
| 5. Achieve a 20% ROI one year after implementation of flexible work system. | 5 |
| 6. Perceive diversity to be important to the success of the organization. | 1 |
| 7. Conduct a proper investigation using the seven-step process in 95% of complaint situations. | 3 |
| 8. Decrease security breaches by 25% in six months. | 4 |
| 9. Score an average of 75 or better on new strategy quiz. | 2 |
| 10. Complete a disclosure form each year as part of the new ethics policy. | 3 |

Roles and Responsibilities: The Objectives Needed for Important Stakeholders

L = Level



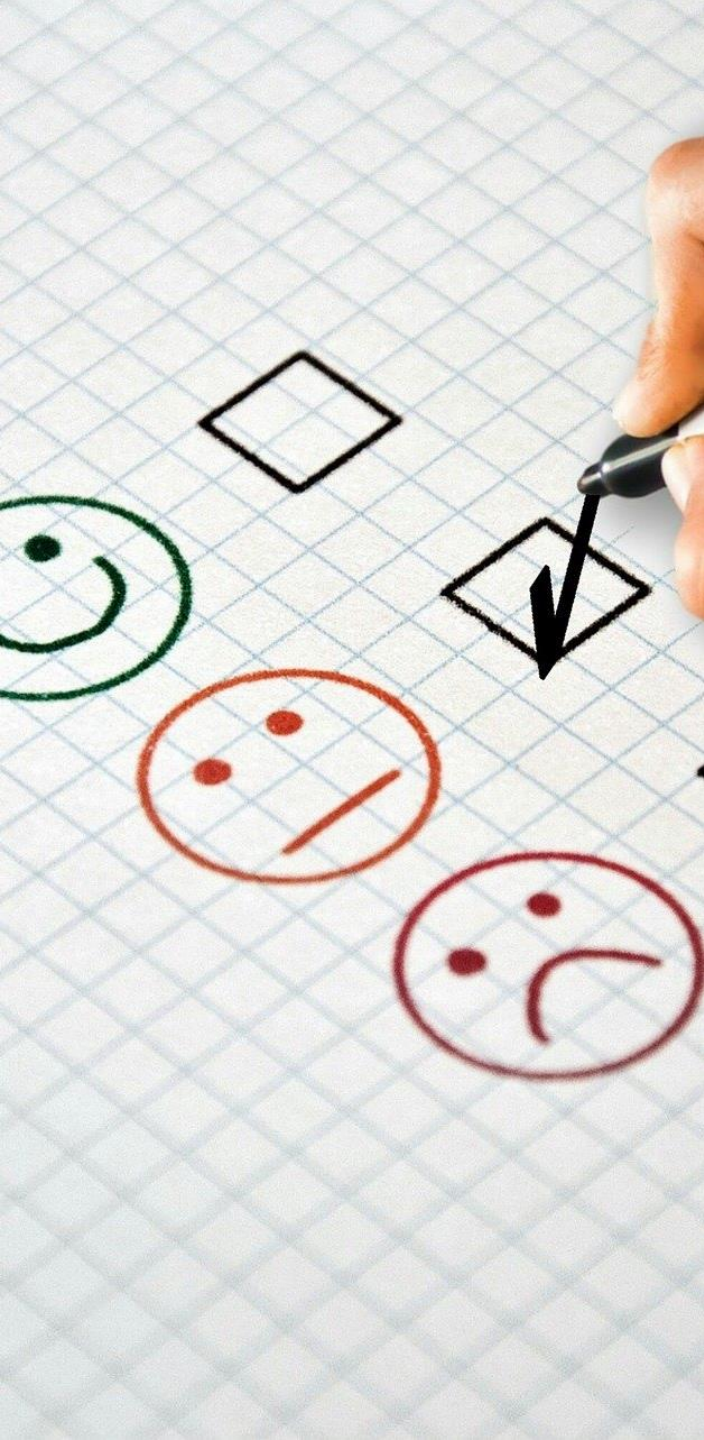
Executive-Friendly Feedback

Very Executive-Friendly

- This program was relevant to me.
- This program is important to my success.
- I will use the concepts in my work.
- I will recommend this to others.
- This will help our organization.

Not Executive-Friendly

- I'm happy with this program.
- I'm satisfied, overall.
- The facilitator was great.
- The learning environment was great.
- This was easy.
- This was difficult.
- I love the food.
- Great delivery.



Executive-Friendly Feedback

To what extent will this learning program improve:

- Productivity
- Quality
- Time savings
- Cost control
- Profitability
- Customer satisfaction
- My engagement

Five-Point Scale:

1 2 3 4 5

No influence ○ ○ ○ ○ ○ Very significant influence

ROI with Level 1 Data

What knowledge or skills have been improved?


What actions are planned with the improved knowledge and skills?

Which measures will be influenced?

What impact, in monetary value, will this improvement have in the work unit?

What is the basis for this estimate?

What level of confidence do you place on this estimate?



Can Virtual Learning be as Effective as Face-to-face Learning?

- Yes
- No
- Maybe

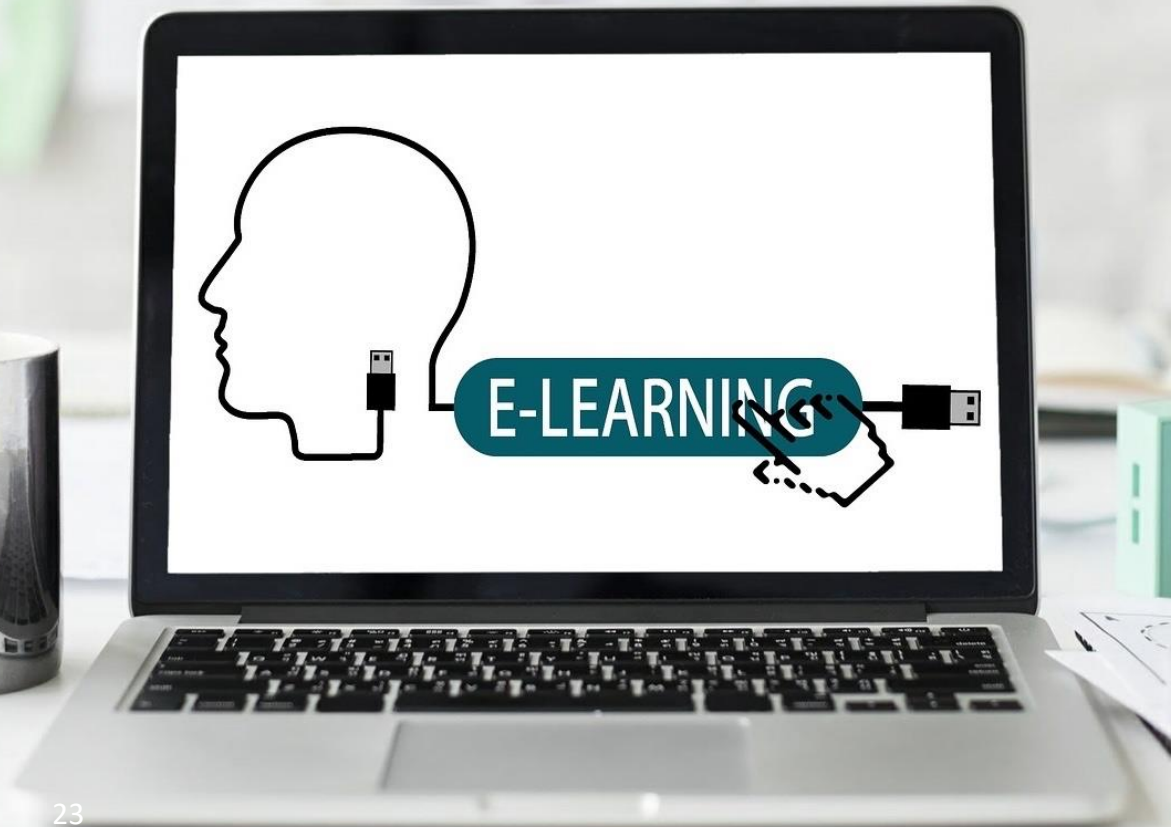
Why Virtual Learning Fails

- ⚠ **Multitasking inhibits learning.**
- ⚠ **Manager support is missing.**
- ⚠ **Success is based on learning.**
- ⚠ **It is not designed for impact.**
- ⚠ **The facilitator is missing.**

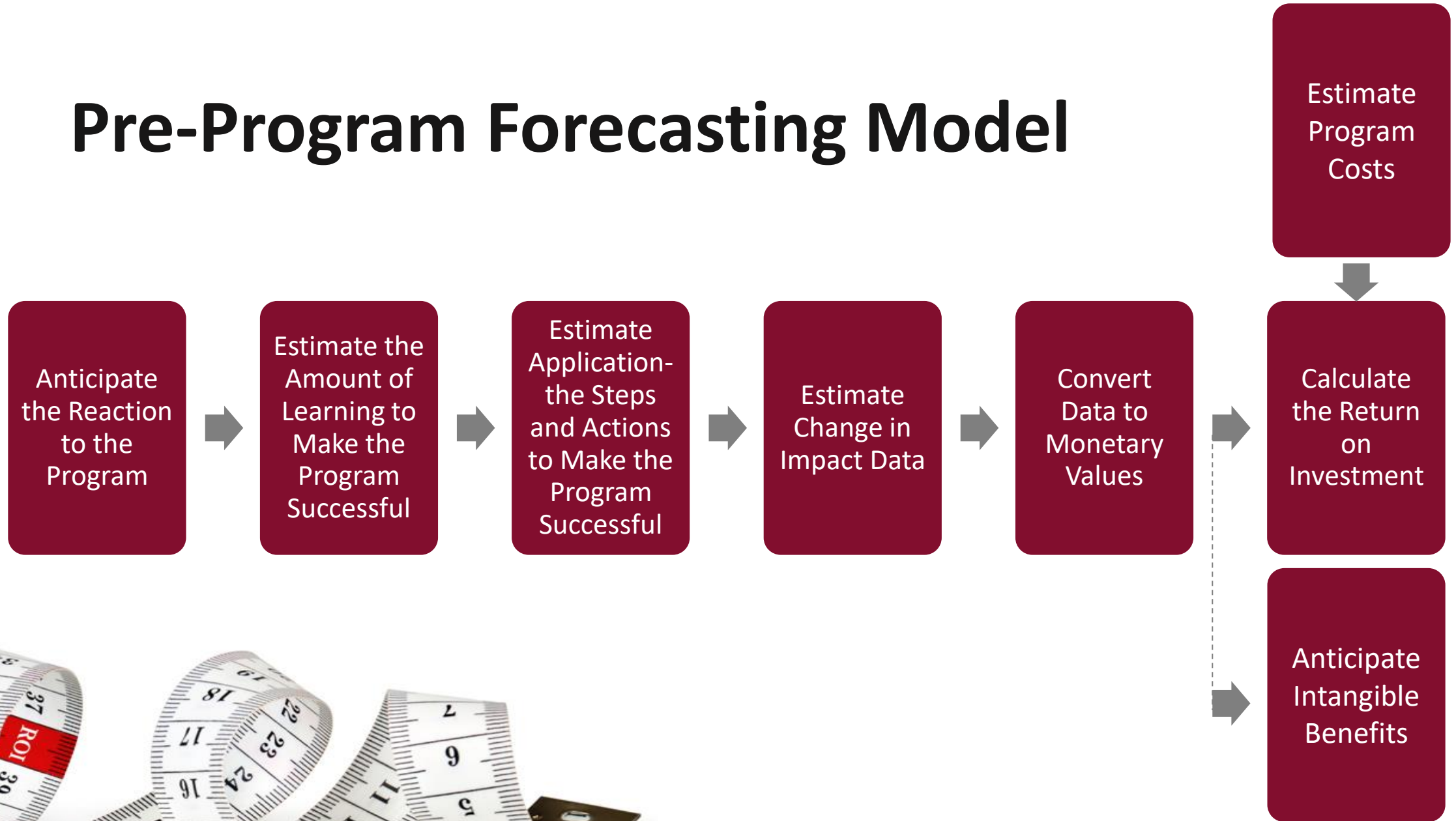


Seven Ways to Make Virtual Learning Work

- ✓ Start with WHY.
- ✓ Is this the right solution?
- ✓ Expect success with objectives.
- ✓ Design for application and impact.
- ✓ Use sampling to measure application and impact.
- ✓ Use process improvement.
- ✓ Blended learning is usually better.



Pre-Program Forecasting Model



Input to Forecast

- Previous experience with same or similar programs
- Suppliers/Designers experience in other situations
- Estimates from suppliers/designers
- Estimates from SMEs
- Estimate from clients/sponsors
- Estimates from target participants



Steps to Pre-Program Forecast

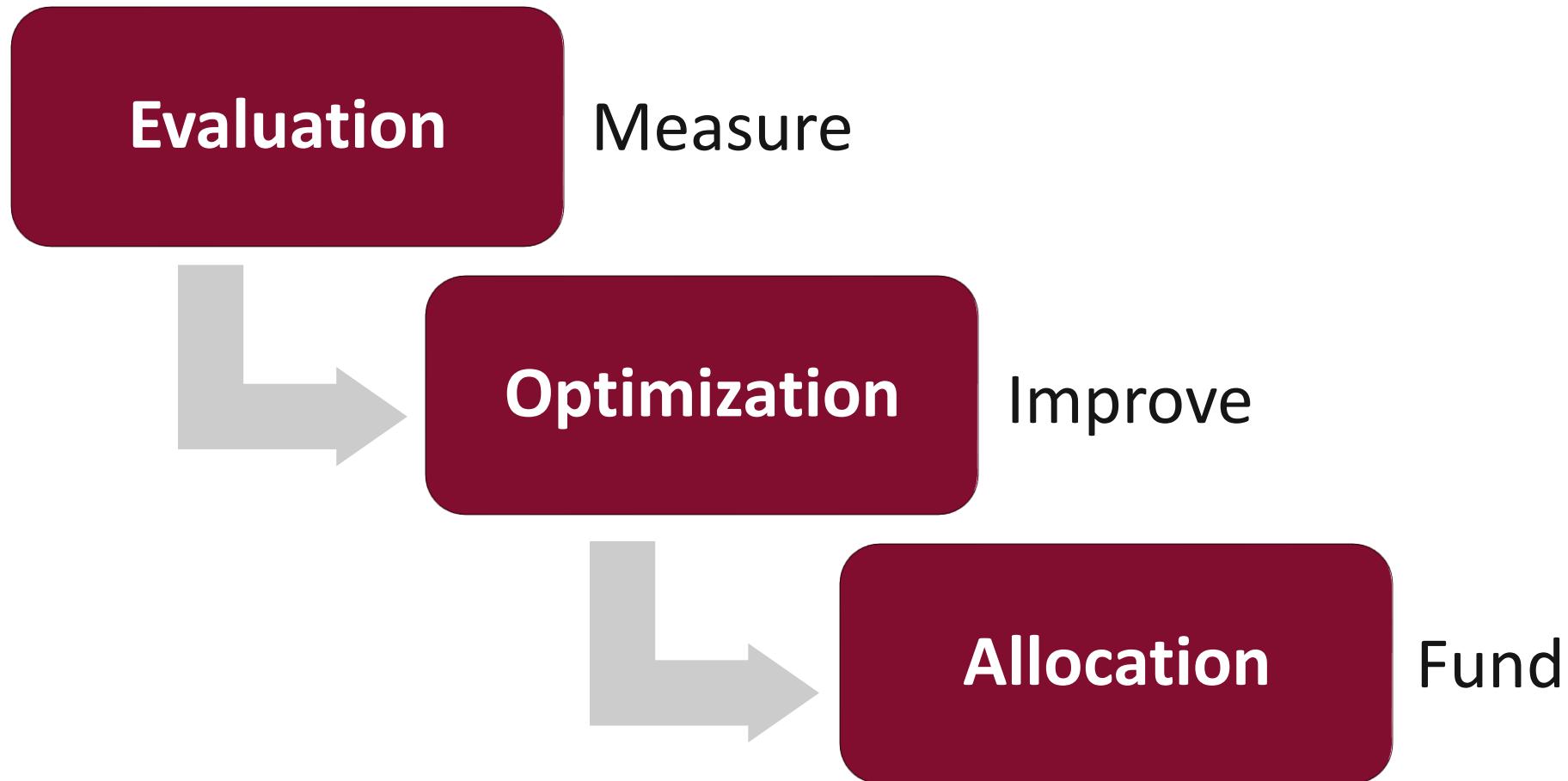
1. Use experts
2. Develop objectives
3. Estimate reaction
4. Estimate learning
5. Estimate application
6. Estimate impact improvement
7. Apply confidence factor
8. Convert impact to money
9. Annualize data
10. Estimate costs
11. Calculate the forecast ROI
12. Identify potential intangibles
13. Show variation with different assumptions
14. Communicate to decision makers



**Measurement
Targets**

	Level	% of Programs
0	Input	100%
1	Reaction	100%
2	Learning	80-90%
3	Application	30%
4	Impact	10%
5	ROI	5%

Process Improvement is the Key: Black Box Thinking



Building Blocks to Overcome Resistance

Your Evaluation Strategy



A green street sign with white lettering that reads "EASY ST". The sign is mounted on a metal post and is tilted slightly. The background is a clear blue sky.

EASY ST

It's That Easy

Be Proactive

Remember, when it comes to delivering results from learning and talent development:

- Hope is not a strategy.
- Luck is not a factor.
- Doing nothing is not an option.

Change is inevitable.
Progress is optional.

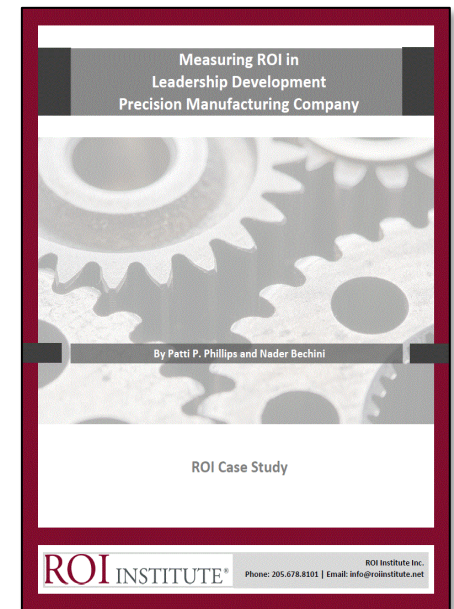
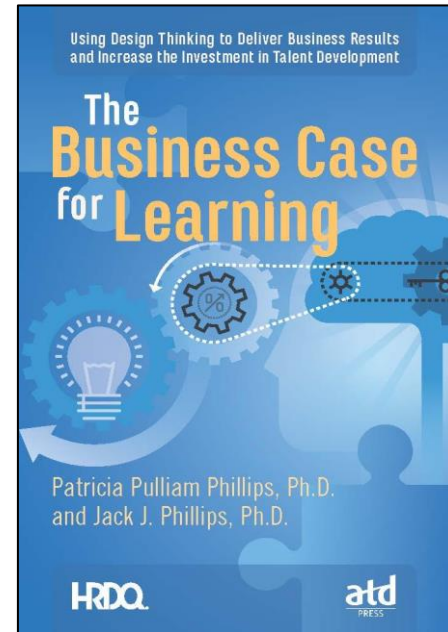


The Payoff

- Justify/defend budgets.
- Align projects to business needs.
- Show contributions of selected projects.
- Earn respect of senior management/administrators.
- Build staff morale.
- Improve support for projects.
- Enhance design and implementation processes.
- Identify inefficient projects that need to be redesigned or eliminated.
- Identify successful projects that can be implemented in other areas.
- Earn a “seat at the table”.

For a free copy of Chapter 1 Design Thinking: It's time for a Change from the book *The Business Case for Learning*, and to receive a copy of the case study, *Precision Manufacturing*

Email Kathy@roiinstitute.net



ROI Institute[®] Academy

The ROI Institute Academy is your portal to a wealth of exclusive resources. Membership is split into 6 levels. Each level grants increasing access to training materials, handouts, worksheets, online books, case studies, training programs, and much more. Start with your free Level 0 membership.

[Level 0 Membership Registration](#)



www.roiinstituteacademy.com

Join **Level 0 Membership** at no cost to gain access to resource materials, eBooks, tools, and case studies.

THE BOTTOMLINE ON ROI Virtual BOOT CAMP



ROI INSTITUTE®

Presented by Patti P. Phillips Ph.D.
Chief Executive Officer
ROI Institute, Inc.

June 4, 2020 9 AM to 2 PM CDT

The Bottomline on ROI Boot Camp is an intensive four-hour webcast that will introduce participants to the ROI Methodology®. During the course, you will learn:

- Five levels of evaluation
- Twelve steps in the ROI Methodology®
- Twelve guiding principles

You will also learn how the process was applied to a specific case study.

Upon completion of the boot camp, you will be able to:

- Describe the importance of ROI
- Determine which programs are candidates for evaluation up to ROI
- Identify five ways to collect data
- Identify three techniques to isolate the effects of a program
- Apply five steps to convert a measure to money
- Calculate the ROI

To register: <https://bit.ly/2zKuHVi>

Live session available: June 15-19, 2020

Virtual ROI Certification

The Approach is Accessible

ROI Institute's Virtual ROI Certification program makes learning accessible can be completed at a participant's own pace.

Why virtual?

- Virtual delivery is convenient for those who cannot or choose not to travel.
- Virtual delivery offers participants the opportunity to engage with others in locations other than their own.
- Virtual delivery allows continuous access to learning modules and resources, reinforcing the knowledge participants gain.

Visit www.roiinstituteacademy.com to enroll.

ROI CERTIFICATION®

2020 SCHEDULED EVENTS

August 31-September 4, Atlanta, GA

*September 15-17, Milwaukee, WI

September 21-25, Boston, MA

October 26-30, Dallas, TX

November 9-13, Nashville, TN

**DENOTES BLENDED LEARNING OPTION*

WHAT IS ROI CERTIFICATION?

ROI Certification is a globally renowned process focused on measuring the true value of tough-to-measure initiatives using the ROI Methodology®. Participating in ROI Certification is the most comprehensive way to gain the skills needed to evaluate major programs and to report the most credible results that drive organizational improvement.

Email: info@roiinstitute.net

Register: <http://bit.ly/ROI2020>

Call: 205.678.8101



This program has been approved for 37.5 (HR General) Recertification Credit Hours toward PHR, SPHR and GPHR recertification through the HR Certification Institute (HRCI).

ROI INSTITUTE®

Thank you!



Email:
Patti@roiinstitute.net



Email:
Jack@roiinstitute.net

Visit us online:
roiinstitute.net

Connect with us on:

