

How to Prove the Value of Soft Skill Programs

The Chain of Value is Always There

Exercises/Supplemental Handout

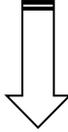
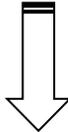
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Six Categories of Data

Level	Measurement Focus	Typical Measures
0-Input 	<ul style="list-style-type: none"> Input into programs, including indicators representing scope, volumes, times, costs, and efficiencies 	<ul style="list-style-type: none"> Types of programs Number of programs Number of people involved Hours of involvement Costs
1-Reaction and Planned Action 	<ul style="list-style-type: none"> Reaction to the programs, including their perceived value and planned action to make them successful 	<ul style="list-style-type: none"> Relevance Importance Usefulness Appropriateness Intent to use Motivational Recommended to others
2-Learning 	<ul style="list-style-type: none"> Knowledge gained, learning how to develop concepts and how to use skills and competencies to drive the program 	<ul style="list-style-type: none"> Skills Learning Knowledge Capacity Competencies Confidences Contacts
3-Application and Implementation 	<ul style="list-style-type: none"> Application and use of knowledge, skills, and competencies, including progress made and implementation success 	<ul style="list-style-type: none"> Behaviors Extent of use Task completion Frequency of use Actions completed Success with use Barriers to use Enablers to use Engagement
4-Impact 	<ul style="list-style-type: none"> The impact of the programs and processes expressed as business impact measures 	<ul style="list-style-type: none"> Graduation rates Infant mortality Crime rates Productivity Revenue Quality Jobs created Efficiency Incidents of disease Retention Customer satisfaction
5-ROI	<ul style="list-style-type: none"> Comparison of monetary benefits from the project to project costs 	<ul style="list-style-type: none"> Benefit Cost Ratio (BCR) ROI (%) Payback period

Matching Evaluation Levels with Objectives

Instructions: For each objective listed below, indicate the level of evaluation at which the objective is aimed.

- Level 1: Reaction
- Level 2: Learning
- Level 3: Application
- Level 4: Business Impact
- Level 5: Return on Investment

Objective

Evaluation Level

After completing this program or project, participants should:

- | | |
|--|-------|
| 1. Decrease citizen complaints by 20% in one year. | _____ |
| 2. Use problem-solving skills to uncover causes of problems. | _____ |
| 3. Be able to demonstrate the five steps to determine if there is a food security issue. | _____ |
| 4. Rate the facilitator 4 out of 5 on presentation skills. | _____ |
| 5. Decrease the amount of time required to develop a proposal by 25%. | _____ |
| 6. Achieve a 20% ROI one year after program implementation. | _____ |
| 7. Perceive the content to be relevant to actual situations (4.5 out of 5). | _____ |
| 8. Decrease security breaches by 25% in six months. | _____ |
| 9. Conduct a proper investigation using the seven-step process in 95% of complaint situations. | _____ |
| 10. Score an average of 75 or better on new strategy quiz. | _____ |
| 11. Complete a conflict-of-interest questionnaire each year as part of the new ethics policy. | _____ |
| 12. Use all ten negotiation skills in at least 50% of negotiation situations. | _____ |

How do Level 3 and Level 4 objectives provide benefits? To whom?

What Went Wrong?

Scotland Yard

For the supporters of soft skills, the headline on the front page of the Sunday Telegraph was a nightmare. “Scotland Yard ‘wasting’ £10M on Leadership Training” was the headline for a major story about this hidden expenditure.¹ Despite a requirement for the Mayor’s Office for Policing and Crime to publish all expenditures exceeding £500, the details of Scotland Yard’s £10 million outlay have been kept secret until now.

The Concern

The Metropolitan Police has been accused by its officers of “wasting” £10 million on a leadership training program as the crime rate soars. More than 10,000 officers and staff at the rank of sergeant and above will attend five days’ worth of training courses before the end of the year. A spokesman said that the course cost £5 million a year over two years.

Officers who recently completed the course are understood to have confronted bosses at the end, questioning why the money could not have been used to recruit new police officers, provide police cars, or enhance operational training. The £10 million budget would be enough to fund roughly 1,000 police cars, at a time when the fleet is being reduced to save money, or the yearly salary of more than 400 police officers.

The course – for which staff will be taken off duty for a total of more than 50,000 days – comes amid soaring crime levels in the capital including more than 60 murders this year, with the monthly homicide rate overtaking that of New York. It also comes at a time when the Sunday Times reported in a front-page story, “Under 5% of all burglaries and robberies solved: New shock figures reveal failure of police.”²

The Program

The program is a classic blend of soft skills tools, including, “50,000 hours of one-to-one coaching; five days of full workshops per person; two 360-degree feedback processes per person and one clarity 4D personality profile per person.” The profile test, at a cost of £17 per person, tells someone whether they are a “blue”, “red”, “yellow” or “green” personality. “Yellows”, for example, discover that they are “talkative, expressive, light-hearted, sociable, flamboyant and enthusiastic.”

At the end of the course they were asked to come up with personal “pledges”, such as to do more exercise.

“Police told whether they are ‘red’ or ‘blue’ personalities.”

The training days are being run by Lane4, a management consultancy company founded by the former British swimmer Adrian Moorhouse, an Olympic gold medalist. The company says that their leadership program will help people with “self- development (their identity, self-reflection, their behaviours, their impact on others)” as well as “creating meaning through shared identity.”

¹ H. Dixon. “Scotland Yard ‘wasting’ £10M on leadership training.” *The Sunday Telegraph*. June 3, 2018. 1 -2.

² J. Ungeod-Thomas, K. Shveda, S. Joiner, and D. Collins. “Under 5% of all burglaries and robberies solved.” *Sunday Times*. June 17, 2018. 1.

The Reaction

A source who when through the course told The Sunday Telegraph: “Everyone was angry as they felt it was a waste of money and it took us out of borough at a time when we have so much work to do.”

Ken Marsh, the Metropolitan Police Federation chairman, said that all officers wanted was to get on with their jobs. He said: “We are on our knees. Crime is going up, and that is serious crime going up as well, the public are concerned and we haven’t got the resources that we need.”

A Met spokesman said: “As London’s single biggest employer we absolutely must support our leaders by giving them the skills they need to do their jobs. Well-led and well-trained people deliver better, and ultimately that means Londoners get a great service.”

The Met’s summary of the program says it is designed “as a lever to drive positive behaviours and to empower our staff to communicate and engage more effectively.”

Scotland Yard said it was “confident this investment is worthwhile” and it had received positive feedback from many attendees.

A spokesman for the Mayor of London said: “As outlined in the Mayor’s Police and Crime Plan, the Met’s most valuable asset is its people and so it is important that staff have the right training and support to lead the organization.”

Questions for Discussion

1. Is this a typical situation?

2. What went wrong with this program?

3. Is the leadership development provider partially responsible? Explain.

4. What should have been the approach?

This is Much Better

Kansas City Police

In Kansas City, Missouri, the 1910 Squad SWAT team had a reputation for having the most complaints of any unit. They were a very tough group aimed at arresting the criminal using whatever means necessary. Along the way, they left families, friends, and others upset to the point where they were complaining about excessive force. About three complaints per month were reported, and each complaint cost the city about \$70,000. The chief of police determined this had to be fixed.¹

Chip Huth was put in charge of the group to change their approach. Chip had been introduced to an LD concept from the Arbinger Institute. The concept's approach was about transforming an inward mindset to an outward mindset. The team began to realize that their focus had been entirely inward, focusing on meeting their goals, and in these situations, they perceived people and pets involved as objects instead of human beings and pets who are loved by family members. Team members began to see this shift in mindset as:

- Necessary to instill the type of culture where each person felt supported and had an opportunity to make meaningful contribution.
- Important to develop the capacity to conduct dangerous and kinetic police work safely, while instilling community trust.
- Feasible and practical to instill mindset shift into all aspects of dynamic police work.

The design was to SEE and RESPOND to people as people. The design was to develop and implement an outward mindset toward fellow team members, people from other department elements, people from teams on other agencies, the people in the house where the warrant is served, the neighbors around the house, etc.

When they changed their thinking and subsequent approach, there was a dramatic difference. The complaints reduced from three per month to zero, and this result has continued for several years. The outward mindset training program yielded a very high ROI calculation of more than 2,000%, a low-cost program solving an expensive problem.

Contrast the difference between these two police examples. In Scotland Yard, the definition of success at the end of the program was behavior. In Kansas City, it was impact because the program began with the end in mind with the business impact measure of citizen complaints. This concept is simple, yet powerful. You start where you want to finish. Success does not occur until impact is achieved.

¹ The Arbinger Institute. *The Outward Mindset: How to Change Lives and Transform Organizations, Second Edition*. Oakland, CA: Berrett Koehler Publishers, 2019.

Effective Meetings Program

-Sample-

Level	Needs	Objectives	Evaluation	Level
5	<ul style="list-style-type: none"> Thousands each month due to excessive, unproductive meetings. Estimated \$15,000 per month. 	<ul style="list-style-type: none"> 25% ROI 	<ul style="list-style-type: none"> Program costs including program fee, travel, lodging, meals, facilities, participant time, evaluation costs = \$123,008 Monetary benefit determined by time savings from reduction in number of people in meetings, number of meetings, and length of meetings. Time value based on average salary and benefits of time of those in meetings = \$815,327.65 	5
4	<ul style="list-style-type: none"> Team spends too much time in meetings. Too many people, too much time, too many meetings. 	<ul style="list-style-type: none"> Three months after the program, there will be a reduction in cost due to time in meetings as measured by: <ul style="list-style-type: none"> Reduced number of meetings. Reduced number of people in meetings Reduced length of meetings 	<ul style="list-style-type: none"> Time in meetings, number of meetings, and number of people in meetings captured by meeting leaders who attended the training. A meeting profile was developed by participants during the workshop and then again three months post-training. Isolating technique is estimation due to the fact that control groups were not feasible, and time and number of meetings had not been tracked historically. An 81% confidence factor was used to adjust for error of the estimation. This is based on respondent average. 	4
3	<ul style="list-style-type: none"> Managers and supervisor are not managing their meetings. Too many people attend meetings; no agenda; no follow-up; no structure; no discussion management 	<ul style="list-style-type: none"> Upon returning to the job, participants will: <ul style="list-style-type: none"> Develop a detailed agenda outlining the specific topics to be covered for 100% of meetings. Establish meeting ground rules at the beginning of 100% of meetings. Follow up on meeting action items within three days following 100% of meetings. 	<ul style="list-style-type: none"> Follow-up questionnaire administered to participants three months after the program to determine achievement with objectives. 	3
2	<ul style="list-style-type: none"> Managers and supervisor need to develop meeting management skills; learning is important but doing (Level 3) is more important. 	<ul style="list-style-type: none"> During the workshop, participants will demonstrate their ability to: <ul style="list-style-type: none"> Develop a meeting profile Develop a meeting agenda Select the appropriate participants Manage discussions Handle conflict Manage follow-up activities 	<ul style="list-style-type: none"> Facilitator assessment of meeting profile Written test Skill practice observation 	2
1	<ul style="list-style-type: none"> Two-day workshop Relevant content 	<ul style="list-style-type: none"> Program receives favorable rating of 4 out of 5 from 80% of participants on: <ul style="list-style-type: none"> Content relevance to the job Intent to apply content immediately upon return to job Other measures important to design and delivery of content 	<ul style="list-style-type: none"> Reaction questionnaire administered at the end of the workshop 	1

Developing Objectives for Each Level

Levels of Objectives	Focus of Objectives
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 the program
Level 4, Impact	Defines the specific impact measures that will change or improve as a consequence 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

Question for Discussion

1. Do you develop objectives at multiple levels? Explain.

Rules for Objectives¹

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 objectives 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.

¹These rules are from a combination of publications:

- J. J. Phillips and P. P. Phillips. *Beyond Learning Objectives: Develop Measurable Objectives that Link to the Bottom Line*. Alexandria, VA: ASTD Press. 2008.
- P. P. Phillips and J. J. Phillips. *10 Steps to Successful Business Alignment*. Alexandria, VA: ASTD Press. 2012.
- J. Doerr. *Measure What Matters: How Google, Bono, and the Gates Foundation Rock the World with OKRs*. New York: Penguin. 2018.

Hilton Hotels

Hilton Hotels, a well-respected global hotel chain, has survived and thrived in a highly competitive industry. To be one of the leaders in this field requires the executive team to constantly focus on client satisfaction, operational efficiency, revenue growth, and talent retention. To achieve these ambitious annual goals, the talent development team makes available a number of learning processes. Formal programs are available that focus on process improvement. Leadership and management development programs are offered to help drive improvement. A variety of technology and productivity tools are also accessible. And, finally, a successful coaching process, “Coaching for Business Impact,” is available. This coaching process, designed by a prestigious external coaching firm, focuses on business improvement.¹

As part of the process, individuals who are involved in this coaching focus on measures under their responsibility in the areas that represent challenges. Specific business measures are the beginning point of this process, and objectives for the program are developed at four different levels (reaction, learning, application, and impact). Participating in the coaching process is voluntary. With almost 200 of the 500 eligible managers wanting to participate, the top executive team suggested that the talent development group show the business value of this program.

The talent development group agreed and worked with the coaching provider to make sure that the program was focused on business needs. Objectives were developed, and data-collection tools were built into the program. The first 25 participants who signed up for the program were considered to be the sample to measure the actual ROI. Effort was made to ensure that this initial group was representative of the entire group of candidates for the program (performance rating, tenure, job roles, etc.).

The coaching engagement process was altered slightly to ensure that each participant focused on at least three business measures that should be improved as a result. An action planning module was added to support a built-in data-collection process that began with the end in mind (a business measure) and also to show the action steps that would be taken to improve those measures with the support, advisement, and collaboration of the coach. Three action plans were developed as part of the process. Objectives for all five levels, including ROI, are listed in this table.

<p>Level 1. Reaction Objectives After participating in this coaching program, the managers being coached will:</p> <ol style="list-style-type: none"> 1. Perceive coaching to be relevant to the job 2. Perceive coaching to be important to their performance 3. Perceive coaching to be value added in terms of time and funds invested 4. Rate the coach as effective 5. Recommend this program to other managers and executives <p>Level 2. Learning Objectives After completing this coaching program, the managers being coached should improve their skills for each of the following:</p> <ol style="list-style-type: none"> 1. Uncovering personal strengths and weaknesses 2. Translating feedback into action plans 3. Involving team members in projects and goals 4. Communicating effectively 5. Collaborating with colleagues 6. Improving personal effectiveness 7. Enhancing leadership skills <p>Level 3. Application Objectives Six months after completing this coaching program, managers being coached should:</p> <ol style="list-style-type: none"> 1. Complete the action plan for application and impact. 2. Adjust the plan as needed for changes in the environment. 	<p>Level 3. Application Objectives (continued)</p> <ol style="list-style-type: none"> 3. Show improvements on the following items: <ol style="list-style-type: none"> a. Uncovering personal strengths and weaknesses b. Translating feedback into action plans c. Involving team members in projects and goals d. Communicating effectively e. Collaborating with colleagues f. Improving personal effectiveness g. Enhancing leadership skills 4. Identify barriers and enablers to success. <p>Level 4. Impact Objectives After completing this coaching program, managers being coached should improve at least three specific measures in the following areas:</p> <ol style="list-style-type: none"> 1. Sales growth 2. Productivity/operational efficiency 3. Direct cost reduction 4. Retention of key staff members 5. Customer satisfaction <p>Level 5. ROI Objective The ROI value should be at least 25 percent.</p>
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With this in mind, the project began, and the rest, as they say, is history. The project generated a positive ROI of 221%.

This true story reinforces the importance of setting expectations for success early. The participants (executives) knew that success was necessary and possible all the way to the business value. Objectives were set to push the program through the different levels all the way to the impact and financial ROI levels. The coaches connected the engagement to business impact. The designers built tools into the process to facilitate completing the actions and document the business impact, showing the success at the end. Essentially, the program was designed to drive success. The coaches expected business success, the participants were willing to deliver business success, designers and developers designed for business results, and the executives expected success. There was no mystery about what this program should achieve.

Matching Evaluation Levels with Objectives

Instructions: For each objective listed below, indicate the level of evaluation at which the objective is aimed.

- | | |
|----------------|-------------------------|
| 1. Reaction | 4. Business Impact |
| 2. Learning | 5. Return on Investment |
| 3. Application | |

Objective	Evaluation Level
After completing this program or project, participants should:	
1. Improve work group productivity by 20%	_____
2. Initiate at least three cost reduction projects in 15 days.	_____
3. Achieve an average cost reduction of \$20,000 per project.	_____
4. Use counseling discussion skills in 90% of situations where work habits are unacceptable.	_____
5. Achieve a 2:1 benefit to cost ratio one year after the new performance-based program is implemented.	_____
6. Be able to describe the four elements of the employee assistance program.	_____
7. Increase the customer satisfaction index by 25% in 3 months.	_____
8. Integrate patient records into new database following the 5-step process.	_____
9. Increase research grant dollars 20%.	_____
10. Achieve a leadership simulation score average of 75 out of a possible 100.	_____
11. Reduce chronic homelessness by 10% in nine months.	_____
12. Provide a 4 out of 5 rating on appropriateness of new ethics policy.	_____
13. Decrease the time to recruit new professional staff from 35 days to 20 days.	_____
14. Complete all action items on the action plan in 60 days.	_____
15. Perceive the flextime work schedule system as important to their success.	_____
16. Enroll in the career enhancement program with a goal of a participation rate of 15%.	_____
17. Decrease the number of security breaches of patient records.	_____
18. Achieve a post-test score increase of 30% over pre-test.	_____
19. Use the new software as reflected by an 80% score on an unscheduled audit in 3 weeks.	_____
20. Submit suggestions for improvement in the first year (with a 10% target).	_____

Sample Action Plan for Teambuilding

Name: Jacquelyn Robertson Facilitator Signature: _____ Follow-Up Date: Aug 30 Objective: Reduce Internal Transfers
 Evaluation Period: Feb _____ to August _____ Improvement Measure: Requested Transfers
 Current Performance 3 per quarter Target Performance 1 per quarter

Action Steps	Analysis
1. <u>Review reasons for transfers with HR</u> <u>Feb 15</u> 2. <u>Sort out items under our control</u> <u>Feb 20</u> 3. <u>Identify high risk team members</u> <u>Feb 25</u> 4. <u>Make a plan for high risk team members</u> <u>Mar 1</u> 5. <u>Have team sharing sessions each week to focus on complaints</u> <u>Mar 1</u> 6. <u>Provide team feedback when necessary for members who need help</u> <u>Daily</u> 7. <u>When a team member complains, explore and address within one day</u> <u>Mar 1</u>	A. What is the unit of measure? <u>1 employee transfer</u> B. What is the value (cost) of one unit? <u>\$7,500</u> C. How did you arrive at this value? <u>HR team</u> D. How much did the measure change during the evaluation period? (monthly value) <u>2 per quarter</u> E. List the other factors that have influenced this change: <u>Employee Engagement Initiative</u> F. What percent of this change was actually caused by this program? <u>60%</u> G. What level of confidence do you place on the above information? (100%=Certainty and 0%=No Confidence) <u>80%</u> H. Monetary value (B x D x F x G x 4) <u>_____</u>
Intangible Benefits: <u>Employees Engage</u>	

Comments: Building trust was the key

Questions for Discussion

1. Calculate the monetary benefits. _____
2. Is this a credible approach? Explain. _____

Example of a One-Page Executive Summary

Leadership Development: Precision Manufacturing

The Leadership Challenge

- 4 day workshop with actions plans and support tools
- Each participant selects 2 KPIs to improve using the competencies with his or her team.

Target:
 First Level Managers 970
 Sample 72
 (18 managers, 4 groups)

Reaction – Objectives Met

Relevance	✓
Important	✓
Intent to use	✓

Application Objectives on a 5 point scale

Extent of use	4.3
Frequency of use	4.5
Success with use	3.9

Barriers

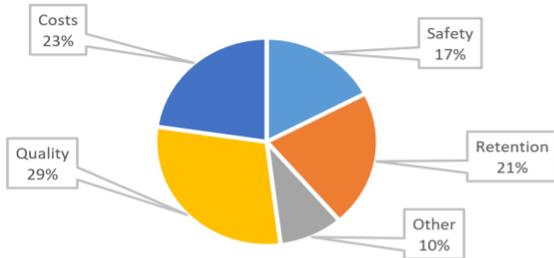
Not enough time	23%
Lack of support	18%
Doesn't fit	14%
Other	10%

Learning Objectives Met Pre- Post- Improvements

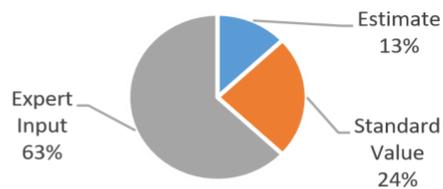
1. Communicate values and beliefs	48%
2. Focus on key values through actions	57%
3. Build collaboration teamwork and trust	42%
4. Strengthen others abilities to excel	69%
5. Inspire others to share a common vision	53%
6. Recognize the accomplishments of others	67%

Methods of Isolation: Participant Allocation Adjusted for Error

Impact Objectives Two Objectives Each Distribution



Method of Converting Data to Money



Costs – Direct \$355,370
 Indirect – Prorated \$9,890
 Total \$365,260

Total Monetary Benefits = \$538,640

BCR = 1.47

ROI = 47%

