

Marketing

Marketing Approach

Donald Kirkpatrick was NOT the Originator of the Four-Level Model of Learning Evaluation

25 Frequently Asked Questions About ROI: HR/Learning Version

Selling ROI: The Business Case for ROI

Marketing Approach

The ultimate goal of an ROI practice is to have Certified ROI Professionals in the market and to develop consulting projects; the first activity leads to the other. While the primary objective is to secure consulting projects, most projects (ROI studies) come from those individuals who understand ROI on a deeper level and have either conducted an ROI study or have attended an ROI Certification workshop. They have a clear idea about all of the issues involved in conducting an ROI study. So, how do we do it? Here is our approach and the proper conversion rates at each point.

1. Identify the Audience

This is fundamental but necessary to clearly understanding the target groups for ROI Certification. Is the group learning and development? Is it human resources? Is it a combination of the two? Is it in some other area? Even within those areas, is there some particular group that would be more appropriate? The point is to define the target groups as precisely as we can. That becomes the potential audience.

2. Develop Prospects

Prospects are those who we decide to contact. A prospect is someone who is receiving one or more of the following:

1. Promotional emails
2. An ad in a professional publication
3. An article about ROI
4. A blog about ROI
5. A particular mail-out explaining ROI/ROI Certification
6. A speech at a local chapter or professional association
7. A speech at a conference (May do raffles to obtain more cards)
8. A speech at a business or professional group meeting
9. An exhibit at a conference
10. Sending information to a particular target audience
11. A webcast /webinar

In each of these, we are pursuing prospects defined by the audience of these different processes. This narrows the general audience description to a specific audience that we are trying to reach.

3. Capture the Interested Individuals

From the previous prospects, certain individuals will respond. When they respond, we consider them interested in ROI at this point. It could be that they respond by visiting the website, they make a phone call, or they send an email. In some cases, they may have left a business card at a meeting or they are responding to offers for an article or book. In short, they are inquiring for more information. These individuals are interested and they become important contacts.

The first issue is to make sure that we respond to their interest and request. In most cases, they are responding to a particular promotion, advertisement, an announcement of a one or two-day workshop, ROI Certification, or consulting. The key is to tailor the communication to what they need.

The second issue is to mention what we are promoting. We may be pushing for the following:

1. A one-day or two-day workshop.
2. An ROI Certification workshop (internal or public).
3. The consulting processes.
4. A particular speaking engagement on the horizon.

If appropriate, they should be sent the ROI Certification brochure. This can be sent electronically or as a hard copy. The key is to get this document in front of them, as it answers many of their questions about ROI and encourages them to take the next steps. The outcome from this engagement may lead to an opportunity to have a discussion, where it may be easy to convert them to our product at some point. This discussion should be conducted by a member of the staff or by the key experts in the organization (Jack and Patti Phillips at ROI Institute). If there is no discussion, there may be some other actions that could be proposed to these interested prospects. Here are three possibilities.

4. Consider a One-Day Workshop

A one-day workshop on the fundamentals of ROI (a half-day might work as well) is an opportunity to introduce prospects to the Methodology. Participants can see how ROI works in more detail and learn the logical flow of the data, the ten-step process, the guiding principles, and the alignment model. They will leave the workshop with some actions to take at their workplace. Examples are: making sure that programs are aligned to the business, development of more objectives at higher levels, or pushing the evaluation beyond where they are now and up to the next level. They won't be able to conduct an ROI study, but this will put them on the right track. Many will want to attend ROI Certification.

5. Consider A Two-Day Skill-Building Workshop

Sometimes an individual feels like a five-day certification is unnecessary for a variety of reasons. For example, they can't take the time to attend. They may also think that they can learn this concept in two days. Either way, they want to attend a two-day program, which should be routinely offered as alternatives. The skill-building offered in this workshop will help participants align their programs with the business measures, develop higher levels of objectives, evaluate to levels three and four, and possibly to level five for a very simple program. We have had some participants take the two-day and evaluate a simple program to the ROI level, but that number is quite small (about five or six out of the group of over 4,000 Certified ROI Professionals). However, it is a good way to introduce people to the process and cause them to promote it and use it. Some continue on to the ROI Certification.

6. Consider an Internal Briefing/Workshop

Sometimes a group will allow (or ask for) an internal presentation. This should be at least a one-hour presentation, although a four-hour presentation would be ideal if it is possible. These internal briefings have a high conversion rate to the desired next step. This should be offered at no cost to the client unless they are willing to pay for a half-day briefing. Some are willing to pay for the one-day workshop internally.

near the end of their degree so they can use ROI in their work. Professors are ideal for scholarships. Professors need to be involved with ROI. They have to be interested in it, want to teach it, and be willing to promote it to others. Essentially, they become business development consultants when professors recommend ROI to others. Finally, scholarships may be applied to nonprofits because they often have smaller budgets and it is helpful to get this concept into the nonprofit space, if that is part of your audience.

There are some precautions about discounts or scholarships:

1. Use them selectively, with a careful plan for timing and magnitude.
2. Be consistent from one group to another and from one activity to another.
3. Make sure that discounts are provided discretely. Individuals receiving a discount should be asked to keep it confidential. Otherwise, they may tell others who paid the full amount.
4. Finally, consider something in exchange for the discount or scholarship. Maybe if it's from a professional person or manager, they could recommend ROI to others in exchange for the discount. Maybe others provide a document, briefing, paper, or case study that might be helpful. For students, maybe they have to produce something. For example, a blog, article, or a profile in a magazine is required.

12. Check Your Success, Re-plan Your Strategy, Continue to Make Adjustments

It is important to track success along the way, find out what works and doesn't work, and make adjustments. Take as many opportunities as possible to have a live discussion with an interested individual. This is even more difficult in today's device-connected world, but having that dialogue will make a big difference.

Donald Kirkpatrick was NOT the Originator of the Four-Level Model of Learning Evaluation

ROI Institute would like to bring to your attention some recent research conducted by Will Thalheimer about the work of Donald Kirkpatrick. In his research, Thalheimer clearly points out that Kirkpatrick is not the creator of the four levels, but instead a person named Raymond Katzell.

To summarize the Thalheimer's research, Don Kirkpatrick referenced Katzell's work on a four-step learning evaluation framework in an article written in 1956 but did not reference it in subsequent documents, books, speeches, and interviews. This is a serious issue because to take someone else's work and claim it as your own is not appropriate in a professional field and certainly not in the evaluation area.

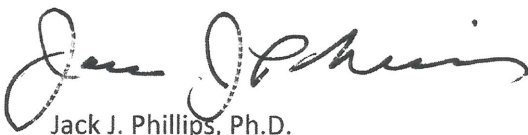
According to Thalheimer, Kirkpatrick's statement from his 1994 book "*I am not sure where I got the idea for this model, but the concept originated with work on my Ph.D. dissertation at the University of Wisconsin, Madison*" (written in 1959) suggests that Kirkpatrick recognized that there was a source for the four-level model—a source that was not Kirkpatrick himself.

After searching for and examining many publications, Thalheimer notes Donald Kirkpatrick never mentioned Katzell's four steps after his 1956 article, and the fact that Kirkpatrick certainly never mentioned Katzell when it would have been most appropriate, for example when he first wrote about the four levels in 1959, when he first published a book on the four levels in 1994, and when he received awards for "creating the four levels."

Many of our clients are our fans and are also fans of Kirkpatrick's. As you read the full work, Thalheimer is not trying to expose Wendy and Jim Kirkpatrick as much as he wants to set the record straight, as a good researcher would like to do.

We routinely settle disputes with people who take our content and claim it as their own. We can only imagine how Raymond Katzell must have felt about this development before he died.

If anyone would like to discuss this issue in more detail, please contact us.



Jack J. Phillips, Ph.D.
Chairman
ROI Institute, Inc.

Attachment:

Will Thalheimer's article- *Donald Kirkpatrick was NOT the Originator of the Four-Level Model of Learning Evaluation*

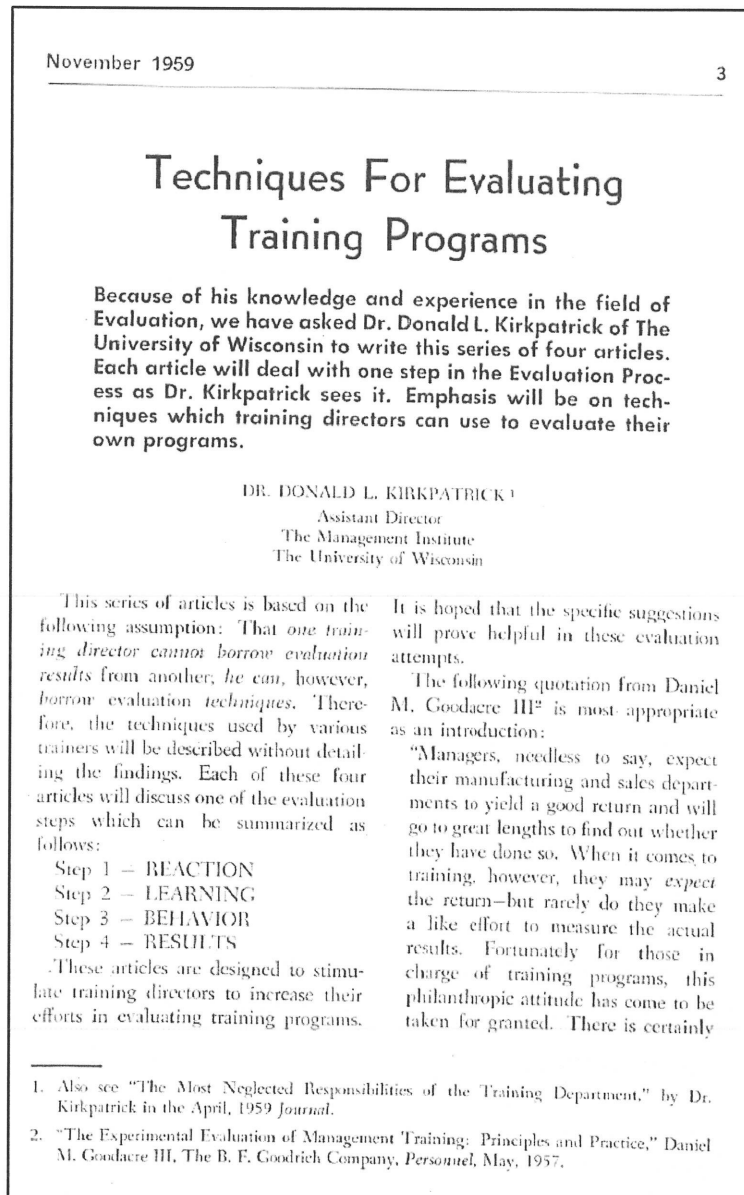
NOTE: This article may be found online at: <https://www.worklearning.com/2018/01/30/donald-kirkpatrick-was-not-the-originator-of-the-four-level-model-of-learning-evaluation/>

Donald Kirkpatrick was NOT the Originator of the Four-Level Model of Learning Evaluation

Donald Kirkpatrick (1924-2014) was a giant in the workplace learning and development field, widely known for creating the four-level model of learning evaluation. Evidence however contradicts this creation myth and points to Raymond Katzell, a distinguished industrial-organizational psychologist, as the true originator. This, of course, does not diminish Don Kirkpatrick's contribution to framing and popularizing the four-level framework of learning evaluation.

The Four-Levels Creation Myth

The four-level model is traditionally traced back to a series of four articles Donald Kirkpatrick wrote in 1959 and 1960, each article covering one of the four levels, Reaction, Learning, Behavior, Results. These articles were published in the magazine of ASTD (then called the American Society of Training Directors). Here's a picture of the first page of the first article:



In June of 1977, ASTD (known by then as the American Society of Training and Development, now ATD, the Association for Talent Development) reissued Kirkpatrick's original four articles, combining them into one article in the Training and Development Journal. The story has always been that it was those four articles that introduced the world to the four-level model of training evaluation.

In 1994, in the first edition of his book, *Evaluating Training Programs: The Four Levels*, Donald Kirkpatrick wrote:

"In 1959, I wrote a series of four articles called 'Techniques for Evaluating Training Programs,' published in Training and Development, the journal of the American Society for Training and Development (ASTD). The articles described the four levels of evaluation that I had formulated. I am not sure where I got the idea for this model, but the concept originated with work on my Ph.D. dissertation at the University of Wisconsin, Madison." (p. xiii). [Will's Note: Kirkpatrick was slightly inaccurate here. At the time of his four articles, the initials ASTD stood for the American Society of Training Directors and the four articles were published in the *Journal of the American Society of Training Directors*. This doesn't diminish Kirkpatrick's central point: that he was the person who formulated the four levels of learning evaluation].

In 2011, in a tribute to Dr. Kirkpatrick, he is asked about how he came up with the four levels. This is what he said in that [video tribute](#):

"[after I finished my dissertation in 1954], between 54 and 59 I did some research on behavior and results. I went into companies. I found out are you using what you learned and if so what can you show any evidence of productivity or quality or more sales or anything from it. So I did some research and then in 1959 Bob Craig, editor of the ASTD journal, called me and said, 'Don, I understand you've done some research on evaluation would you write an article?' I said, 'Bob, I'll tell you what I'll do, I'll write four articles, one on reaction, one on learning, one on behavior, and one on results.'"

In 2014, when asked to reminisce on his legacy, Dr. Kirkpatrick said this:

"When I developed the four levels in the 1950s, I had no idea that they would turn into my legacy. I simply needed a way to determine if the programs I had developed for managers and supervisors were successful in helping them perform better on the job. No models available at that time quite fit the bill, so I created something that I thought was useful, implemented it, and wrote my dissertation about it."(Quote from [blog post](#) published January 22, 2014).

As recently as this month ([January 2018](#)), on the Kirkpatrick Partners website, the following is written:

"Don was the creator of the Kirkpatrick Model, the most recognized and widely used training evaluation model in the world. The four levels were developed in the writing of his Ph.D. dissertation, Evaluating a Human Relations Training Program for Supervisors."

Despite these public pronouncements, Kirkpatrick's legendary 1959-1960 articles were not the first published evidence of a four-level evaluation approach.

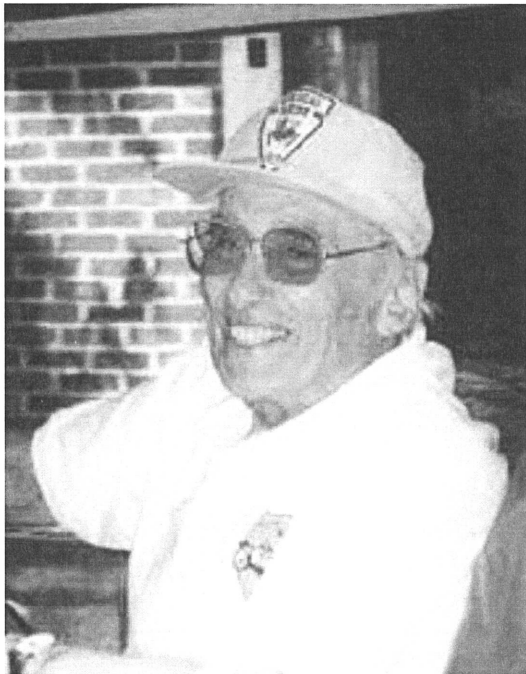
Raymond Katzell's Four-Step Framework of Evaluation

In an article written by Donald Kirkpatrick in 1956, the following "steps" were laid out and were attributed to "Raymond Katzell, a well known authority in the field [of training evaluation]."

1. *To determine how the trainees feel about the program.*
2. *To determine how much the trainees learn in the form of increased knowledge and understanding.*
3. *To measure the changes in the on-the-job behavior of the trainees.*
4. *To determine the effects of these behavioral changes on objective criteria such as production, turnover, absenteeism, and waste.*

These four steps are the same as Kirkpatrick's four levels, except there are no labels.

Raymond Katzell went on to a long and distinguished career as an industrial-organizational psychologist, even winning the Society for Industrial and Organizational Performance's Distinguished Scientific Contributions award.



Raymond Katzell. Picture used by SIOP (Society for Industrial and Organizational Psychology) when they talk about The Raymond A. Katzell Media Award in I-O Psychology.

The first page of Kirkpatrick's 1956 article—written three years *before* his famous 1959 introduction to the four levels—is pictured below:

How To Start An Objective Evaluation Of Your Training Program

DONALD L. KIRKPATRICK, Ph.D.
Assistant Professor, Industrial Management Institute
University of Wisconsin

Most training men agree that it is important to evaluate training programs. They also feel that the evaluation should be done by objective means. However, the typical training man uses evaluation sheets or comment sheets as the sole measure of the effectiveness of his programs. He realizes he should do more, but he just doesn't know how to begin an objective evaluation.

According to Raymond Katzell, a well known authority in this field, the evaluation of a training program falls into a hierarchy of steps that can be briefly stated as follows:

Step One: To determine how the trainees feel about the program.

Step Two: To determine how much the trainees learn in the form of increased knowledge and understanding.

Step Three: To measure the changes in the on-the-job behavior of the trainees.

Step Four: To determine the effects of these behavioral changes on objective criteria such as production, turnover, absenteeism, and waste.

In climbing this ladder of evaluation, most trainers have completed the first

step. Typically, the training director asks the trainees to fill out evaluation sheets at the end of the program. Questions that are asked most frequently are:

1. How do you rate the program?
.....ExcellentVery Good
.....GoodFairPoor
2. What subject did you like best?
3. What subject did you like least?
4. What did you learn that you can use on the job?
5. What subjects would you like to have discussed at future programs?

Usually the trainees are not asked to sign their name for fear they will not give an honest reaction.

This kind of subjective evaluation is important. It gives a good indication of how the trainees reacted to the program. If they react favorably, the trainer can justifiably pat himself on the back and say, "I gave them a program they liked." But he can't rightfully claim that the training program accomplished the objective, unless his objective was to give them a program they liked.

The immediate objective of any training course can be stated in terms of the

And here is a higher-resolution view of the quote from that front page, regarding Katzell's contribution:

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Step Two: To determine how much the trainees learn in the form of increased knowledge and understanding.

Step Three: To measure the changes in the on-the-job behavior of the trainees.

Step Four: To determine the effects of these behavioral changes on objective criteria such as production, turnover, absenteeism, and waste.

So Donald Kirkpatrick mentions Katzell's four-step model in 1956, but not in 1959 when he—Kirkpatrick—introduces the four labels in his classic set of four articles.

It Appears that Kirkpatrick Never Mentions Katzell's Four Steps Again

As far I can tell, after searching for and examining many publications, Donald Kirkpatrick never mentioned Katzell's four steps after his 1956 article.

Three years after the 1956 article, Kirkpatrick did *not* mention Katzell's taxonomy when he wrote his four famous articles in 1959. He *did* mention an unrelated article where Katzell was a co-author (Merrihue & Katzell, 1955), but he did *not* mention Katzell's four steps.

Neither did Kirkpatrick mention Katzell in his 1994 book, *Evaluating Training Programs: The Four Levels*.

Nor did Kirkpatrick mention Katzell in the third edition of the book, written with Jim Kirkpatrick, his son.

Nor was Katzell mentioned in a later version of the book written by Jim and Wendy Kirkpatrick in 2016. I spoke with Jim and Wendy recently (January 2018), and they seemed as surprised as I was about the 1956 article and about Raymond Katzell.

Nor did Donald Kirkpatrick mention Katzell in any of the interviews he did to mark the many anniversaries of his original 1959-1960 articles.

To summarize, Katzell, despite coming up with the four-step taxonomy of learning evaluation, was only given credit by Kirkpatrick once, in the 1956 article, three years prior to the articles that introduced the world to the Kirkpatrick Model's four labels.

Kirkpatrick's Dissertation

Kirkpatrick did *not* introduce the four-levels in his 1954 dissertation. There is not even a hint at a four-level framework.

In his dissertation, Kirkpatrick cited two publications by Katzell. The first, was an article from 1948, "Testing a Training Program in Human Relations." That article studies the effect of leadership training, but makes no mention of Katzell's four steps. It does, however, hint at the value of measuring on-the-job performance, in this case the value of leadership behaviors. Katzell writes, "*Ideally, a training program of this sort [a leadership training program] should be evaluated in terms of the on-the-job behavior of those with whom the trainees come in contact.*"

The second Katzell article cited by Kirkpatrick in his dissertation was an article entitled, "*Can We Evaluate Training?*" from 1952. Unfortunately, it was a mimeographed article published by the Industrial Management Institute at the University of Wisconsin, and seems to be lost to history. Even after several weeks of effort (in late 2017), the University of Wisconsin Archives could not locate the article. Interestingly, in a 1955 publication entitled, "Monthly Checklist of State Publications" a subtitle was added to Katzell's *Can We Evaluate Training?* The subtitle was: "*A summary of a one day Conference for Training Managers*" from April 23, 1952.

To be clear, Kirkpatrick did *not* mention the four levels in his 1954 dissertation. The four levels notion came later.

How I Learned about Katzell's Contribution

I've spent the last several years studying learning evaluation, and as part of these efforts, I decided to find Kirkpatrick's original four articles and reread them. ATD (The Association for Talent Development) in 2017 had a wonderful archive of the articles it had published over the years. As I searched for "Kirkpatrick," several other articles—besides the famous four—came up, including the 1956 article. I was absolutely freaking stunned when I read it. Donald Kirkpatrick had cited Katzell as the originator of the four level notion!!!

I immediately began searching for more information on the Kirkpatrick-Katzell connection and found that I wasn't the first person to uncover the connection. I found an article by Stephen Smith who acknowledged Katzell's contribution in 2008, also in an ASTD publication. I communicated with Smith recently (December 2017) and he had nothing but kind words to say about Donald Kirkpatrick, who he said coached him on training evaluations. Here is a graphic taken directly from Smith's 2008 article:

Raymond Katzell's "Hierarchy of Steps"

STEP ONE. To determine how trainees feel about the program.

STEP TWO. To determine how much the trainees learn in the form of increased knowledge and understanding.

STEP THREE. To measure the changes in the on-the-job behavior of the trainees.

STEP FOUR. To determine the effects of these behavioral changes on objective criteria such as production, turnover, absenteeism, and waste.

Source: "How to start an objective evaluation of your training program." *Journal of the American Society of Training Directors*, 1956

Smith's article was not focused on Katzell's contribution to the four levels, which is probably why it wasn't more widely cited. In 2011, Cynthia Lewis wrote a dissertation and directly compared the Katzell and Kirkpatrick formulations. She appears to have learned about Katzell's contribution from Smith's 2008 article. Lewis's (2011) comparison chart is reproduced below:

Donald L. Kirkpatrick is best known for creating a four-level model for training evaluation. Kirkpatrick's ideas were first published in 1959, in a series of articles in the US Training and Development Journal but are better known from a book he published in 1975 entitled, *Evaluating Training Programs*. Kirkpatrick's four-levels of evaluation work is based on the 1956 Hierarchy of Steps work produced by Raymond Katzell, Professor Emeritus of NYU (Smith, 2008). Table 5 provides a quick at-a-glance comparison of the two models.

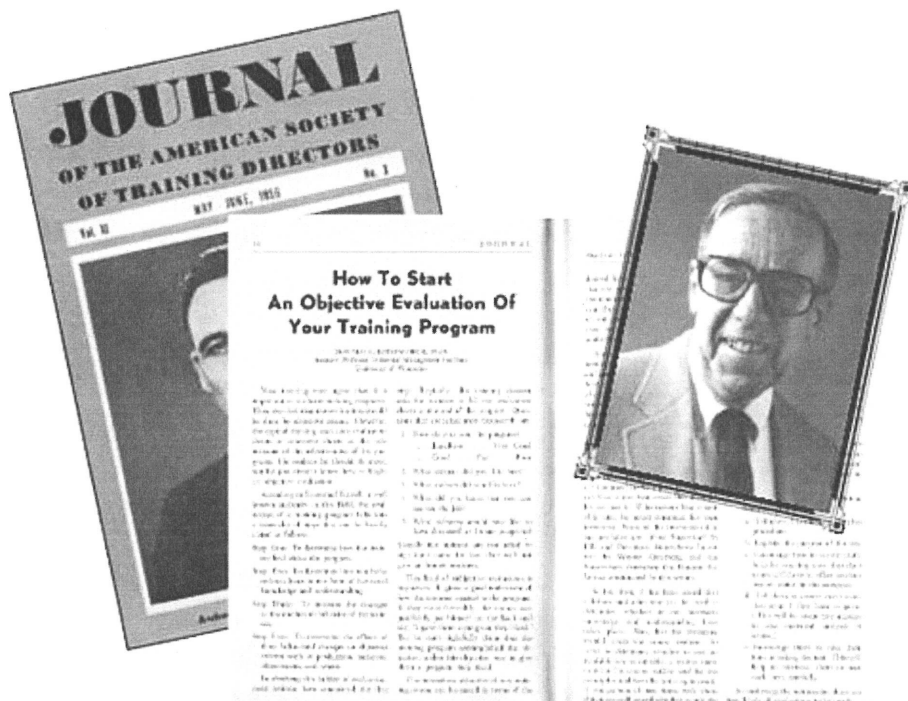
Table 5. Comparison of Katzell's and Kirkpatrick's Evaluation Models

Donald Kirkpatrick's - 1959	Raymond Katzell's - 1956
<p style="text-align: center;">Four Levels of Evaluation Model</p> <p>Level 1: Reactions – How well they liked the training.</p> <p>Level 2: Learning – How much they learned.</p> <p>Level 3: Behavior – How well they applied the learning to work.</p> <p>Level 4: Results – What return the training investment yielded.</p>	<p style="text-align: center;">Hierarchy of Steps Model</p> <p>Step One. To determine how trainees feel about the program</p> <p>Step Two. To determine how much the trainees learn in the form of increased knowledge and understanding.</p> <p>Step Three. To measure the changes in the on-the-job behavior of the trainees.</p> <p>Step Four. To determine the effects of these behavioral changes an objective criteria such as production, turnover, absenteeism, and waste.</p>

Source: Smith, S. (2008). Why follow levels when you can build bridges? *Training + Development*, 62(9), 58-62; Parry, S. (1997). *Evaluating the impact of training*. Alexandria, VA: ASTD Press.

In 2004, four years before Smith wrote his article with the Katzell sidebar, ASTD republished Kirkpatrick's 1956 article—the one in which Kirkpatrick acknowledges Katzell's four steps. Here is the front page of that article:

FUNDAMENTALS



AT+D Classic: How to Start an Objective Evaluation of Your Training Program

By Donald L. Kirkpatrick

This excerpt is part of a larger article with the same title that originally appeared in the May-June 1956 issue of the Journal of the American Society of Training Directors, a predecessor to T+D. The article heralded Kirkpatrick's now classic four-level evaluation model.

Most training men agree that it is important to evaluate training programs. They also feel that the evaluation should be done by objective means. However, the typical training man uses evaluation sheets or comment sheets as the sole measure of the

effectiveness of his programs. He realizes he should do more, but he just doesn't know how to begin an objective evaluation.

According to the Raymond Katzell, a well-known authority in this field, the evaluation of a training program falls into a hierarchy of steps that can be briefly stated as follows:

Step One. To determine how the trainees feel about the program.

Step Two. To determine how much the trainees learn in the form of increased knowledge and understanding.

In 2016, an academic article appeared in a book that referred to the Katzell-Kirkpatrick connection. The book is only available in French and the article appears to have had little impact in the English-speaking learning field. Whereas neither Kirkpatrick's 2004 reprint nor Smith's 2008 article offered commentary about Katzell's contribution except to acknowledge it, Bouteiller, Cossette, & Bleau (2016) were clear in stating that Katzell deserves to be known as the person who conceptualized the four levels of training evaluation, while Kirkpatrick should get credit for popularizing it. The authors also lamented that Kirkpatrick, who himself recognized Katzell as the father of the four-level model of evaluation in his 1956 article, completely ignored Katzell for the next 55 years and declared himself in all his books and on his website as the sole inventor of the model. I accessed their chapter through Google Scholar and used Google Translate to make sense of it. I also

followed up with two of the authors (Bouteiller and Cossette in January 2018) to confirm I was understanding their messaging clearly.

Is There Evidence of a Transgression?

Raymond Katzell seems to be the true originator of the four-level framework of learning evaluation and yet Donald Kirkpatrick on multiple occasions claimed to be the creator of the four-level model.

Of course, we can never know the full story. Kirkpatrick and Katzell are dead. Perhaps Katzell willingly gave his work away. Perhaps Kirkpatrick asked Katzell if he could use it. Perhaps Kirkpatrick cited Katzell because he wanted to bolster the credibility of a framework he developed himself. Perhaps Kirkpatrick simply forgot Katzell's four steps when he went on to write his now-legendary 1959-1960 articles. This last explanation may seem a bit forced given that Kirkpatrick referred to the Merrihue and Katzell work in the last of his four articles—and we might expect that the name “Katzell” would trigger memories of Katzell's four steps, especially given that Katzell was cited by Kirkpatrick as a “well known authority.” This forgetting hypothesis also doesn't explain why Kirkpatrick would continue to fail to acknowledge Katzell's contribution after ASTD republished Kirkpatrick's 1956 article in 2004 or after Steven Smith's 2008 article showed Katzell's four steps. Smith was well-known to Kirkpatrick and is likely to have at least mentioned his article to Kirkpatrick.

We can't know for certain what transpired, but we can analyze the possibilities. Plagiarism means that we take another person's work and claim it as our own. Plagiarism, then, has two essential features ([see this article for details](#)). First, an idea or creation is copied in some way. Second, no attribution is offered. That is, no credit is given to the originator. Kirkpatrick had clear contact with the essential features of Katzell's four-level framework. He wrote about them in 1956! This doesn't guarantee that he copied them intentionally. He could have generated the four levels subconsciously, without knowing that Katzell's ideas were influencing his thinking. Alternatively, he could have spontaneously created them without any influence from Katzell's ideas. People often generate similar ideas when the stimuli they encounter are similar. How many people claim that they invented the term, “email?” Plagiarism does not require intent, but intentional plagiarism is generally considered a higher-level transgression than sloppy scholarship.

A personal example of how easy it is to think you invented something: In the 1990's or early 2000's, I searched for just the right words to explain a concept. I wrangled on it for several weeks. Finally, I came up with the perfect wording, with just the right connotation. “Retrieval Practice.” It was better than the prevailing terminology at the time—the testing effect—because people could retrieve without being tested. Eureka I thought! Brilliant I thought! It was several years later, rereading Robert Bjork's 1988 article, *“Retrieval practice and the maintenance of knowledge,”* that I realized that my label was not original to me, and that even if I did generate it without consciously thinking of Bjork's work, that my previous contact with the term “retrieval practice” almost certainly influenced my creative construction.

The second requirement for plagiarism is that the original creator is not given credit. This is evident in the case of the four levels of learning evaluation. Donald Kirkpatrick never mentioned Katzell after 1956. He certainly never mentioned Katzell when it would have been most appropriate, for example when he first wrote about the four levels in 1959, when he first published a book on the four levels in 1994, and when he received awards for the four levels.

Finally, one comment may be telling, Kirkpatrick's statement from his 1994 book: *“I am not sure where I got the idea for this model, but the concept originated with work on my Ph.D. dissertation at the University of Wisconsin, Madison.”* The statement seems to suggest that Kirkpatrick recognized that there was a source for the four-level model—a source that was not Kirkpatrick himself.

Here is the critical timeline:

- Katzell was doing work on learning evaluation as early as 1948.
- Kirkpatrick's 1954 dissertation offers no trace of a four-part learning-evaluation framework.
- In 1956, the first reference to a four-part learning evaluation framework was offered by Kirkpatrick and attributed to Raymond Katzell.
- In 1959, the first mention of the Kirkpatrick terminology (i.e., Reaction, Learning, Behavior, Results) was published, but Katzell was *not* credited.
- In 1994, Kirkpatrick published his book on the four levels, saying specifically that he formulated the four levels. He did *not* mention Katzell's contribution.
- In 2004, Kirkpatrick's 1956 article was republished, repeating Kirkpatrick's acknowledgement that Katzell invented the four-part framework of learning evaluation.
- In 2008, Smith published the article where he cited Katzell's contribution.
- In 2014, Kirkpatrick claimed to have developed the four levels in the 1950s.
- As far as I've been able to tell—corroborated by Bouteiller, Cossette, & Bleau (2016)—Donald Kirkpatrick never mentioned Katzell's four-step formulation after 1956.

Judge Not Too Quickly

I have struggled writing this article, and have rewritten it dozens of times. I shared an earlier version with four trusted colleagues in the learning field and asked them if I was being fair. I've searched exhaustively for source documents. I reached out to key players to see if I was missing something.

It is not a trifle to curate evidence that impacts other people's reputations. It is a sacred responsibility. I as the writer have the most responsibility, but you as a reader have a responsibility too to weigh the evidence and make your own judgments.

First we should not be too quick to judge. We simply don't know why Donald Kirkpatrick never mentioned Katzell after the original 1956 article. Indeed, perhaps he did mention Katzell in his workshops and teachings. We just don't know.

Here are some distinct possibilities:

- Perhaps Katzell and Kirkpatrick had an agreement that Kirkpatrick could write about the four levels. Let's remember the 1959-1960 articles were not written to boost Kirkpatrick's business interests. He didn't have any business interests at that time—he was an employee—and his writing seemed aimed specifically at helping others do better evaluation.
- Perhaps Kirkpatrick, being a young man without much of résumé in 1956, had developed a four-level framework but felt he needed to cite Katzell in 1956 to add credibility to his own ideas. Perhaps later in 1959 he dropped this false attribution to give himself the credit he deserved.
- Perhaps Kirkpatrick felt that citing Katzell once was enough. Where many academics and researchers see plagiarism as one of the deadly sins, others have not been acculturated into the strongest form of this

ethos. Let's remember that in 1959 Kirkpatrick was not intending to create a legendary meme, he was just writing some articles. Perhaps at the time it didn't seem important to acknowledge Katzell's contribution. I don't mean to dismiss this lightly. All of us are raised to believe in fairness and giving credit where credit is due. Indeed, research suggests that even the youngest infants have a sense of fairness. Kirkpatrick earned his doctorate at a prestigious research university. He should have been aware of the ethic of attribution, but perhaps because the 1959-1960 articles seemed so insignificant at the time, it didn't seem important to cite Katzell.

- Perhaps Kirkpatrick intended to cite Katzell's contribution in his 1959-1960 articles but the journal editor talked him out of it or disallowed it.
- Perhaps Kirkpatrick realized that Katzell's four steps were simply not resonant enough to be important. Let's admit that Kirkpatrick's framing of the four levels into the four labels was a brilliant marketing masterstroke. If Kirkpatrick believed this, he might have seen Katzell's contribution as minimal and not deserving of acknowledgement.
- Perhaps Kirkpatrick completely forgot Katzell's four-step taxonomy. Perhaps it didn't influence him when he created his four labels, that he didn't think of Katzell's contribution when he wrote about Katzell's article with Merrihue, that for the rest of his life he never remembered Katzell's formulation, that he never saw the 2004 reprinting of his 1956 article, that he never saw Smith's 2008 article, and that he never talked with Smith about Katzell's work even though Smith has claimed a working relationship. Admittedly, this last possibility seems unlikely.

Let us also not judge Jim and Wendy Kirkpatrick, proprietors of Kirkpatrick Partners, a global provider of learning-evaluation workshops and consulting. None of this is on them! They were genuinely surprised to hear the news when I told them. They seemed to have no idea about Katzell or his contribution. What is past is past, and Jim and Wendy bear no responsibility for the history recounted here. What they do henceforth is their responsibility. Already, since we spoke last week, they have updated their website to acknowledge Katzell's contribution!

Article Update (two days after original publication of this article): Yesterday, on the 31st of January 2018, Jim and Wendy Kirkpatrick posted [a blog entry \(copied here for the historic record\)](#) that admitted Katzell's contribution but ignored Donald Kirkpatrick's failure to acknowledge Katzell's contribution as the originator of the four-level concept.

What about our trade associations and their responsibilities? It seems that ASTD bears a responsibility for their actions over the years, not only as the American Society of Training Directors who published the 1959-1960 articles without insisting that Katzell be acknowledged even though they themselves had published the 1956 articles where Katzell's four-step framework was included on the first page; but also as the American Society of Training and Development who republished Kirkpatrick's 1956 article in 2004 and republished the 1959-1960 articles in 1977. Recently rebranded as ATD (Association for Talent Development), the organization should now make amends. Other trade associations should also help set the record straight by acknowledging Katzell's contribution to the four-level model of learning evaluation.

Donald Kirkpatrick's Enduring Contribution

Regardless of who invented the four-level model of evaluation, it was Donald Kirkpatrick who framed it to perfection with the four labels and popularized it, helping it spread worldwide throughout the workplace learning and performance field.

As I have [communicated elsewhere](#), I think the four-level model has issues—that it sends messages about learning evaluation that are not helpful.

On the other hand, the four-level model has been instrumental in pushing the field toward a focus on performance improvement. This shift—away from training as our sole responsibility, toward a focus on how to improve on-the-job performance—is one of the most important paradigm shifts in the long history of workplace learning. Kirkpatrick’s popularization of the four levels enabled us—indeed, it pushed us—to see the importance of focusing on work outcomes. For this, we owe Donald Kirkpatrick a debt of gratitude.

And we owe Raymond Katzell our gratitude as well. Not only did he originate the four levels, but he also put forth the idea that it was valuable to measure the impact learners have on their organizations.

What Should We Do Now?

What now is our responsibility as workplace learning professionals? What is ethical? The preponderance of the evidence points to Katzell as the originator of the four levels and Donald Kirkpatrick as the creator of the four labels (Reaction, Learning, Behavior, Results) and the person responsible for the popularization of the four levels. Kirkpatrick himself in 1956 acknowledged Katzell’s contribution, so it seems appropriate that we acknowledge it too.

Should we call them Katzell’s Four Levels of Evaluation? Or, the Katzell-Kirkpatrick Four Levels? I can’t answer this question for you, but it seems that we should acknowledge that Katzell was the first to consider a four-part taxonomy for learning evaluation.

For me, for the foreseeable future, I will either call it the Kirkpatrick Model and then explain that Raymond Katzell was the originator of the four levels, or I’ll simply call it the Kirkpatrick-Katzell Model.

Indeed, I think in fairness to both men—Kirkpatrick for the powerful framing of his four labels and his exhaustive efforts to popularize the model and Katzell for the original formulation—I recommend that we call it the Kirkpatrick-Katzell Four-Level Model of Training Evaluation. Or simply, the Kirkpatrick-Katzell Model.

25 FREQUENTLY ASKED QUESTIONS ABOUT ROI

JACK J. PHILLIPS, PH.D.

PATTI PHILLIPS, PH.D.

HR/Learning Version

Today's HR team must show accountability for the investment in HR projects and programs. Many HR executives have found that actually measuring the return on investment of a few selected, significant, high-profile programs is an excellent way to show fiscal responsibility for key projects and initiatives. Our best guess is that about 30% of HR executives are using ROI as a tool. Yet, according to the Corporate Executive Board in their major benchmarking efforts, almost 80% of HR executives want to use ROI in the future. This gap of actual use versus desired use underscores the misunderstandings and misconceptions of ROI as a legitimate part of the measurement mix. For almost two decades we have been assisting organizations with this important issue. In the last five years we have kept track of the many questions that are often asked about ROI in conferences, workshops, and consulting assignments. Here are the 25 most frequently asked questions about ROI.

1. **How does ROI in human resources initiatives differ from the ROI used by the financial staff?**

The classic definition of return on investment is earnings divided by the investment – no matter what the application. In context of calculating the return on investment in learning and development or human resources, the earnings become the net benefits from the program (monetary benefits minus the costs), and the investment is the actual program cost. The difficulty lies in developing the actual monetary benefits in a credible way.

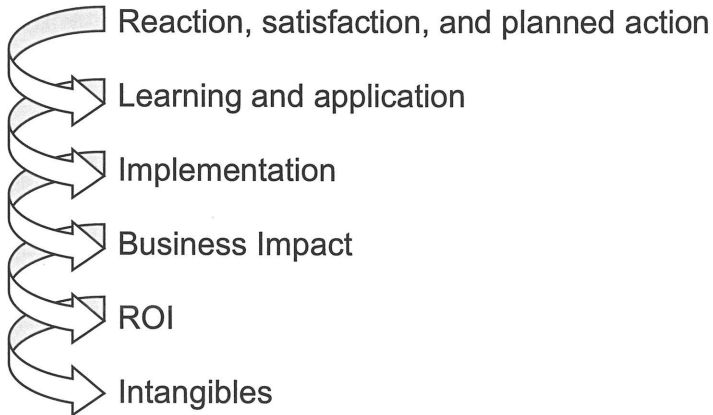
2. **Do I have to learn finance and accounting principles to understand the ROI Methodology™?**

No. Many of the basic principles of finance and accounting do not relate to what is needed to develop the return on investment in human resources. However, it is important to understand issues such as revenue, profit, and cost. Ultimately, the payoff of learning and development or human resources will be based on either direct cost savings or additional profit generated. It is helpful to understand the nature and types of costs and the different types of profits and profit margins.

3. **Do I have to know statistics to understand ROI?**

No. The very basic statistical processes are all that are necessary to develop most ROI impact studies. It is rare for statistics to be needed beyond simple averages, variance, and the standard deviation. Sometimes hypothesis testing and correlations are necessary, but not often. These are very simple concepts and, by design, are simplified as much as possible.

4. **Is ROI just one single number? How can you communicate a program's value with a number?** The ROI methodology (or the ROI process) develops six types of data, with the actual ROI calculation being only one of them. The six types of data are:



5. **Aren't the levels of evaluation out of date and not applicable?** The four levels of evaluation show how the data must be developed to generate value from a learning and development program. As shown above, the data are arranged in a chain of impact that *must* exist if the learning has business impact, which ultimately becomes business value. The ROI Methodology adds a fifth level to the four levels. The chain of impact can be broken at any point, thus correlations do not always exist between the levels because there are barriers to success at any level. Although a few researchers take issue with the levels, it is still the most widely used foundation for evaluation. ROI, the fifth level, is the consequence of the program expressed in monetary terms. Additionally, the ROI Methodology is driven by a set of standards, the Guiding Principles, which are CEO and CFO-friendly.
6. **Isn't ROI based on nothing but estimates, which can be very subjective?** No. Estimates are occasionally used in three areas:

- sometimes the amount of improvement is estimated when records are not readily available to show the improvement or, in a forecast situation, where it is not known;
- when isolating the effects of a program;
- when converting monetary values; and
- calculating the costs (acceptable finance practice).

Estimates are used only when other methods are not readily available or become too time consuming or expensive to obtain. When estimates are taken, they are adjusted for the error of the estimate to improve their credibility. In essence,

results are understated. In every case, there are many alternatives to estimates and they are often recommended. Estimates are used routinely in some situations because they become the preferred method and are accepted by project sponsors or they may be the only way to obtain the data that are needed.

7. **Isn't ROI too complicated for most learning and development/HR professionals?** No. The ROI calculation itself is a very simple ratio: benefits divided by costs. The processes needed to arrive at the benefits follow a methodical, step-by-step sequence with guiding principles used along the way. The costs are developed using guidelines and principles as well. What makes it more complicated are the many options in each step in the process. The options are critical due to the many different situations, programs, and projects that need to be evaluated and the different environments and settings in which they occur.
8. **Doesn't ROI cost too much?** No. The cost for a study all the way through to ROI usually represents as much as 1-5% of the entire project. This number varies considerably. It is also important to note that in most organizations every program is evaluated at some level. The total cost of all evaluation, including selected ROI studies, is usually in the range of 3-5% of the total learning and development or human resources budget.
9. **Is it always possible to isolate the effects of my program from other factors?** Yes. This is the most difficult and challenging issue, but it is *always* possible, even if estimates are used. Some of the most sophisticated and credible processes involve control groups, trend line analysis, and forecasting models. Other, less sophisticated techniques are used such as expert estimation and customer input. Always strive to carve out the amount of data directly related to the program or project. When estimates are used, the data should be adjusted for the error of the estimate.
10. **Is it true that the ROI process does not reveal program weaknesses or strengths?** No. The ROI methodology captures six types of data. At Levels 1, 2, and 3, data always captures deficiencies or weaknesses in the process. At Level 3, the process requires collecting data about the barriers (which inhibit success) and enablers (which help success).
11. **Is it true that the ROI process does not result in recommendations for improvement?** No. Each impact study using the ROI methodology contains a section for recommendations for improvement. It is essential that this tool be utilized, first and foremost, as a process improvement tool. Recommendations for changes are always appropriate, even when studies have reflected a very successful project.

12. **Is it appropriate to do ROI for every program?** No. It is possible, but only a few select programs should be subjected to evaluation all the way through to the fifth level of evaluation (ROI). Ideal targets include programs that are very expensive, strategic, operationally focused, and highly visible and those that involve large target audiences and have management attention in terms of their accountability. In most organizations using this methodology, only about 5-10% of the programs are selected for ROI analysis each year.
13. **Which programs are not suited for ROI analysis (but may still achieve a positive ROI)?** Certain programs should not be evaluated all the way through to ROI. The programs not appropriate for ROI usually include mandatory programs, compliance programs, legally-required initiatives, very specific operational job-related programs, brief programs, information-sharing programs, entry-level programs, new-to-the-job issues, and programs intended to align the individual with the organization.
14. **Who is using the ROI methodology?** The ROI Methodology has become the most used evaluation system in the world. Practically all types of organizations in the USA and around the world are using the ROI methodology. To date, over 4,000 private sector organizations have formally implemented ROI through skill building and ROI certification. Additionally, about 2,000 government agencies in 30 countries, more than 100 nonprofit organizations, many NGOs (including the United Nations), and more than 150 universities and educational institutions are implementing the process. In essence, thousands of organizations are utilizing ROI methodology through an informal implementation in various parts of their organization. In addition, more than 60,000 specialists and managers have taken either a one-day or two-day ROI workshop and more than 13,000 individuals have participated in a comprehensive five-day ROI certification process. More than 5,000 have become Certified ROI Professionals (CRP).
15. **What types of applications are typical for ROI analysis?** The applications can vary, but usually include sales training, supervisory training, team building, executive development, communications, meeting and events, competency systems, software utilization, leadership development, diversity, orientation systems, compensation and benefits, reward systems, skill-based pay, career management, major projects, and wellness initiatives. These topics make excellent applications and have been documented with case studies in the literature.
16. **How can I learn more about ROI?** There are many options available to learn about ROI. Several books, case studies, and templates have been published, with many of them being published or made available from publishers. Additional resources are available through Amazon.com and roiistitute.net. The recommended way to learn the ROI methodology is through a workshop either

conducted internally or in a public presentation. The ROI Institute offers the five-day certification workshop about 50 times a year globally. Additionally, on-site consulting and coaching is an option.

17. **Can ROI be used on the front end of the project in a forecasting mode?** Yes. ROI forecasting is an important part of the ROI methodology. This process uses credible data and expert input and involves estimating the improvement (projected benefits) that will occur when a program is implemented. Projected benefits are compared to projected costs to develop the forecasted ROI.
18. **How does ROI compare to a balanced scorecard?** The ROI process generates six types of data (reaction, learning, application/impact, business impact, ROI, intangibles) which, in itself, is a scorecard. The balanced scorecard process developed by Kaplan and Norton (1996) suggests four categories of data (learning and growth, internal business processes, financial, and customer). The data generated with the ROI methodology may be grouped into one of these four categories. Additionally, it is usually the lack of performance of a measure on a scorecard that drives the need for a solution or program. The ROI Methodology can be used to measure the success of the program. It provides a technique to isolate the effects of a program; and it shows the costs vs. benefits of the particular program or initiative. Thus, the ROI methodology will complement the balanced scorecard process.
19. **How can I secure support for ROI in my organization?** Building support for the ROI methodology is an important issue. Top executives will usually support the process when they realize the types of data that will be generated. Most of the resistance comes from those directly involved in programs because they do not understand ROI and how it is used in the organization. When they are involved in implementing the methodology and the data are properly used to drive improvements, it helps to lower the resistance. The efforts to implement any major change program will apply with the implementation of the ROI methodology.
20. **How can I minimize staff resistance to this methodology?** Most learning and development and HR staff will have some resistance to ROI unless they see the value it can bring to their work. Involvement, education, and process improvement are key issues. It is often the fear of ROI that generates resistance – a fear based on misunderstandings about the process and how the data will be used. The ROI Methodology should be implemented as a process improvement tool and not as a performance evaluation tool for the HR or learning and development staff. No one wants to develop a tool that will reflect unfavorably on their performance review. Involvement in key decisions about the use of ROI will help lower resistance. Also, resistance will be minimized when steps are taken

to ensure that the data are communicated properly, improvements are generated, and the data are not abused or misused.

21. **Should I conduct an ROI study on my own program?** If possible, the person evaluating the program should be independent of the program. It is important for the stakeholders to understand that the person conducting the study is objective and removed from certain parts of the study, such as the data collection and the initial analysis. Sometimes these issues can be addressed in a partnering role or limited in outsourcing opportunities – whether data collection or analysis. In other situations, the issue must be addressed and the audience must understand that steps are taken to ensure that the data were collected objectively, analyzed, and reported completely.
22. **Are there any standards for ROI?** The ROI methodology, as developed by Jack and Patti Phillips and their associates and partners, contains standards labeled “Guiding Principles.” These provide consistency for the analysis with a conservative approach. The conservative approach builds credibility with the stakeholders.
23. **What type of background is necessary for learning the ROI methodology?** It is helpful for the individual to understand the business in which the studies will be developed. Knowledge about operations, products, and financial information are very helpful. Also, the individual should not have a fear of numbers. Although the ROI methodology does not involve much statistical analyses, it does involve data analysis. Excellent communication skills are needed to develop the various documents describing results and presenting those results to a variety of stakeholder groups. Finally, the ability to partner with many individuals is extremely important. This requires much focus, contact, collaboration with the client – this is a very client-focused methodology. The individual must be willing to meet with the key sponsors of programs and build those relationships necessary to capture the data and communicate the data to them.
24. **How is the ROI on e-learning developed?** Applying the ROI methodology to e-learning is the same as any other process, program, or solution. The monetary value of the impact from the e-learning are compared to the cost of the e-learning. Many individuals assume that the benefits of training remain the same e-learning conversion and that only the costs to provide training will change. This is not necessarily the case. An ROI study should be conducted to show the actual impact and value of the training. When an instructor-led program is compared to an e-learning program, the effectiveness of the training, when comparing the impact data (impact data from both programs) is compared with the respective costs for each of the programs. A higher ROI shows a more successful program in terms of providing value that exceeds costs.

25. **How do you calculate the ROI on the ROI?** It is a very good question to raise in terms of the payoff using this methodology. The important issue is the value of implementing the methodology itself. While literally hundreds of organizations are reporting the benefits and successes, it is helpful to understand the internal payoff in the organization. The improvements and changes resulting from an impact study are tallied from one study to another and compared to the actual cost of the implementation. This, in essence, can generate the return on investment for utilizing this process. This approach is recommended for most major implementations.

The Business Case for ROI

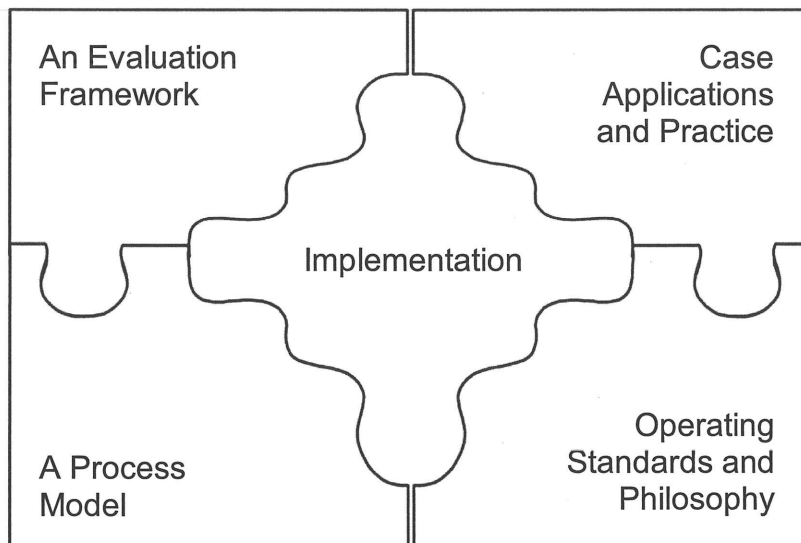
Balanced Data Set

1. Reaction and Planned Action	Measures participant satisfaction with the program and captures planned actions, if appropriate.
2. Learning and Confidence	Measures changes in knowledge, skills, and attitudes related to the project.
3. Application and Implementation	Measures changes in on-the-job behavior or actions as the project is applied, implemented, or utilized.
4. Business Impact	Measures changes in business impact variables.
5. Return on Investment	Compare project benefits to the costs.

Very Credible Methodology

- Common categories of data
- Systematic, step-by-step process
- Conservative standards
- Results-based approach
- High level of use
- Client focused
- Satisfies all stakeholders

Elements of ROI



Payoff of ROI

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

ROI is a Feasible Process

- Not very expensive
- Many shortcut methods
- Time requirement can be managed
- Fits all types of programs
- Technology helps with costs/time
- Implementation is planned/systematic

Have No Fear

- ROI is a process improvement tool – designed to improve projects and programs
- ROI is not designed for performance review for individuals
- Every study reveals opportunities for changes
- Negative results represent the best opportunity to learn
- Negative results have a positive story
- Don't wait for a client to ask for ROI

NOTES:

Paradigm Shift in Programs

Activity Based – Characterized by:

1. No business need for the program
2. No assessment of performance issues
3. No specific measurable objectives
4. No effort to prepare program participants to achieve results
5. No effort to prepare the work environment to support program
6. No efforts to build partnerships with key managers
7. No measurement of results or cost benefit analysis (ROI)
8. Reporting on programs is input focused

Results Based – Characterized by:

1. Program linked to specific business needs
2. Assessment of performance effectiveness
3. Specific objectives for application and business impact
4. Results expectations communicated to participants
5. Environment prepared to support program
6. Partnerships established with key managers and clients
7. Measurement of results or cost benefit analysis (ROI)
8. Planning on programs are outcome focused

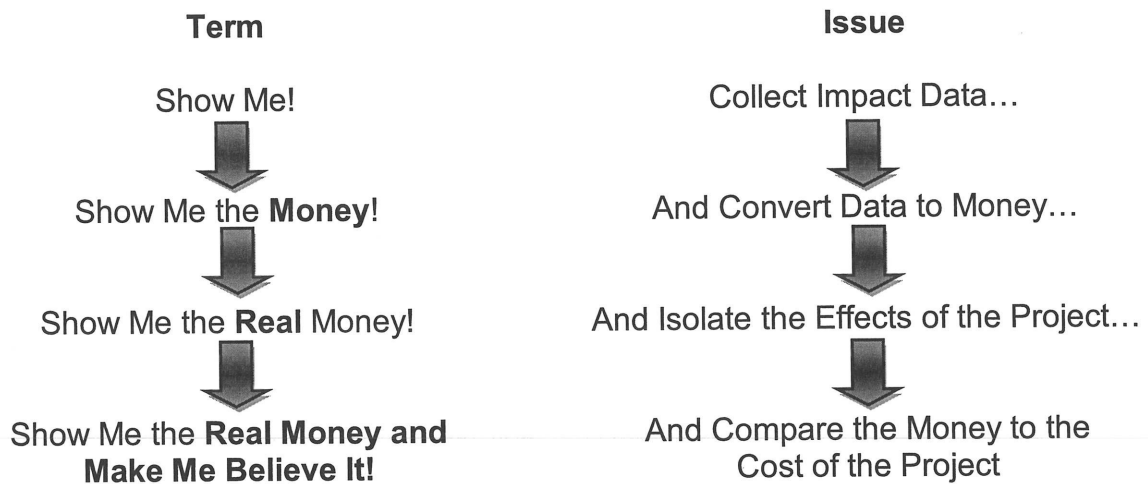
NOTES:

Use of ROI in the Business World

Why ROI?

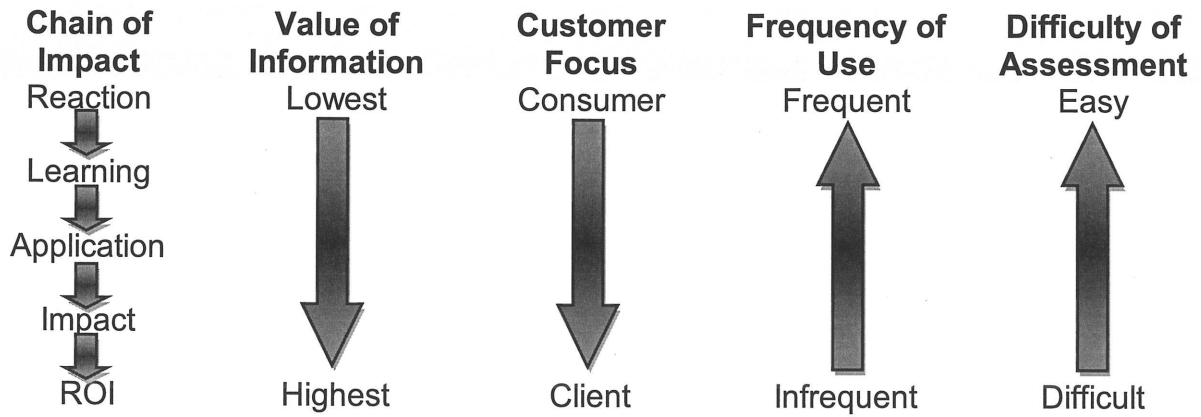
- The ROI is the ultimate level of evaluation
- The ROI is a concept familiar to most managers
- Training and development budgets are growing ... accountability becomes a greater issue
- Training is linked to competitive strategies which are evaluation with ROI
- The accountability in all organizational functions is increasing
- Many top executives are requiring ROI information on many programs

Show Me Evolution



NOTES:

Client vs. Consumer



Customers

Consumers:

The customers who are actively involved in the process.

Client:

The customers who fund, support, and approve the project.

NOTES:

Which projects are ideal for ROI?

Criteria for Selecting Programs for Levels 4 and 5 Evaluation

- Life cycle of the solution
- Linkage of solution to operational goals and issues
- Importance of solution to strategic objectives
- Top executives are interested in the evaluation
- Cost of the solution
- Visibility of the solution
- Size of the target audience
- Investment of time

Criteria for Selecting Programs for Level 3 Evaluation

- Short cycle programs
- Applications are critical
- Behavior change is most important
- Compliance programs
- Skill-based programs

Programs that are not Ideal for ROI

- Compliance programs
- Technical training
- Entry level programs
- Job related skills
- Very brief programs

NOTES:

Worksheet – Project/Program Selection Criteria: Selecting Programs/Interventions for Level 4 and 5 Evaluation

List each project/program you are considering evaluating in the left column below. Rank each program as 1, 2, 3, 4, or 5 for each of the ten criteria.

Program/Intervention ↓	Criteria and Ranking Scale									
	Life Cycle of Project Program	Operational Objectives	Strategic Objectives	Costs	Audience Size	Visibility	Investment of Time	Needs Assessment Conducted	Management Interest	Quality of Data Collection Processes
1.										
2.										
3.										
4.										
5.										
6.										
7.										
8.										
9.										
10.										
11.										

Criteria

1. Life Cycle of Project/Program
1 = Very short life cycle (one shot program); 5 = Long life cycle (permanent program)
2. Operational Objectives
1 = Not related to operational objectives; 5 = Closely related to operational objectives
3. Strategic Objectives
1 = Not related to strategic objectives; 5 = Closely related to strategic objectives
4. Costs
1 = Very inexpensive; 5 = Very expensive
5. Audience Size
1 = Very small audience; 5 = Very large audience
6. Visibility
1 = Low visibility for program; 5 = High visibility for program
7. Investment of Time (Delivery, coordination, support)
1 = Small investment of time; 5 = Large investment of time
8. Needs Assessment Conducted
1 = No process to determine needs; 5 = Process was used to determine learning, performance, and business needs
9. Management Interest
1 = Low level of interest in evaluating program; 5 = High level of interest in evaluating this program
10. Quality of Data Collection Processes
1 = Very little data available; 5 = Good processes in place to collect data

How to Integrate ROI into a Sales Call

When to Bring up ROI – Options

1. Mention results-based approach – every call
2. Mention ROI as a possibility – every call
3. Explain ROI – when there is interest
4. Push ROI – when it should be considered
5. Require ROI – when it is a must

1. Results-Based Approach

Paradigm Shift in Programs

Activity Based – Characterized by:	Results Based – Characterized by:
1. No business need for the program	1. Program linked to specific business needs
2. No assessment of performance issues	2. Assessment of performance effectiveness
3. No specific measurable objectives	3. Specific objectives for application and business impact
4. No effort to prepare program participants to achieve results	4. Results expectations communicated to participants
5. No effort to prepare the work environment to support program	5. Environment prepared to support program
6. No efforts to build partnerships with key managers	6. Partnerships established with key managers and clients
7. No measurement of results or cost benefit analysis (ROI)	7. Measurement of results or cost benefit analysis (ROI)
8. Reporting on programs is input focused	8. Planning on programs are outcome focused

NOTES:

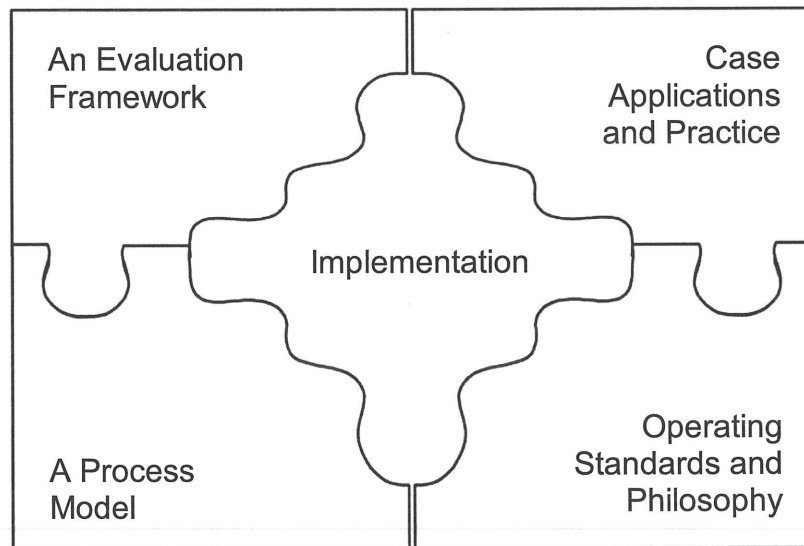
2. Mention ROI.

What is ROI?

Balanced Data Set

1. Reaction and Planned Action	Measures participant satisfaction with the program and captures planned actions, if appropriate.
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4. Business Impact	Measures changes in business impact variables.
5. Return on Investment	Compare project benefits to the costs.

Elements of ROI



3. Explain ROI

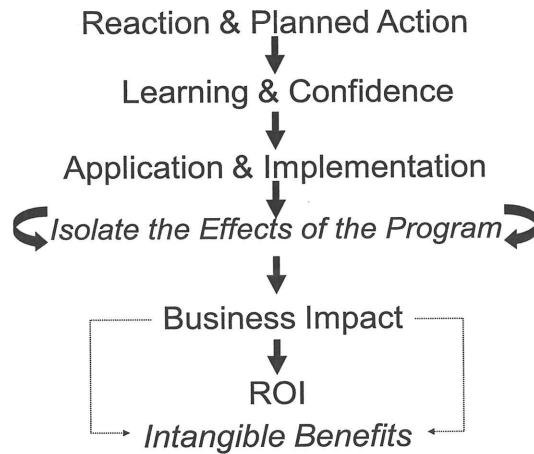
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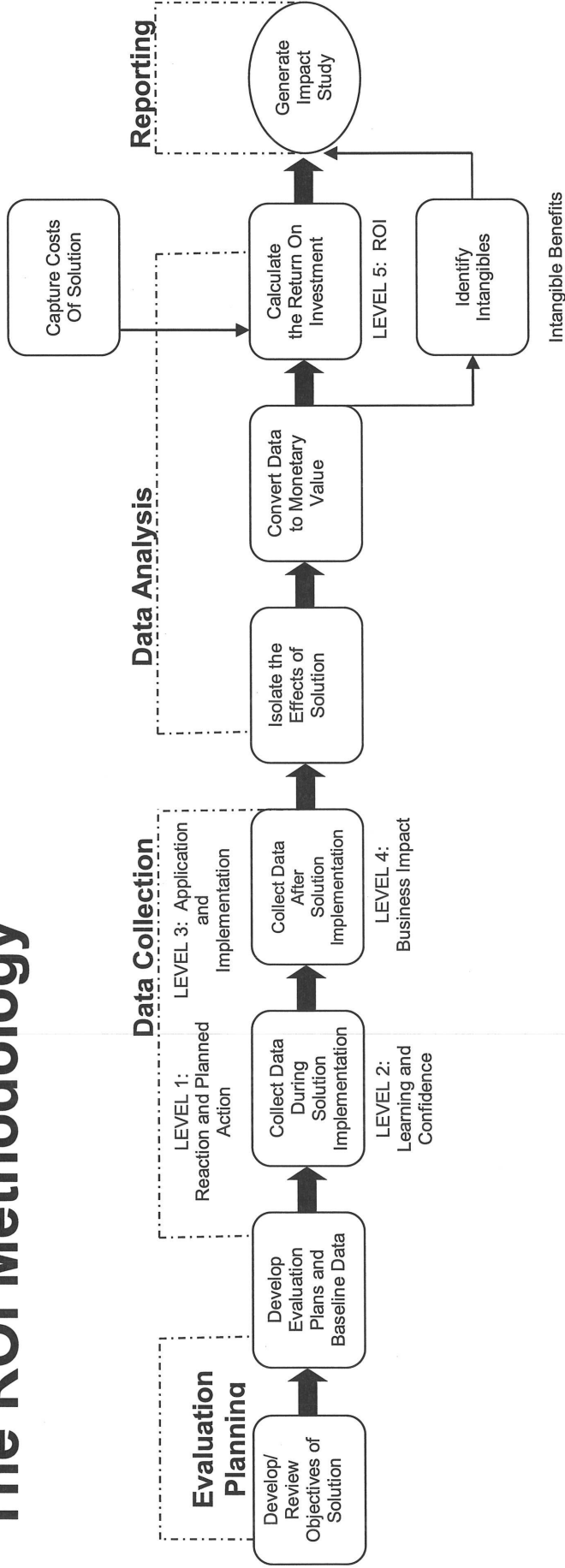
Chain of Impact



The chain usually breaks at Level 3

NOTES:

The ROI Methodology



ROI Calculation

$$ROI = \frac{\text{Net Project Benefits} - \text{Project Costs}}{\text{Cost of project}} \times 100$$

Cost of project \$230,000
 Benefits of project (1st year) \$430,000

$$ROI = \frac{\$430,000 - \$230,000}{\$230,000} \times 100 = 87\%$$

Level	Measurement Focus
1. Reaction & Planned Action	Measure participant satisfaction with the project/project and captures planned action.
2. Learning & Confidence	Measures changes in knowledge, skills, and attitude.
3. Application & Implementation	Measures implementation and changes in behavior in the performance setting.
4. Business Impact	Measures changes in business impact variables.
5. Return on Investment	Compares benefits to the costs.

12 Guiding Principles

1. When conducting a higher-level evaluation, collect data at lower levels.
2. When planning a higher level evaluation, the previous level of evaluation is not required to be comprehensive.
3. When collecting and analyzing data, use only the most credible sources.
4. When analyzing data, select the most conservative alternatives for calculations.
5. Use at least one method to isolate the effects of the program or project.
6. If no improvement data are available for a population or from a specific source, assume that little or no improvement has occurred.
7. Adjust estimates of improvements for the potential error of the estimates.
8. Avoid use of extreme data items and unsupported claims when calculating ROI calculations.
9. Use only the first year of annual benefits in the ROI analysis of short-term solutions.
10. Fully load all costs of the solution, project, or program when analyzing ROI.
11. Intangible measures are defined as measures that are purposely not converted to monetary values.
12. Communicate the results of the ROI Methodology to all key stakeholders.

The ROI Process

A comprehensive measurement and evaluation process that generates six types of measures:

- Reaction and Planned Action
- Learning and Confidence
- Application and Implementation
- Business Impact
- Return on Investment
- Intangible Measures

This balanced approach to measurement includes a technique to isolate the effect of the program or solution.

Results-based Solutions

- Performance solutions/projects are initiated, developed and delivered with the end in mind.
- Participants understand their responsibility to obtain results with programs/solutions.
- Support groups (management, supervisors, co-workers, etc.) help to achieve results from performance solutions.
- A comprehensive measurement and evaluation system is in place for each program/project.
- Variety of approaches utilized to measure contribution, representing a balanced viewpoint.
- Follow-up evaluations (Application, Impact, and ROI) are developed for targeted solutions/projects and results are reported to a variety of stakeholders.

4. Push ROI

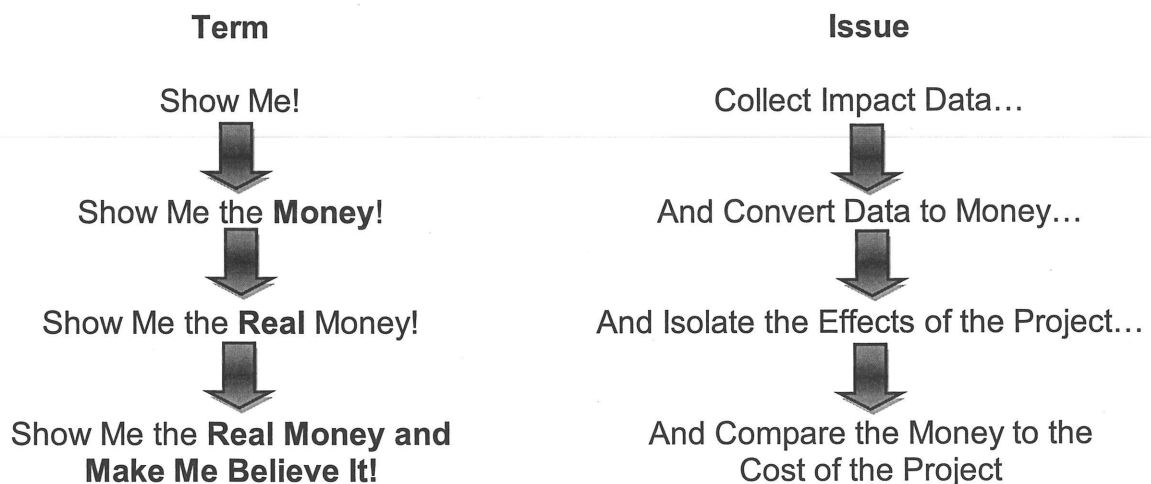
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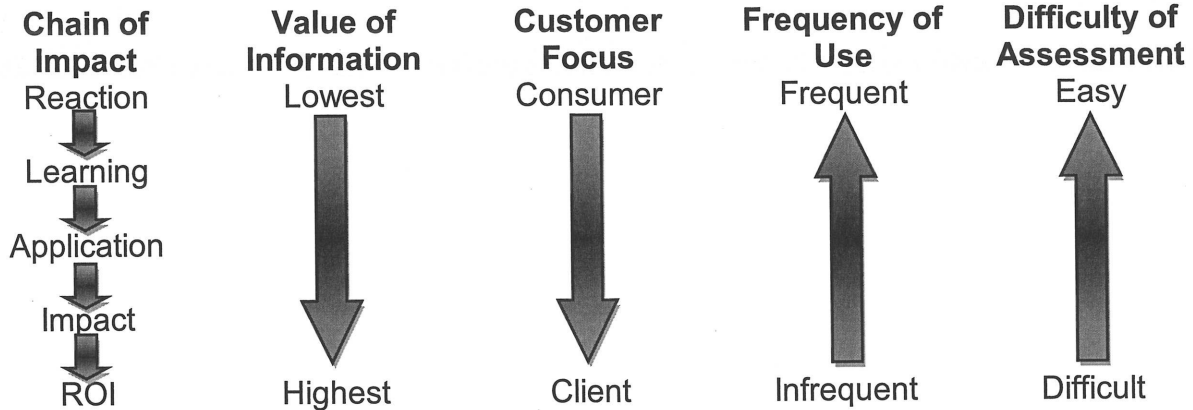
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Client vs. Customer



Customers

Consumers:

The customers who are actively involved in the process.

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Programs that are not Ideal for ROI

- Compliance programs
- Technical training
- Entry level programs
- Job related skills
- Very brief programs

Probing Questions

- What is the anticipated total cost of this program?
- With this much money, shouldn't we explore the ROI?
- Who is the ultimate client (provides funding)?
- Would this person want to see ROI?
- If there is a new ultimate client in the future, will this person want to see the ROI?
- When this program is completed, will the ultimate client want to see ROI?
- If the ROI is positive, how could the results be leveraged?
- If the ROI is negative, what would happen?
- If this program is not adding positive value, wouldn't you want to know it?

Have No Fear

- ROI is a process improvement tool – designed to improve projects and programs
- ROI is not designed for performance review for individuals
- Every study reveals opportunities for changes
- Negative results represent the best opportunity to learn
- Negative results have a positive story
- Don't wait for a client to ask for ROI

5. Require ROI

ROI is a Feasible Process

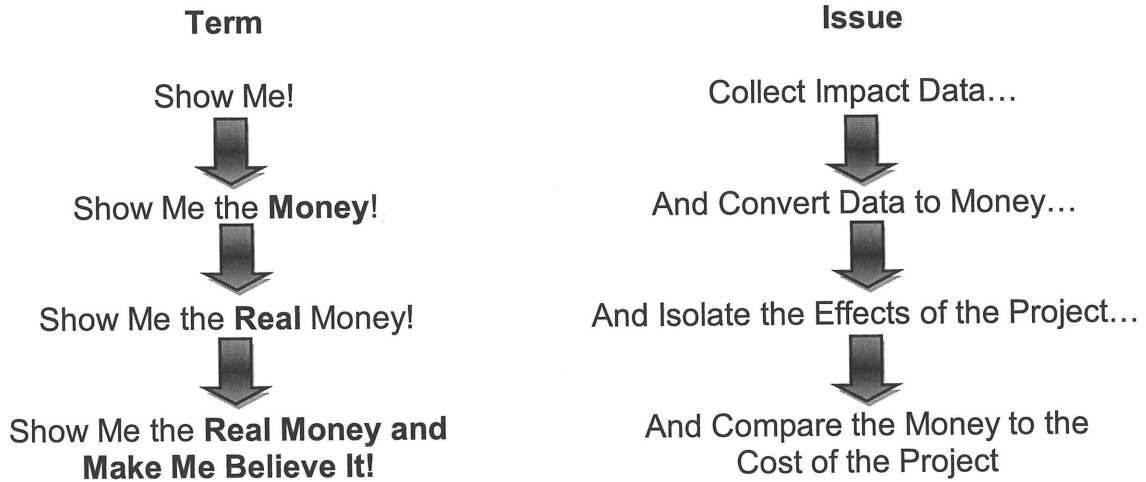
- Not very expensive
- Many shortcut methods
- Time requirement can be managed
- Fits all types of programs
- Technology helps with costs/time
- Implementation is planned/systematic

Why ROI?

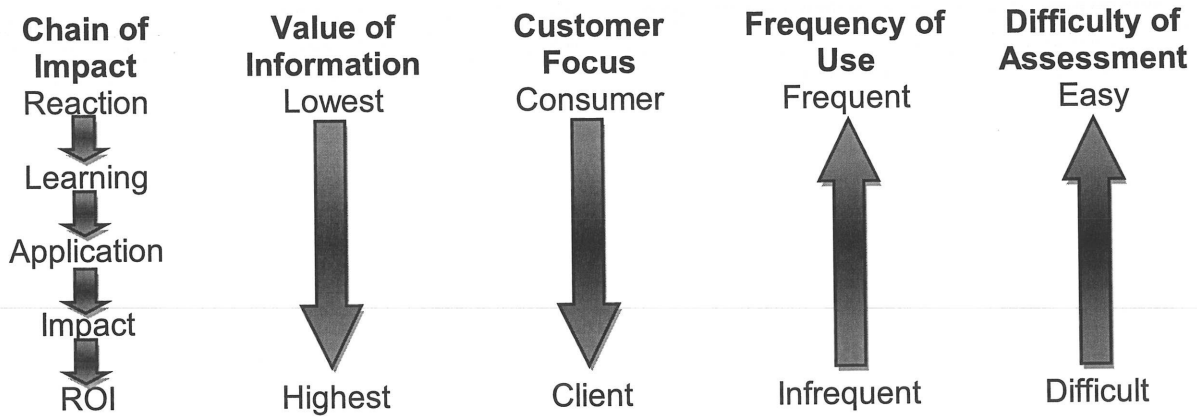
- The ROI is the ultimate level of evaluation
- The ROI is a concept familiar to most managers
- Training and development budgets are growing ... accountability becomes a greater issue
- Training is linked to competitive strategies which are evaluation with ROI
- The accountability in all organizational functions is increasing
- Many top executives are requiring ROI information on many programs

NOTES:

Show Me Evolution



Client vs. Customer



Customers

Consumers:

The customers who are actively involved in the process.

Client:

The customers who fund, support, and approve the project.

Programs that are not Ideal for ROI

- Compliance programs
- Technical training
- Entry level programs
- Job related skills
- Very brief programs

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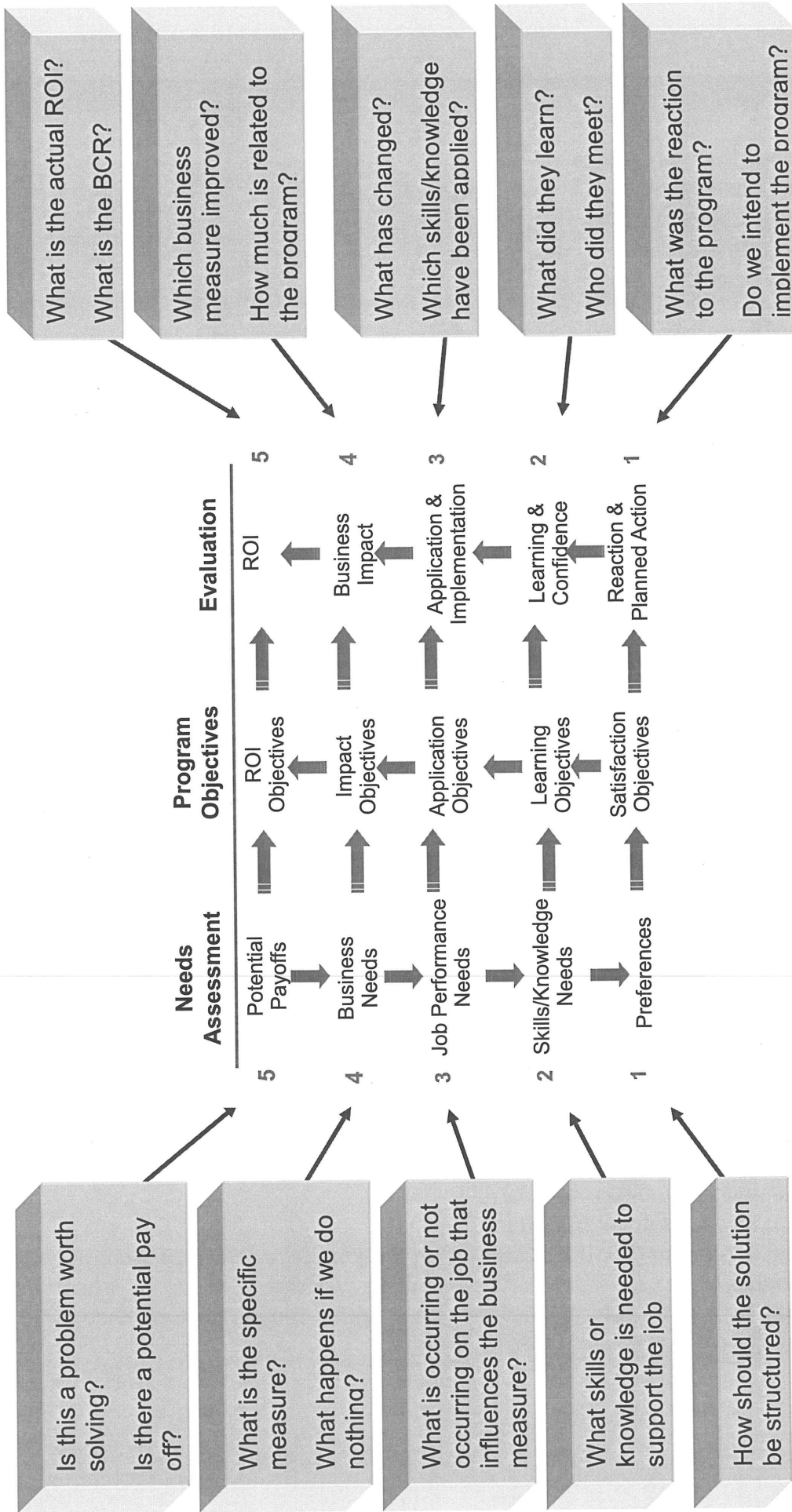
The ROI Detail

- Because of the critical importance of this program; an ROI study is built into the project.
- Data collection, analysis, and reporting will be handled by external group.
- Your involvement will be necessary, but minimal.
- You will receive a detailed impact study, and executive summary, and a one-page summary.
- The study will contain recommendations for improving the program.
- The results will be presented to key stakeholders.

Additional Questions

- What are the objectives for the program at each level?
- Is this a problem worth solving?
- Is there a potential payoff?
- What is the specific measure?
- What happens if we do nothing?
- What is occurring or not occurring on the job that influences the business measure?
- What skills or knowledge is needed to support the job performance need?
- How should the solution be structured?

Key Alignment Questions



Office Supply Company

Regina Thompson, Workforce Development Specialist for Valley Community College (VCC), has pushed the concept of accountability for her projects and programs with her key clients. On requests for major learning and development programs, she has suggested that the results be monitored, including the impact and potentially the ROI. For some projects she has insisted that the ROI be calculated.

One particular program, Professional Selling Skills, was implemented at the Office Supply Company (OSC). OSC operates a chain of office supply stores and has a total sales force of 768 staff. Unlike some stores, the sales staff has excellent product knowledge and routinely assists customers by showing the advantages and disadvantages of various products. They help guide customers to a purchasing decision for particular office items. To prepare them for this professional sales approach, Valley Community College implemented Professional Selling Skills, a three day training program, for the entire sales team.

To show the impact of the program, samples of four stores, representing 93 sales associates, were evaluated after they attended the training. Using the ROI methodology, data were collected for reaction, learning, application, impact, and ROI. From Regina's perspective, the study was very thorough, conducted by qualified consultants. This approach provided independence and ensured that the methodology was properly applied. To isolate the effects of the training, the actual sales results of the stores where the training was conducted, were compared to a matching group of stores to check for differences. Regina felt comfortable that the 3% sales increase differential was connected directly to the training. When the profits from the sales were considered and compared to the fully loaded costs of the training, the program generated an impressive 178% ROI. In addition, the program generated a very positive reaction, participants reported significant learning, and the sales managers and sales staff reported routine use of skills.

The store managers and the Executive Vice President for Sales and Marketing were very impressed and used the data as a basis for providing the training for the remaining sales associates. As with all studies, this study showed that some adjustments could be made to bring even greater results and these adjustments were made.

Questions for discussion:

1. How could Regina use the results in the future?

2. Is this situation common? If not, why not?

3. Do you think this situation is possible in your environment? If not, why not?

4. Do you have any concerns about how these results can be used? If so, what are they?

State Environmental Agency

Martin Wang is a Workforce Development Coordinator for Northeast Community College. In this role, he organizes programs for a variety of employers. Martin particularly focuses on the public sector and arranges all types of programs and projects for this group. One of Martin's clients is the State Environmental Agency. In recent years, the staffing for the agency has increased and the workload has increased. The agency regulates all types of organizations, employers, and other agencies and enforce a variety of regulations and laws. The staff is quite challenged to keep up.

The principal client at this agency is Janie Garner, the Learning and Development manager for the entire agency. Janie has been concerned about the morale of the team and the workload challenges. She would like to increase the effectiveness and productivity of employees and, at the same time, make them feel better about working at the agency. Consequently, she asked Martin to implement a customized empowerment program. The new program focused on organizational skills, empowerment, self-improvement, planning, and communications. The goal is to make them highly effective employees in the agency.

When Martin mentioned the concept of ROI, Janie quickly latched onto it. This would be a great opportunity to show the agency that this type of program could make a difference. Janie's interest in ROI was a bit of a surprise to Martin. Although he initiated the ROI discussion, he did not anticipate that she would go for it. After explaining what would be involved, they decided to pursue an ROI study.

The study, conducted by ROI Institute, provided an assessment of the program, labeled Today's Professional. A group of 74 employees were analyzed as they provided reaction, learning, application, and impact data. Using a questionnaire, participants were asked to show the impact of the program in their own work and personal lives and were asked to convert this to money. Ultimately the savings were compared to the cost of the program to generate this ROI. Martin was a little concerned with this program as the application and impact objectives were not clearly defined. It was not clear what was actually expected from this program. Nevertheless, Martin was hoping for a miracle that would generate a positive ROI to keep everyone happy.

Unfortunately, many of the participants did not provide impact data for the program. They struggled with monetary values and were not fully committed to providing this level of data, even if they could. Consequently, the results were very sketchy at best and when all of the costs were considered, the project produced a negative ROI. When the ROI Institute notified both Janie and Martin that the results were very disappointing, Martin began to work on damage control. As he reviewed the study, he quickly identified some culprits – some reasons why the results were not there. Some fundamental actions were not addressed: lack of alignment with agency needs, no expectations created with participants, and lack of management support. Martin was now left with a major problem. How will the agency react to this? What can be done? What should be done?

Questions for discussion:

1. Is this a typical scenario?

2. What should Martin do at this point?

3. What should Janie do at this point?

4. How can this situation be prevented? Be specific.

5. What's the bright side of what has occurred?

Roles in ROI Projects

Sales Professional's Role in ROI

- Understand ROI
- Explain ROI
- Encourage ROI
- Use ROI data properly
- Use ROI results in strategic marketing

Client's Role in ROI

- Understand ROI
- Support ROI
- Provide resources for ROI studies
- Use ROI data properly
- Embrace ROI as process improvement

Analyst Role in ROI

- Ensure the program/project is needed
- Connect program to business need
- Develop objectives at multiple levels

Designer/Developer Role in ROI

- Clarify objectives
- Relate content to application/impact
- Include application/impact in exercises/activities

Participant's Role

- Be involved in program
- Learn the content
- Apply the content
- Get results (impact)
- Provide data when needed

Facilitator's Role

- Begin with the end in mind
- Teach to application/impact objectives
- Require action plans and other application tools
- Be involved follow-up

Evaluation Teams Role

- Complete evaluation planning
- Design data collection instruments
- Collect data
- Analyze data
- Report results
- Drive improvement

-See the Commitment for Studies-

NOTES:

Conducting Impact Studies: Our Commitment

Conducting an impact study for a particular project or program is what we do best. For over 15 years we have been assisting organizations with the use of ROI, and our major service is conducting impact studies. These studies are for programs that are usually high profile, expensive, strategic, controversial, or highly visible.

We track the intended and unintended consequences of the program. Also, we always uncover barriers to success and the factors that enabled success. When we conduct a study, we aim to make it the most credible and efficient study possible. Our commitment to quality is captured in these important steps:

Data Collection

It is important to uncover all of the data that has been influenced, enhanced, or driven by the project. We will seek both the positive and negative consequences. Within the scope and budget of the study we will exhaust all sources and methods to obtain the best set of data possible to show the value of the project or program. Each study collects: reaction, learning, application, impact, ROI, and intangible benefits.

Guiding Principles

Throughout the study we will follow the guiding principles for the ROI Methodology to make a credible study that is as efficient as possible. These principles are the standards for this process and increase the reliability and validity of a study, ensure consistency from one study to another, and enable comparisons from one study to another.

1. When conducting a higher-level evaluation, collect data at lower levels.
2. When planning a higher-level evaluation, the previous level of evaluation is not required to be comprehensive.
3. When collecting and analyzing data, use only the most credible sources.
4. When analyzing data, select the most conservative alternative for calculations.
5. Use at least one method to isolate the effects of a project.
6. If no improvement data are available for a population or from a specific source, assume that little or no improvement has occurred.
7. Adjust estimates of improvement for potential errors of estimation.
8. Avoid use of extreme data items and unsupported claims when calculating ROI.
9. Use only the first year of annual benefits in ROI analysis of short-term solutions.
10. Fully load all costs of a solution, project, or program when analyzing ROI.
11. Intangible measures are defined as measures that are purposely not converted to monetary values.
12. Communicate the results of ROI methodology to all key stakeholders.

Communication During Projects

We will communicate regularly with all stakeholders. Conducting a study can create anxiety and frustration among the stakeholders. We keep everyone informed and involved to the extent necessary. We insist on involvement, commitment, and support throughout the study.

Process Improvement—not Performance Evaluation

The study focuses on process improvement—not performance evaluation for any individual or team. In no way should the results of a study be used to “punish” anyone or reflect on his or her performance. The ROI Methodology is built on the premise that programs and projects can be improved—improved on an ongoing basis if it is a continuing project or at the next offering of a similar project or program. Data collection includes the barriers, inhibitors, and impediments so that they can be removed, minimized, or changed to enhance success in the future. Also, the study captures enablers, enhancers, and supporters—the factors that can make a difference in the success of a project.

Objective, Unbiased Approach

We will remain objective throughout the process. Objectiveness is needed to maintain credibility. We do not become an advocate for the program. Instead, we are advocates for conducting a thorough, credible study. We will be unbiased and present a balanced profile of success.

Disappointing Results

When negative results are likely, we alert all groups to generate plans to address the situation and communicate the data. While no individual wants to be involved in a program that is unsuccessful, a negative ROI study represents the best opportunity to learn. When bad news becomes apparent, we work with all the stakeholders to prepare them for the potential outcomes and to help with the appropriate communication challenges. Here, it is important to ensure that process improvement is the focus of the results.

Ethics

We adhere to the highest ethical standards and will make every effort to ensure that the integrity is maintained throughout the study. We will not delete, alter, or modify data. Our credibility is everything to us, credibility of the study and the credibility of our team when delivering the results. Here is our approach to ethical issues:

Ethical Dilemma	Description	Solution
Team Participation	Purposely omitting certain groups or individuals can generate ethical issues.	Deciding who will be on the evaluation team is important. Making sure that all stakeholders are represented and are involved in some way is essential. The extent to which others are actually involved in guiding or developing the outcome is important. While their input is essential, they should not be able to advise, alter, or change, the outcomes in any way.
Data Collection	The greatest opportunity for unethical issues is the selective omission of data by those involved in data collection. Improper sampling; skewed questions on questionnaires, surveys, or focus group; and evaluator bias are all serious problems that can occur during data collection.	It is important to collect data from all the appropriate individuals, ensuring representation of the entire group. An appropriate degree of statistical rigor can help ensure that the data collected is representative and that evaluator bias is avoided.
Data Omission	One of the most disturbing ethical issues is the selective omission of data by those involved in data collection.	All data is available for review. Data summaries are included in the final report.
Data Analysis, Interpretation, and Conclusions	Data interpretation can be subjective and even judgmental and should be approached with caution.	Including and itemizing all of the data are important. Selecting analytical techniques that are fair, consistent, and methodical is important. Using logical, rational approaches to reach conclusions is important, interpreting data in a way to minimize the possibility of bias, error, and misjudgment.
Identity Protection	Credibility can be destroyed if participants' responses can be tied to their identity.	Protecting the identity of all participants is very important even if it is not a condition for response. While it may be important to know the job

		group and some job characteristics of the individual, most situations it is not necessary to reveal the source of the data by individual.
Communication	Selectively emphasizing parts or deemphasizing others can lead to misunderstanding and misinterpretation of the data.	It is important to present the data in a uniform, objective, and consistent manner.
Recommendations	Sometimes, the recommendations are based on subjective considerations as changes or improvements are explored.	Recommendations must be based on conclusions drawn from factual data analysis rather than opinions or biases.
Client Involvement	An ethical issue can surface when the client is involved in interpreting and understanding the data and drawing particular conclusions.	The extent to which the client is involved is important. The client needs to help set expectations, approve the evaluation plan, and review the data. Sometimes input is helpful but the client should not be able to influence the conclusions and recommendations.

Statistical Analysis

Appropriate statistical analyzes are utilized and when conclusions cannot be made at the appropriate confidence level, the audience will know it. At the same time, we will avoid unnecessary, complicated statistical processes that often create distrust and confusion. We use simple statistics, but yet we focus on what is believable, understandable, and achievable within the budget and resources allocated to the study.

Isolating the Effects of the Project

We will always isolate the effects of the program from other factors that have caused business impact measures to change. This is perhaps the most credible issue. Almost always, there are other factors that could influence the results. We will move from the most credible to the least credible methods, but will always make one work. When the least credible methods are used (e.g. estimation) every effort is taken to make it a credible process. In those situations, the data will be solicited from the most credible sources, collected in an unbiased way, and adjusted for error. Essentially, estimates are not preferred as an isolation technique, but must be defended, if used.

Report Preparation

The impact study report will be detailed, thorough, and professional. The impact study report is a historical document of what has occurred. It is also the document that explains to anyone, who is interested, how the study was conducted. While it may not be read by many, it is written and presented as if every person will read it thoroughly. It will be used as a basis for information in more efficient and streamlined communication.

Results Presentation

If feasible and desired, the ROI Institute will present impact studies to a variety of stakeholder groups. This is recommended for the first study with this methodology. Credibility is the key issue. The ROI Institute has faced this issue many times with a very disciplined approach to present this level of data and achieve buy-in with managers and executives. If the client prefers to present the data, the ROI Institute will help to prepare the individual to present it in a credible, professional, and believable way.

These guidelines ensure that we provide you the best impact studies possible. It is our primary service. When you need an objective, proven method to show the value, including ROI, for a real project or program, consider ROI Institute.

Steps to Develop an ROI Study

Data Collection Questionnaire

1. Decide if ROI is the appropriate level of measurement for the program – discuss the issues and concerns.
2. Discuss the specific objectives – include objectives for reaction, learning, application, impact, and ROI.
3. Complete evaluation planning with the completion of the data collection plan, ROI analysis plan, project plan.
4. Secure approval for the plans from key stakeholders.
5. Design the questionnaire to capture reaction and learning – during the program.
6. Design the questionnaire or action plan to capture application and impact data – at a specific date.
7. Test the questionnaires or action plans with a small group knowledgeable of the program and objectives to ensure that questions are clear, precise, and understandable.
8. Develop a plan to achieve a high response rate. Include techniques to ensure at least a 70% return rate on the follow-up questionnaire.
9. Develop the communication documents to participants including the advanced communication, and post-communication.
10. Conduct a brief session with participants at the program to explain the evaluation, and what is needed.
11. Send/deliver the questionnaire.
12. Send two follow-up reminders.
13. Receive the results and tabulate data.
14. Analyze data and develop tables and charts.
15. Develop a 50-100 page report presenting detailed information about the program and the evaluation.
16. Develop specific recommendations for improve the program.
17. Write a five-page summary, a one-page summary, and PowerPoint slides for communicating results.
18. Communicate data to target groups preferably in a live session – recommend specific actions.
19. Recommendations are adopted and improvements are made.

Typical Measures for Programs

Project	Key Impact Measurements
Absenteeism control/reduction	Absenteeism, customer satisfaction, job satisfaction, stress
Business coaching	Productivity/output, quality, time savings, efficiency, costs, employee satisfaction, customer satisfaction
Career development/career management	Turnover, promotions, recruiting expenses, job satisfaction
Communications training	Errors, stress, conflicts, productivity, job satisfaction
Compensation plans	Costs, productivity, quality, job satisfaction
Compliance programs	Penalties/fines, charges, settlements, losses
Diversity	Turnover, absenteeism, complaints, charges, settlements, losses
E-Learning	Cost savings, productivity improvement, quality improvement, cycle times, error reductions, job satisfaction
Executive Education	Productivity, sales, quality, time, costs, customer service, turnover, absenteeism, job satisfaction
Labor-Management cooperation programs	Work stoppages, grievances, absenteeism, job satisfaction
Leadership development	Productivity/output, quality, efficiency, cost/time savings, employee satisfaction, engagement
Management development	Productivity, sales, quality, time, costs, customer service, turnover, absenteeism, job satisfaction
Orientation, on-boarding (revised)	Early turnover, training time, productivity, performance
Personal productivity/time management	Time savings, productivity, stress reduction, job satisfaction
Project management	Time savings, quality improvement, budgets
Retention management	Turnover, engagement, job satisfaction
Safety training	Accident frequency rates, accident severity rates, first aid treatments
Sales training	Sales, market share, customer loyalty, new accounts
Self-directed teams	Productivity/output, quality, customer satisfaction, turnover, absenteeism, job satisfaction
Sexual harassment prevention	Complaints, turnover, absenteeism, employee satisfaction
Six Sigma training	Defects, rework, response times, cycle times, costs
Stress management	Medical costs, turnover, absenteeism, job satisfaction
Software Support	Productivity, sales, quality, time, costs, customer service, turnover, absenteeism, job satisfaction
Team building	Productivity, sales, quality, time, costs, customer service, turnover, absenteeism, job satisfaction
Supervisor training	Productivity, sales, quality, time, costs, customer service, turnover, absenteeism, job satisfaction
Wellness/fitness training	Turnover, medical costs, accidents, absenteeism

Success Factors in ROI Projects

Before the ROI Study is Conducted

- Client commitment to ROI study
- Alignment with business measures
- Specific objectives for application and impact
- An understanding of performance issues
- Commitment and expectations from participants to drive results and provide data
- Content focused on application and impact

During the ROI Study

- Facilitated with application/impact in mind
- Effective data collection methods
- Specific strategies implemented to transfer learning to the job
- Participants provide adequate data

After the ROI Study is Conducted

- ROI calculation follow conservative standards
- Results are communicated to key stakeholders
- Results are used to drive improvement
- Results are used to market/fund future programs

NOTES:
