

Presenting Your First Major Impact Study

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The Scenario

Renewed emphasis in accountability has triggered the development of several impact studies. You have developed a major study for one of your important programs, collecting six types of data: reaction, learning, application, impact, ROI, and intangibles. These data sets, and the process through which they were collected, form the basis of a complete impact study document. The study was conducted on a program that attracted the interest of the senior management team. A senior executive has sponsored the program being evaluated or requested that the study be conducted. The study is now complete and there is a need to communicate the data to several audiences, including the senior management group.

The Setting: A Face-to-Face Meeting

For key stakeholders, the best way to present this first impact study is a face-to-face meeting. So many issues must be explored in this short meeting and so much is riding on the outcome that a face-to-face meeting is about the only way to cover a full agenda. The good news is that the executives will usually come – some because of support for the program, others out of curiosity, skepticism, and perhaps even cynicism. These executives have not previously seen this level of analysis connected to learning human resources. They have not seen specific ROI data for a particular learning or human resources project. Consequently, they will invest an hour (perhaps even more) to understand the results. It is important to keep the meeting as brief as possible, but still allow enough time to address several major issues. The pressure comes from this important conclusion: you never get a second chance to make a first impression; the first impression for your methodology, your assumptions, your data, and your ability to bring it all together.

The Opportunity: Much is on the Line

In this critical meeting, several issues must be explored, impressions made, and conclusions drawn. This may be the only opportunity to explain the ROI methodology and assumptions utilized to measure the impact of major programs. This provides an opportunity to explain the conservative approach and the credibility of the overall process. If the executives do not buy into the process, they will not buy into the data.

This is an excellent time to gain support for measurement and evaluation, and convince the executives that this type of activity is critical for improvement, setting priorities, and managing the function properly. This is also an opportunity to get buy-in for the data in the report and support for the conclusions drawn from it. Ultimately, these types of meetings – particularly this one – enables the learning and HR staff to build more respect for human resources and the value it *can* add and *is* adding to the organization.

Finally, this meeting provides an opportunity to secure commitment for action to make changes based on the recommendations from the study. Almost every study will have issues, problems, and needed adjustments. This meeting can build the support necessary for needed changes.

The Challenge: This Will Not Be Easy

Now for the bad news: This meeting is not going to be easy. It is perhaps one of the most difficult challenges for the learning and HR staff. Not only is the audience very important, but a new process or methodology is being revealed. More important, a specific program is being judged. To be successful, great content and skills are needed. For the most part, the executives may resist the meeting – they are very busy and learning and HR is not always at the top of their priorities.

However, on a positive note, they are very curious – perhaps even skeptical – about what is being presented. Of course, they all support HR in some way or another; a few will be very supportive, maybe eager to understand more about the impact of HR; others are not necessarily supportive, although their support for HR and the results of the study are critical. They are sitting in judgment of not only the project, but for HR overall. This meeting may have to overcome years of perceptions that HR contains too much fluff, it is a necessary evil, or does not necessary add value to the organization. This backdrop makes this one of the most challenging and difficult meetings.

The Ground Rules

Several basic ground rules are essential for success with this meeting:

1. ***Do not distribute the impact study until the end of the meeting.*** An advance copy provides an opportunity for executives to flip through key issues. They almost always go to the ROI tab and, regardless of the numbers, have concerns, questions, and issues with it. If the number is high, they will not believe it and ask pointed and penetrating questions. If the ROI is negative, they will drill the presenter with questions about what went wrong. Either way, you lose control of the meeting before you get started.

2. **Be precise and to the point.** This is not a time for casual small talk, unrelated stories, or unnecessary anecdotes. Be very organized and focused throughout the presentation, spending precious little time on unimportant issues and more time on items critical to the success of the meeting.
3. **Avoid jargon and HR speak.** Executives get turned off easily by jargon – particularly jargon in the HR area. Keep it to the business language at hand. Executives may be unimpressed with terms such as “value proposition,” “return on people,” and other words that may be unimpressive or unknown to the group.
4. **Spend less time on the lower levels of evaluation data.** Executives care very little about reactive-type data, or perhaps even anecdotal data. Although they realize the value of qualitative data, they are more interested in the quantitative data, focusing on impact and ROI.
5. **Present the data with a strategy in mind.** The presentation must be planned with a specific strategy in mind. This leads us to the suggested format.

The Presentation

Presentation should involve seventeen discreet data sets that must be presented effectively and efficiently. Some will require no more than one or two minutes while others will require more detail.

1. **Describe the program.** Describe the scope, magnitude, costs, and overall importance of the program being evaluated.
2. **Indicate why this program is being evaluated at this level.** Explain why the program should deliver value and, consequently, is a candidate for this type of analysis.
3. **Present the ROI process.** Executives should quickly see that a step-by-step, logical process was used for collecting, processing, and reporting the data. They need to understand that this systematic process is used each time.
4. **Quickly, explain the standards/assumptions.** Assumptions mean everything – they form the basis for credibility of the data. The assumptions used in the analysis should be presented quickly and with an illustration provided, at least for some of them. For example, executives should understand that if there are no data for a particular group, it is assumed that that group provided no value (no data – no improvement). Also, executives should understand that only part of improvement in impact data is attributable to the program. The impact of the program has been isolated from other influences. These are just two of the twelve assumptions that form the guiding principles in the ROI Methodology.
5. **Present the reaction data.** Only one slide is needed to show the reaction to the program using data items such as importance, relevance, and usefulness.
6. **Present the learning data.** Only a very brief presentation is needed with this topic, showing the extent to which employees have learned what they need to know to make the program a success.

7. **Present the application data.** One or two slides should be sufficient to show how the employees are utilizing the program as planned. It shows the progress made with implementation.
8. **List the barriers to success.** Attention is quickly diverted to barriers – detailing the issues that kept this program from being more successful. The message: if removed or minimized, additional results could have been obtained.
9. **List the enablers to success.** The opposite of the barriers, these factors have enabled the documented success. The message: if more attention is placed on the enablers, there will be more success.
10. **Address the business impact.** This is a part of the presentation that the executives want to see: the business measures that have been influenced by this program, including how much they changed, and over what time period.
11. **Describe the technique used to isolate the effects of the program.** Executives quickly see that this program is only one of the several factors driving this success.
12. **Show the conversion to monetary value.** Executives quickly see how the data are assigned a monetary value.
13. **Show the costs.** At this point, the fully-loaded costs are presented. One slide is all that is necessary. It should be emphasized that both the direct and indirect costs are included. Ideally, the finance and accounting person in the group should be asked to comment on the cost categories. Previous involvement of the accounting function is critical. At the very minimum, the accounting and finance staff should buy off on the cost guidelines to show what is included in the report.
14. **Present the ROI.** This is what they have been waiting for! The ROI calculation is shown along with the data included in the formula. Executives are reminded that this calculation is essentially the same as the calculation for other investments – earnings divided by investment. If the numbers are extremely large, all of the previous data points will help bring credibility to this particular value.
15. **Show the intangibles.** All the intangible benefits are presented; these measures have been excluded from the conversion to monetary value. They are listed only if they are linked to the program in some credible way. Intangibles are very important. They also represent the ace in the hole. If the ROI is extremely positive, the intangibles provide a sense of value add (i.e., the intangibles are not in the ROI calculation). Also, the intangibles may help to overcome the impact of a negative ROI.
16. **Review the credibility of the data.** List eight or ten key points – mostly from the guiding principles – and check off the reasons why the study is credible. This summary process helps validate the process with the executives.
17. **Summarize the conclusions.** A quick summary of the data is provided, including a one-page overview handed out immediately following the presentation. Executives are reminded that this one-page format is what they will receive for other programs in the future. It is important for them to understand the data sets and what they mean.

18. **Present the recommendations.** Every study leads to changes or improvements. Specific suggestions should be offered, ranging from a few minor adjustments to eliminating the program.

After the presentation, the complete report is distributed. The detailed report, often containing 75-100 pages, includes all of the appendices, the raw data, data collection instruments, and other items necessary to understand exactly what was accomplished and how it was conducted. The report serves two purposes:

1. Some executives will examine it in more detail or hand it to one of their assistants to review – particularly if they are somewhat skeptical or concerned about the data;
2. The report reminds executives of the resources required to produce the study. It is helpful for these executives to understand resource requirements so they will utilize the ROI methodology very selectively in the future.

Call to Action

Three important conclusions must be drawn from the meeting:

1. Executives need to approve the recommendations from the study and implement the changes needed in the future.
2. The use of ROI in the future should be discussed. Executive input is needed to determine which programs are appropriate for this type of analysis. Executives often have concerns about certain programs and will provide input on which programs need evaluation at this level. This discussion reduces the temptation to pursue ROI for almost every program. The last thing they want to do is unnecessarily allocate significant amounts of resources.
3. Additional support for human resources/training and development should be secured. Ask for support for these programs. Explain what the executives can do to make the programs successful in the future. This discussion may lead to some interesting changes in attitudes and stimulate more involvement in human resources management.

Summary

The impact study presentation is a critical meeting that should be approached with care and, perhaps, rehearsed with a particular group – an ROI network would be an ideal setting. The meeting must be planned with specific agendas and a particular strategy for success. The success of the meeting has repercussions for the program being evaluated and for the status and future of learning and HR as well.