

The background is a dark navy blue. It is decorated with various colorful abstract shapes in red, yellow, teal, and magenta. Some of these shapes have diagonal hatching. Scattered throughout the background are white line-art icons representing business concepts: a lightbulb, a star, a target with an arrow, a bar chart, a pie chart, a globe, a cube, a lightning bolt, a speech bubble, a heart, and a document with a checklist.

atd 23

SAN DIEGO
MAY 21-24

Delivering Results That Executives
(and Others) Will Love



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What We Do

Value Creation

- We are accountability, evaluation, and measurement thought leaders.
- We work across industries and sectors to help all professionals achieve success.

ROI Methodology

- We developed the ROI Methodology as a comprehensive system to measure the success of any type of endeavor.
- The methodology is the most used evaluation system in the world because it's a credible, CEO-friendly, and is a user-centered process.

Training Excellence

- We have trained more than 50,000 managers and professionals.
- Almost 20,000 individuals have participated in ROI Certification.

Awards & Recognition

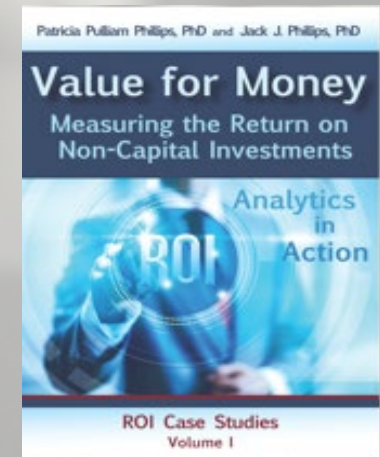
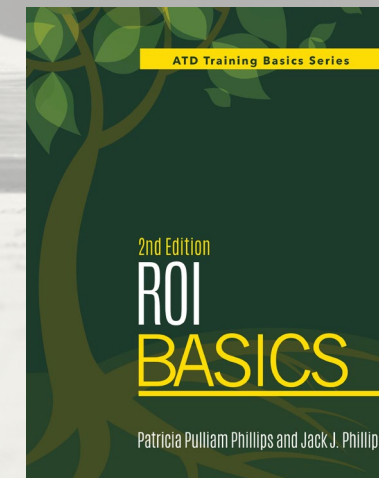
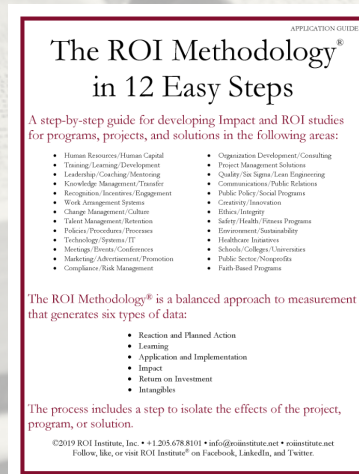
- Top 50 Coaches in the World
- 2022 ATD Thought Leader Award Recipients

Objectives

After completing this session, participants should be able to:

- List the levels of outcomes possible from learning and talent development programs by categories.
- Identify the categories that top executives and key stakeholders desire.
- Explain how business measures are captured and developed.
- Pursue a plan to measure results and communicate results to different audiences.

Resources



ROI is Appropriate for All Talent Acquisition, Development, and Retention Programs

- Training/Learning/Talent Development
- Talent Acquisition/Onboarding
- Talent Retention
- Compensation/Benefits
- Leadership/Coaching/Mentoring
- Knowledge Management/Transfer
- Recognition/Incentives/Engagement
- Diversity, Equity, & Inclusion
- Work Arrangements/Systems
- Change Management/Culture
- Compliance/Risk Management
- Organization Development/Consulting
- Creativity/Innovation
- Ethics/Integrity

The Value Chain

		<u>LEVEL</u>	<u>ISSUE</u>	<u>MEASURES</u>	<u>TARGETS**</u>
	<u>This is easy</u> Always measured	0 ↓	Inputs	Volume, Hours, Convenience, Cost	100%
* Can Predict	<u>This is easy</u> Almost always measured	1 ↓	Reaction	*Relevance, Engaging, *Important, Useful, *New Content, *Intent to Use, *Recommend to others	100%
	<u>Not difficult</u> Usually measured	2 ↓	Learning	Concepts, Trends, Facts, Contacts, Skills, Competencies	90%
	<u>Possible</u> Often measured	3 ↓	Application	Use of content, Frequency of use, Success with use, Barriers, Enablers	30%
Executives prefer	<u>Not so difficult to connect</u> Sometimes measured	4 ↓	Impact	Productivity, Time, Quality, Costs, Image, Reputation, Engagement, Compliance	10%
	<u>Possible for many programs</u> Rarely measured	5	ROI	Benefit-Cost ratio or Return on Investment, expressed as a percent	5%

**Best Practice: Percent of programs evaluated at this level each year.

What's Your Experience With ROI?

- A. No experience with ROI.
- B. I have tried it.
- C. I have conducted one ROI study.
- D. I have conducted several ROI studies.
- E. I wish ROI would go away.



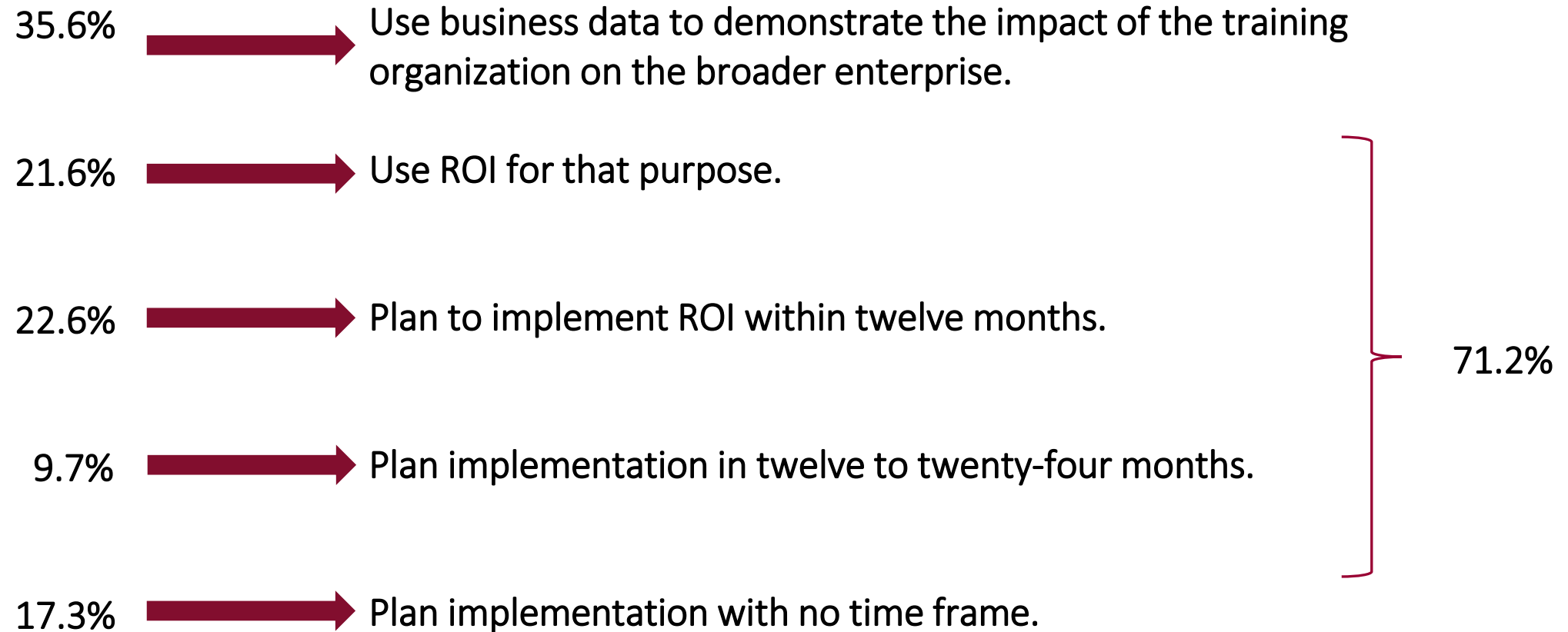
What CEOs Want



ROI Institute and ATD research show that the data CEOs receive are not demonstrating what they want out of their talent investment. (N=96)

Measures	Currently Measure	Should Measure	Importance
Inputs and Indicators	94%	86%	6
Efficiency	78%	82%	7
Reaction	53%	22%	8
Learning	32%	28%	5
Application	11%	61%	4
Impact	8%	96%	1
ROI	4%	74%	2
Awards	40%	44%	3

CLOs Use or Plan to Use ROI



More Progress...



“Ultimately, the success of any program is based on whether it improves business results.”

— *Training Top 10 Hall of Fame – May 2017*

...And More Progress

A 2020 benchmarking report indicates that **37%** of programs are evaluated at the **impact** level and **18%** at the **ROI** level.

— *ROI Institute, Inc. User Survey*

Serious Performance Challenges: True or False?

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

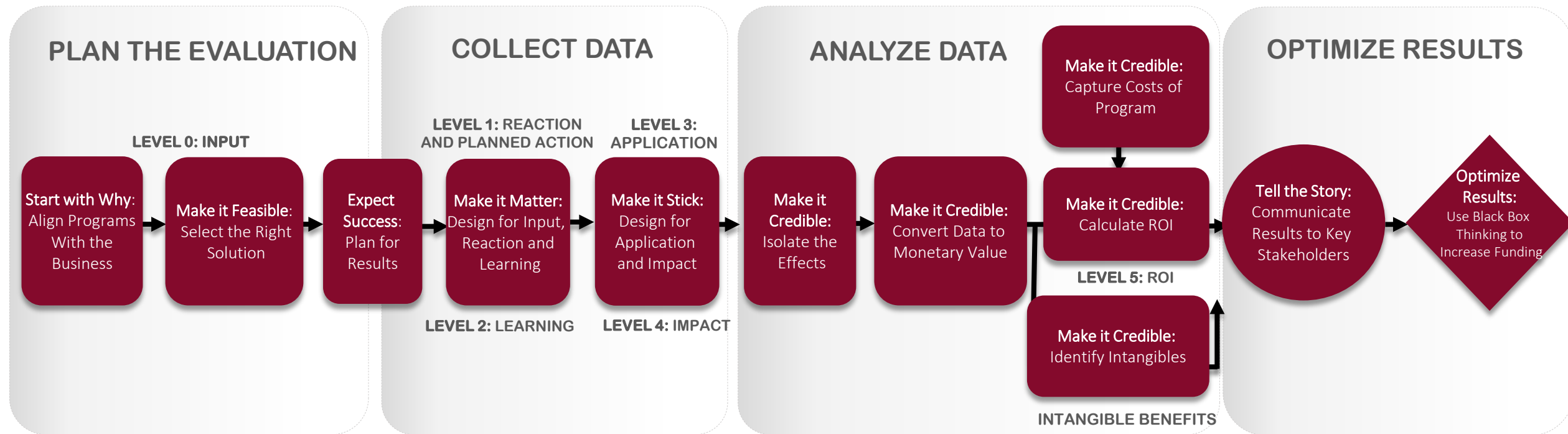
What Gets In the Way of Delivering Impact and ROI?

Top five barriers to Impact and ROI evaluation:

- Fear of the outcome
- Lack of business alignment
- Inappropriate solution
- Lack of focus
- Not designed for impact

The ROI Methodology Process Model

Designing for the Delivery of Business Results



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ROI INSTITUTE®

Measurement Targets

What is your
status?



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

Characteristics of Programs Suitable for Impact & ROI



Cost of the program



Linkage of program to operational goals and issues



Importance of program to strategic objectives



Top executive interest in the evaluation



Visibility of the program



Size of target audience



Investment of time required

Start with Why: Align Programs with the Business

Design Thinking Principle 1

A problem-solving approach to handle problems on a systems levels

- Alignment is the key.
- Is it a problem or opportunity?
- Need specific business measures.



Kansas City SWAT Team

The Situation

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

The Solution

- Outward Mindset Program from Arbinger Institute.
- 3 days of training plus coaching.
- 7 participants.

The Results

- 35 complaints per year to 0 complaints for 3 years.
- Productivity increases.
- Public trust in police increased.

Make It Feasible: Select the Right Solution

Design Thinking Principle 2

A mind-set for curiosity and inquiry

- What are we doing (or not doing) that's influencing the business measure?
- How can we achieve this performance?



Is it the Right Solution?



1. Examine the data and records.
2. Initiate the discussion.
3. Reference a case study.
4. Use benchmarking from similar solutions.
5. Use evaluation as the hook.
6. Involve others in the discussion.
7. Use diagnostic tools.
8. Discuss disasters in other places.

Expect Success: Design for Results

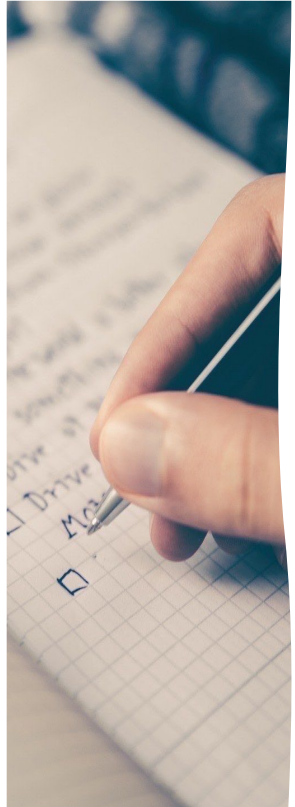
Design Thinking Principle 3

A framework to balance needs and feasibility

- Set objectives at multiple levels
- Redefine success of program
- Expand responsibilities



Rules for Objectives



1. Must be measurable and represent minimum acceptable performance.
2. Fewer objectives are better than many objectives.
3. Involve subject-matter experts and key stakeholders.
4. Keep them relevant to the situation, program, and key stakeholders.
5. Create stretch objectives, but make sure they are achievable.
6. Allow for the flexibility to change as conditions change.
7. Failure is OK; process improvement is the key.
8. Objectives are tools for progress, not weapons for performance review.
9. Most objectives should be time-bound.
10. Objectives provide the focus for design, development, implementation, and evaluation.

These rules are from a combination of publications:

J. J. Phillips and P. P. Phillips. *Beyond Learning Objectives: Develop Measurable Objectives that Link to the Bottom Line*. Alexandria, VA: ASTD Press. 2008.

P. P. Phillips and J. J. Phillips. *10 Steps to Successful Business Alignment*. Alexandria, VA: ASTD Press. 2012.

J. Doerr. *Measure What Matters: How Google, Bono, and the Gates Foundation Rock the World with OKRs*. New York: Penguin. 2018.

Matching Evaluation Levels with Objectives

After completing this program, participants should:

1.	Decrease employee complaints by 20% in one year.	
2.	Use problem-solving skills to uncover conflict causes.	
3.	Be able to demonstrate the five steps to calm an upset colleague.	
4.	Rate the facilitator 4 out of 5 on presentation skills.	
5.	Decrease the amount of turnover by 30% in six months.	
6.	Achieve a 20% ROI one year after implementation of conflict resolution program.	
7.	Perceive the content to be relevant their situation (4.5 out of 5).	
8.	Decrease transfers by 25% in six months.	
9.	Conduct a proper investigation using the seven-step process in 95% of complaint situations.	
10.	Score an average of 20 or better on a conflict resolution quiz.	
11.	Improve productivity by 10% in six months.	
12.	Use all 10 negotiation skills in at least 50% of negotiation situations.	

Make it Matter:

Design for Input, Reaction, and Learning



Design Thinking Principle 4

A way to take on design challenges by applying empathy

- Focus on the objectives
- Think about the definition of success
- Make it relevant
- Make it important
- Make it action-oriented

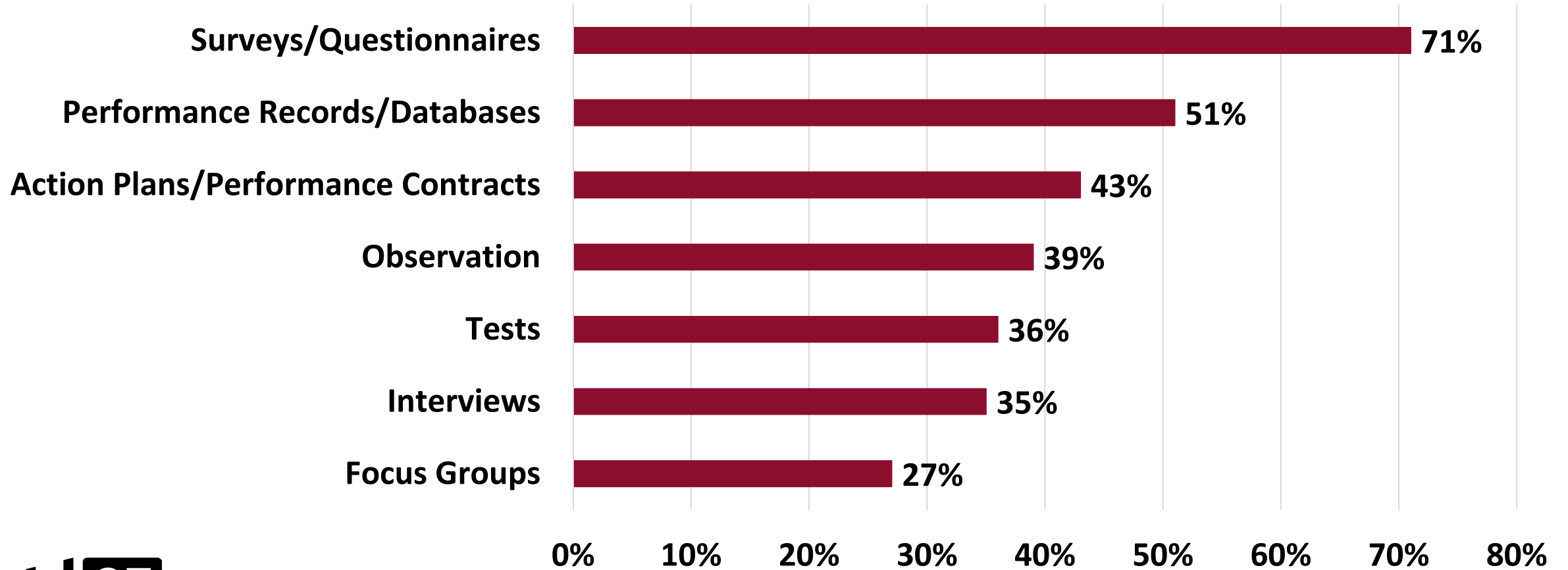
Make it Stick: Design for Application and Impact

Design Thinking Principle 5

A culture that fosters exploration and experimentation

- Collect data
- Focus on objectives
- Ensure transfer to the workplace
- Design for application

Data Collection Methods

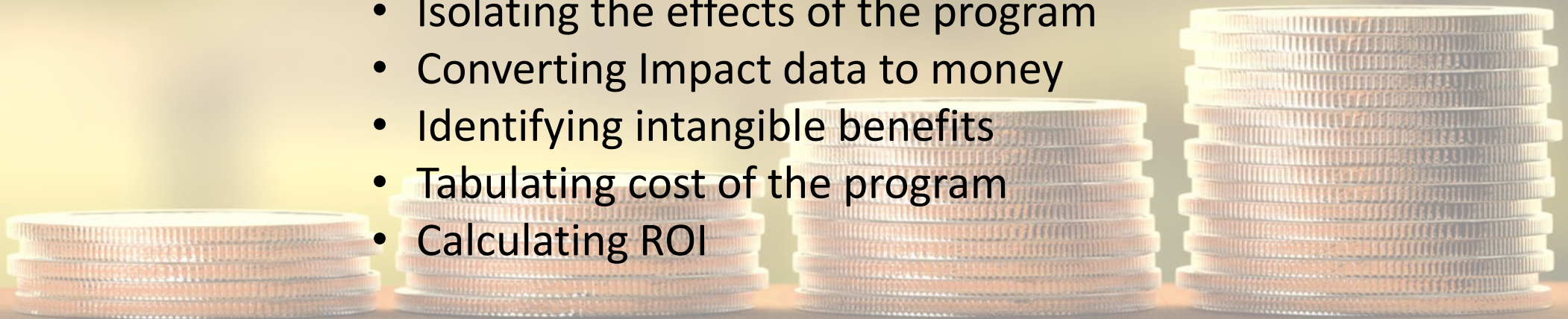


Make it Credible: Measure Results and Calculate ROI

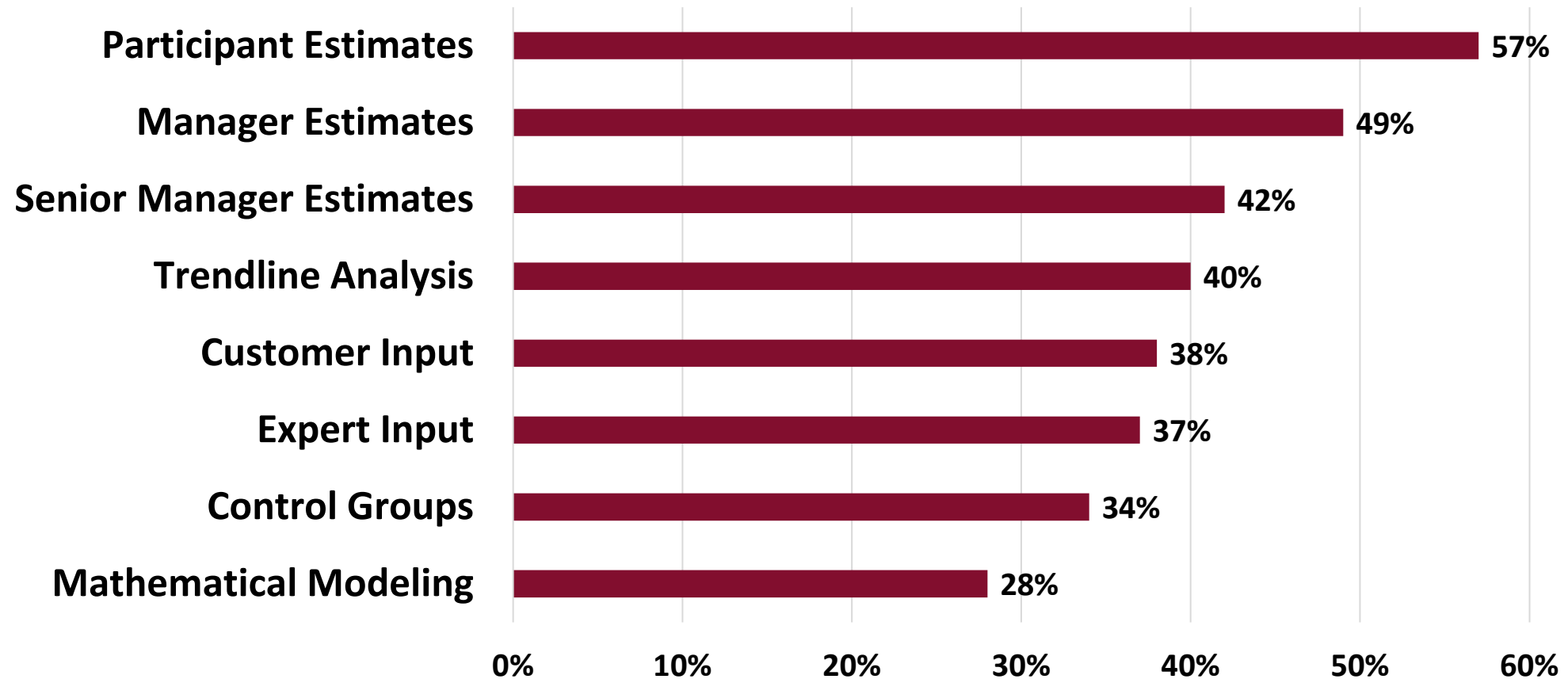
Design Thinking Principle 6

A fixed process and a tool kit

- Isolating the effects of the program
- Converting Impact data to money
- Identifying intangible benefits
- Tabulating cost of the program
- Calculating ROI



Isolation Methods



Data Conversion Methods



Intangibles



- Adaptability
- Awards
- Brand awareness
- Career minded
- Caring
- Collaboration
- Communication
- Conflicts
- Corporate social responsibility
- Decisiveness
- Engagement
- Image
- Innovation
- Job satisfaction
- Leadership
- Networking
- Organizational climate
- Organizational commitment
- Reputation
- Stress
- Talent
- Teamwork

Fully-Loaded Costs

“When in doubt, put it in.”

The process should withstand even the closest scrutiny in terms of its credibility.

DIRECT

- ☐ Program materials
- ☐ Instructor/facilitator
- ☐ Facilities
- ☐ Travel, lodging, meals

INDIRECT

- ☐ Needs assessment (Prorated)
- ☐ Program development (Prorated)
- ☐ Participant time (salaries & benefits)
- ☐ Administrative/overhead
- ☐ Evaluation



ROI Calculation Example

Program: Leadership Development

Program Benefits = \$750,000

Program Costs = \$425,000

What is ROI?

$$\text{BCR} = \frac{\$750,000}{\$425,000}$$

$$\text{ROI} = \frac{\$750,000 - \$425,000}{\$425,000} \times 100 =$$

Tell the Story: Communicate Results to Key Stakeholders

Design Thinking Principle 7

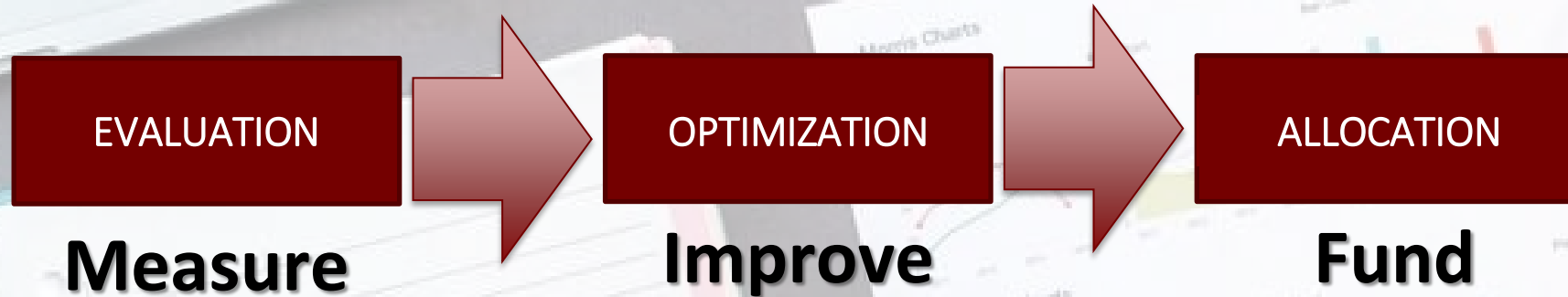
A storytelling process to inspire senior executives

- Define audience
- Identify why they need it
- Select method
- Move quickly
- Consider one-page summary

Optimize Results: Use Black Box Thinking to Increase Funding

Design Thinking Principle 8

A new competitive logic of business strategy



It's That Easy



The Payoff

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



Be Proactive



Remember, when it comes to delivering results:

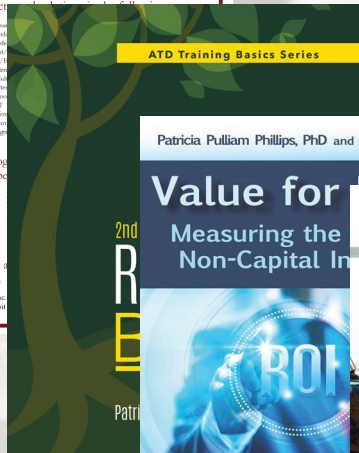
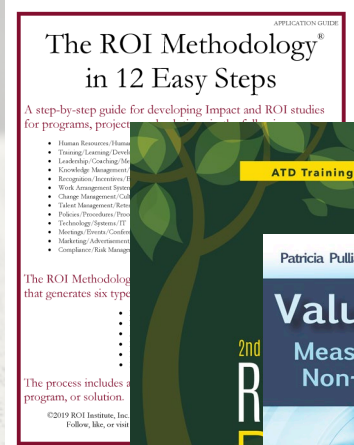
- Hope is not a strategy.
- Luck is not a factor.
- Doing nothing is not an option.

Change is inevitable.

Progress is optional.

Resources

Scan the QR code to access resources from today's session.



Questions?

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- Maximize learning through weekly group coaching with ROI Institute leaders.
- Complete an ROI evaluation study on an important program.
- Earn the Certified ROI Professional® (CRP) designation.
- Join the ROI Network with more than 6,000 ROI professionals.



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