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HRDQU.com/virtualseminars

A large group of diverse business professionals, including men and women of various ethnicities, are posed in several rows. They are all dressed in professional business attire. In the center of the group, there is a logo for 'HRDQ-U Virtual Seminars'. The entire scene is set against a plain white background.

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Jack J. Phillips, Ph.D.



Dr. Jack J. Phillips, a world-renowned expert on accountability, measurement, and evaluation, is chairman of ROI Institute, Inc. Phillips provides consulting services for Fortune 500 companies and major global organizations. The author or editor of more than 100 books, he conducts workshops and presents at conferences throughout the world.

Phillips has received several awards for his books and work. The American Society for Training and Development gave him its highest award, Distinguished Contribution to Workplace Learning and Development for his work on ROI. The International Society for Performance Improvement presented Jack with its highest award, the Thomas F. Gilbert Award, for his contribution to human performance technology. On three occasions, Meeting News named him one of the 25 Most Powerful People in the Meetings and Events Industry, based on his work on ROI. The Society for Human Resource Management presented him an award for one of his books and honored a Phillips ROI study with its highest award for creativity. In 2019, Jack, along with his wife Patti P. Phillips, received the Distinguished Contributor Award by the Center for Talent Reporting for their contribution to the measurement and management of human capital. Jack was recently named an honorary member of the International Federation of Training Development Organizations.

His work has been featured in the Wall Street Journal, BusinessWeek, and Fortune magazine. He has been interviewed by several television programs, including CNN. Phillips served as President of the International Society for Performance Improvement.

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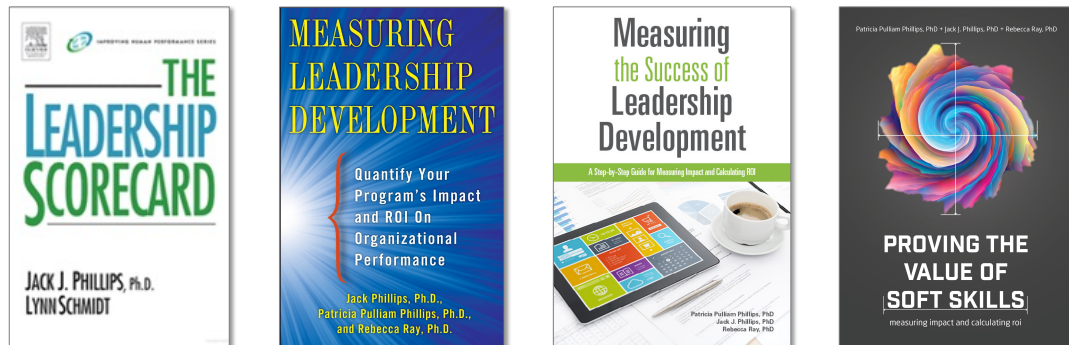
Learning Objectives

After attending this session, participants will be able to:

1. Identify the levels of leadership.
2. Discuss the value chain for leadership programs.
3. Describe the need to show impact and ROI for major leadership development programs.
4. Design leadership development programs to deliver impact and ROI.
5. Plan next steps to evaluate a major leadership development program.



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Our Contribution to This Field

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Resources

The ROI Methodology in 12 Easy Steps
A step-by-step guide for developing programs, projects, and solutions that generate ROI.

The Business Case for Learning
Using Design Thinking to Deliver Business Results and Increase the Investment in Talent Development

PROVING THE VALUE OF SOFT SKILLS
measuring impact and calculating ROI

The ROI Methodology Process Model
Designing for the Delivery of Business Results

Level 5 Leadership: Designing for Results
WEBINAR

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What is your role in leadership?

(Select all that apply.)

- ☐ I'm an internal provider of leadership development.
- ☐ I'm an external provider of leadership development.
- ☐ I manage the talent development team.
- ☐ I teach leadership development.
- ☐ I am a leader.

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The Levels of Leadership

If your actions inspire others to:

- Dream more,
- Learn more,
- Do more,
- And become more,

You are a leader.

—John Quincy Adams

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Reaction
↓
Learning
↓
Application
↓
Impact

—John Quincy Adams

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The Value Chain is Always There!

	LEVEL	ISSUE	MEASURES	TARGETS [†]
	0	Inputs	Volume, Hours, Convenience, Cost	100%
	1	Reaction	*Relevance, Engaging, *Important, Useful, *New Content, *Intent to Use, *Recommend to Others	100%
	2	Learning	Concepts, Trends, Facts, Contacts, Skills, Competencies	90%
	3	Application	Use of content, Frequency of Use, Success with Use, Barriers, Enablers	30%
	4	Impact	Productivity, Time, Quality, Costs, Image, Reputation, Engagement, Compliance	10%
	5	ROI	Benefit Cost Ratio or Return on Investment, Expressed as a Percent	5%

This is easy
Always measured

This is easy
Almost always measured

Not difficult
Usually measured

Possible
Often measured

Not so difficult to connect
Sometimes measured

Possible for many
programs
Rarely measured

*Can predict

Executives
prefer

Must take a step to isolate the effects

[†] Best Practice: Percent of Programs Evaluated at this level each year.

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Leadership Success Profile

Success Level	Leadership Qualities	Leadership Challenge	Leader Label	Leadership Development Evaluation
1	Admirable	Make It Exciting	Charismatic	Reaction
2	Intelligence	Make It Matter	Teacher	Learning
3	Bias for Action	Make It Stick	Influencer	Application
4	Results Focus	Make It Credible	Impactful	Impact
5	Value Add	Make it Worthwhile	Valuable	ROI

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Do Leaders Make an Impact?

“Good business leaders create a vision, articulate the vision, and relentlessly drive it to completion.”

GE market cap \$402B
Jack Welch
CEO April 1981 to Sept. 2001

“Every job or decision looks easy until you are the one on the line.”

GE market cap \$222B
Jeff Immelt
CEO, Sept. 2001 to July 2017

- These are the market caps at the departures.
- Welch is known for his focus on key impact measures.
- Under Immelt’s tenure, GE lost almost half its value.

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Leadership Can Be
Evaluated from These
Perspectives:

1. The Leader
2. The Follower
3. The Organization

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Serious Performance Challenges

**True
or
False?**

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

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At what levels do you evaluate leadership development now?

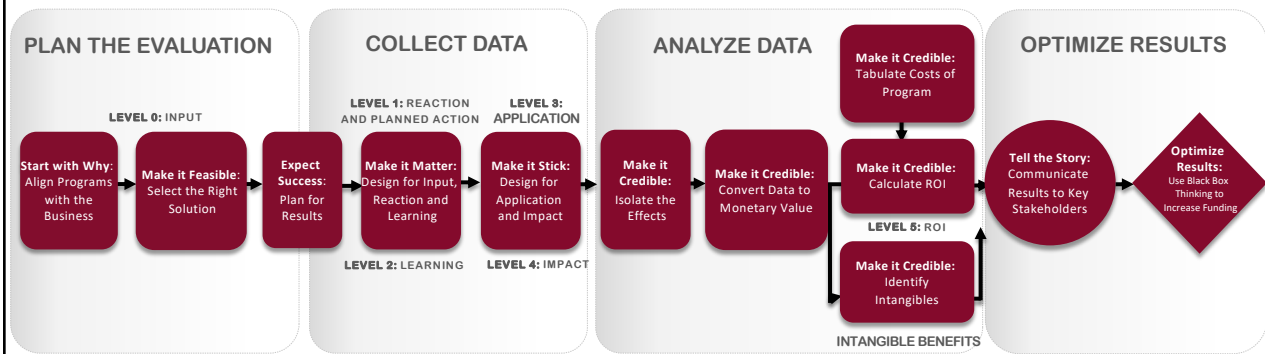
- ☐ Reaction
- ☐ Learning
- ☐ Application
- ☐ Impact
- ☐ ROI

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The ROI Methodology®

Designing for the Delivery of Business Results



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*Benchmarking Percentages

Level		Recommended % of Programs	**Benchmarking %
0	Input	100%	100%
1	Reaction	100%	80%
2	Learning	80-90%	70%
3	Application	30%	49%
4	Impact	10%	37%
5	ROI	5%	18%

*Percentage of programs evaluated at each level each year

**Benchmarking 2020

Measurement
Targets

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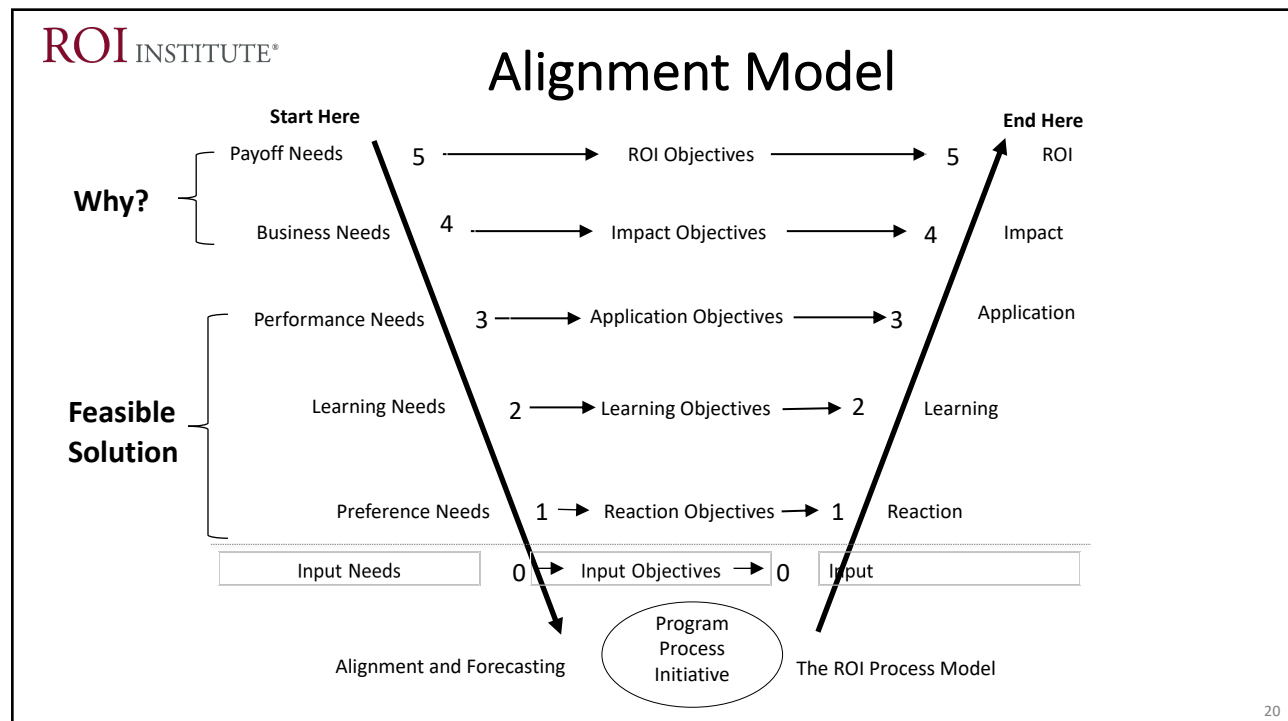
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When should you measure at the impact and ROI Levels?

- ☐ Never
- ☐ For very expensive programs
- ☐ For important and strategic programs
- ☐ When executives request it
- ☐ Routinely, for process improvement

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Matching Evaluation Levels with Objectives

Objective	Evaluation Level
After completing this program or project, participants should:	
1. Decrease employee transfers by 20% in one year.	_____
2. Listen intently to team members routinely.	_____
3. Be able to demonstrate the five steps to diffuse a conflict, given two individuals in a heated argument.	_____
4. Rate the content 4 out of 5 on relevance.	_____
5. Decrease the amount of time required to complete a project.	_____

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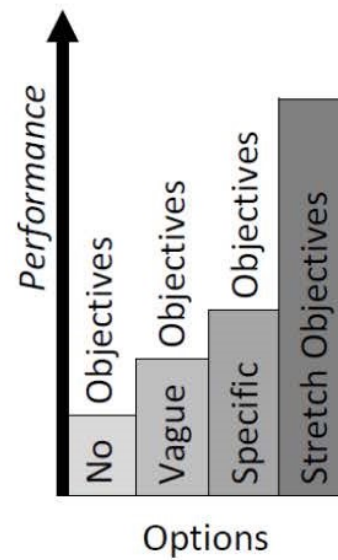
Matching Evaluation Levels with Objectives

Objective	Evaluation Level
After completing this program or project, participants should:	
1. Decrease employee transfers by 20% in one year.	4
2. Listen intently to team members routinely.	3
3. Be able to demonstrate the five steps to diffuse a conflict, given two individuals in a heated argument.	2
4. Rate the content 4 out of 5 on relevance.	1
5. Decrease the amount of time required to complete a project.	4

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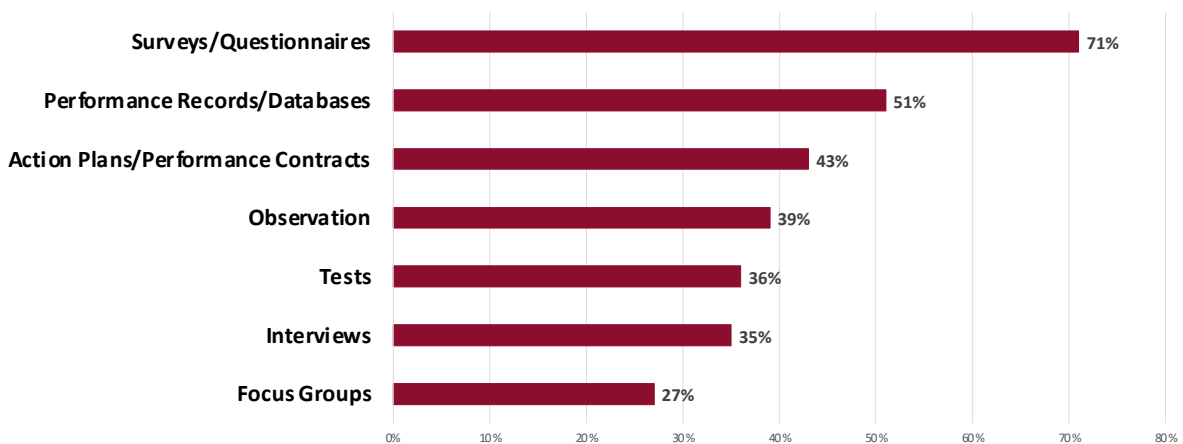
The Power of Objectives



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Data Collection Methods

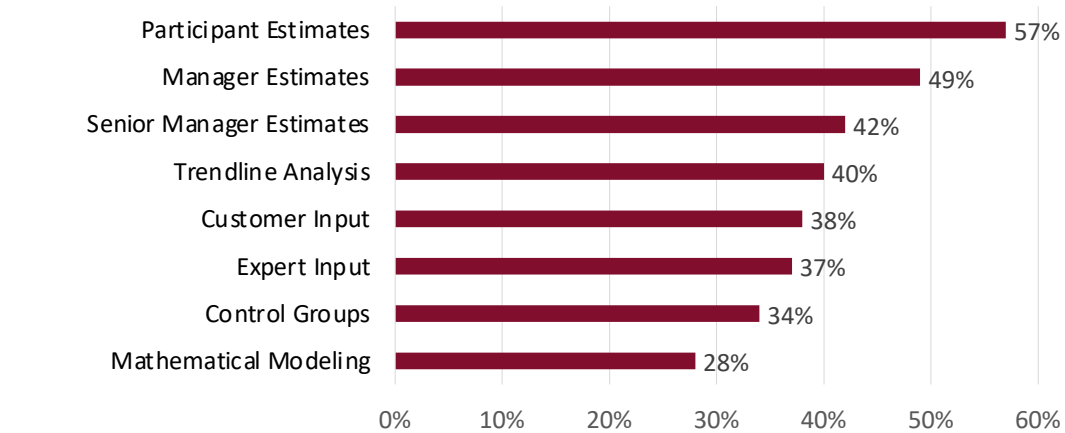


*Survey of Users, N = 246

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Isolation Methods

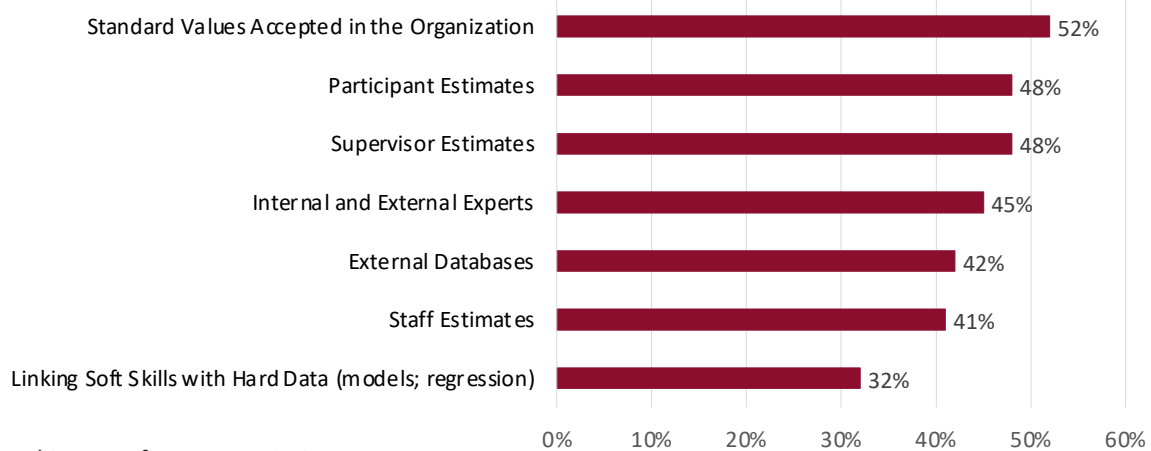


*Survey of Users, N = 246

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Data Conversion Methods



*Survey of Users, N = 246

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What is ROI?

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

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



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Case In Point: Background
Leadership Development —
Precision Manufacturing Company

- Program Description
- Business Need (the “Why”)
- Action Taken (the “Solution”)
- Result (the “Insight”)
- Why ROI?

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Case In Point: Objectives & Results

Leadership Development - Precision Manufacturing Company

	Objectives	Results
Reaction	Relevance Importance Intent to Use	4.2 out of 5
Learning	Communicate Focus on Values Build Collaboration	Strengthen Abilities Inspire Others Recognize Accomplishments
Application	Extent of Use Frequency of Use Success with Use	4.3 out of 5 4.5 out of 5 3.9 out of 5
Impact	Sales Growth Operating Costs Productivity	Safety Retention Quality
ROI	14%	47%

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Case In Point: ROI Analysis

Leadership Development - Precision Manufacturing Company

Isolating the Effects: Estimate, Adjusted for Error

Converting Data to Money: Expert Input, Standard Value

Annual Monetary Benefits: \$534,640

Cost of Program: \$365,260

$$\text{ROI} = \frac{\text{Benefits} - \text{Cost}}{\text{Cost}} \times 100 = 47\%$$

Intangibles: Engagement, Job Satisfaction, Stress

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Case In Point: Using The Results Leadership Development - Precision Manufacturing Company



Communication of results: executives, participants, managers of participants, L&D team



Actions taken with results: improvements were made for the next sessions



Lessons learned: importance of connecting to the business in the beginning



Reaction of key stakeholders: very positive and encouraging

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What are your concerns about measuring ROI?

(Select all that apply.)

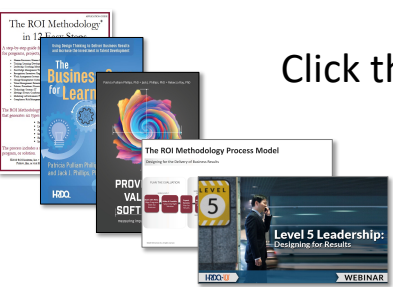
- ☐ It's too difficult.
- ☐ It takes too much time.
- ☐ No one is asking for this.
- ☐ It will kill my programs.
- ☐ I wish it would go away.

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SCAN ME



Click the link below or scan the QR code to receive resources from today's session.

<https://roiinstitute.net/hrdq-level-5-leadership/>

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ROI INSTITUTE®

Need an ROI Study on an Important Program in Leadership Development?



Join a select group in a new project to:

- Build serious capability to evaluate leadership development.
- Participate in live coaching sessions with ROI Institute leaders.
- Complete an ROI evaluation study on an important leadership development program.
- Receive the Certified ROI Professional® (CRP) designation.
- Publish your case study in a new book, *Proving the Value of Leadership Development: Real Studies from Top Leadership Development Providers*, published by HRDQ.

<https://www.roiinstituteacademy.com/proving-value-leadership-development>

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ROI CERTIFICATION®

SCHEDULED EVENTS

August 23-27, 2021 — Salt Lake City, Utah

November 8-12, 2021 — Milwaukee, WI

September 13-24, 2021 — Live Virtual

January 10-14, 2021 — Focused on Healthcare

September 27-October 1, 2021 — New Orleans, LA

February 28-March 4, 2022 — Orlando, FL

WHAT IS ROI CERTIFICATION?

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

Email: info@roiinstitute.net

Enroll: <http://bit.ly/ROICertification>

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