

How to Show the Business Value of Training and Learning in 10 Simple Steps

By Jack J. Phillips, Ph.D., Patti P. Phillips, Ph.D., and Kylie B. McLeod

Everyone knows great business results can't be achieved without highly engaged, highly skilled employees – and that it takes learning and talent development to develop them. However, many learning and development professionals are concerned about proving the value of their programs to the executives in charge of approving their budgets.

Here's the problem they face repeatedly: Seventy-four percent of CEOs want to see ROI on their learning and development programs, yet only 4 percent do. Further, 50 percent of learning and development is wasted, as employees don't apply what they've learned on the job. These roadblocks create serious challenges to learning and development professionals who must not only ensure that their training works but prove it as well.

Demonstrating the business value of training and learning is not an issue of providing additional resources for measurement, evaluation and analytics. It's a process that fills the training and learning cycle and involves 10 steps:

1. Start with “why.”

Many programs are implemented without a clear business need. Most – if not all – training and learning programs should start with the “why,” which is often a business connection to refining measures such as productivity, quality, cycle time, cost reduction, retention, compliance, engagement, customer satisfaction and customer loyalty.

2. Connect to the right solution.

Too many programs are still implemented for the wrong reasons. They may be requested by an executive team that thinks training or learning is the solution, which may be based on a trend, hot topic or best-selling book. While this training may be interesting, insightful and important, it may not be necessary for the target audience. This step in the process links the recommended training and learning program to a business need, ensuring that it is the right solution.

3. Define expectations.

Stakeholders need to know what's expected of them. This step often starts with setting objectives at different levels for reaction, training, application, impact and even ROI.

This article was previously published on *TrainingIndustry.com*, January 2018

ROI INSTITUTE®

Phone: 205-678-8101 ·
Email: info@roiinstitute.net

It also includes setting expectations for designers, developers, facilitators, participants, managers of participants and sponsors, who must understand that training and learning are not effective unless they are applied and have an impact in the organization.

4. Design for results.

Programs must be designed to produce results, ensuring that there is appropriate focus on application and impact. Tools, templates and action plans must be in place to help attain results. Proper support must be provided at the right time with the right individuals.

5. Create or acquire powerful content.

The heart of any program is content. While the learning environment and experience are important, content is more important to drive business value – but only if it is something that participants will use.

6. Deliver for efficiency and effectiveness.

Today, the focus is on supplying training with less cost and more convenience and in shorter time spans. While mobile and e-learning are needed for convenience and cost, they must also be effective. The concept of effectiveness and efficiency must be studied hand-in-hand.

7. Ensure the transfer of learning.

Failure to transfer training and learning to the job has troubled professionals for years. We are making progress, but there is still much to do early and often in the process. It starts with studying the environment before developing the new training solution to make sure that barriers are either reduced or removed and that there are adequate enablers to make it work.

8. Measure results.

Results are evaluated at different levels, and always at “reaction,” as it is a good predictor of success later. Learning (level 2) should be measured for 80 to 90 percent of programs and application (level 3) for about 30 percent of programs. Business impact should be measured in about 10 to 20 percent of programs. For programs that are expensive and strategic (generally 5 percent of programs), the evaluation should be pushed to ROI (level 5). The good news is that these measurement goals are in place now and can be reached within most budgets.

This article was previously published on *TrainingIndustry.com*, January 2018

ROI INSTITUTE®

Phone: 205-678-8101 ·
Email: info@roiinstitute.net

9. Communicate the results to key stakeholders.

An often ignored issue is communicating the results to the key stakeholders. Many groups need to see success (and opportunities for progress). For example, the learners' managers will want to see the success for application and impact, and top executives, who create the budgets, need the results for imminent funding decisions.

10. Use the results for optimization and allocation.

Results are powerful, especially when evaluations at levels 3, 4 and 5 are pursued. Use the data to improve programs so they can produce more value in the future, optimizing the return on investment. Higher returns may expose more effective ways to distribute funding for programs in the future. For example, our studies are showing that soft skills programs usually deliver high return on investment. When executives clearly comprehend this ROI, they may allocate more to soft skills training. Assessment leads to optimization, which leads to better allotment of budgets.

When implemented correctly, this process creates a better, richer more fulfilling work experience for the entire company. It improves employee engagement and helps with recruitment and retention, and it's a real game-changer for your culture.

Jack J. Phillips, Ph.D., is the chairman of ROI Institute, a leading provider of services for measurement, evaluation, metrics and analytics. Patti P. Phillips, Ph.D., is president and CEO of ROI Institute. Her clients include Fortune 500 companies, federal and state government agencies, and non-governmental organizations. Kylie B. McLeod is the communications coordinator of ROI Institute.

This article was previously published on *TrainingIndustry.com*, January 2018

ROI INSTITUTE®

Phone: 205-678-8101 ·
Email: info@roiinstitute.net