

Connecting Soft Skills to Hard Data

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NEW ORLEANS
MAY 19-22

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



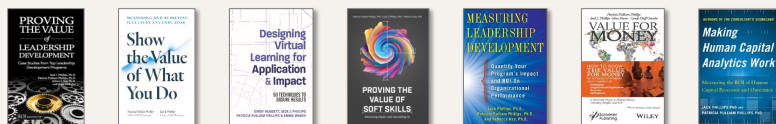
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Jack J. Phillips, Ph.D.

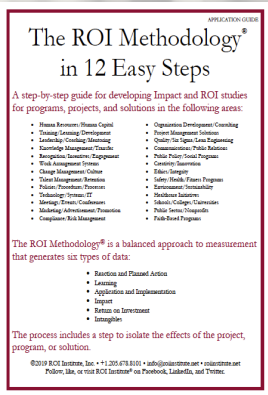


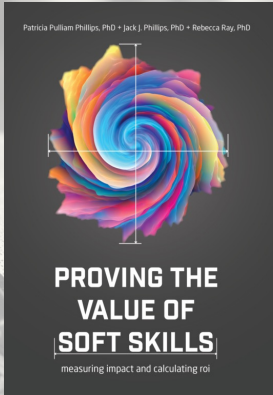
Jack J. Phillips, Ph.D., chairman, ROI Institute, is a world-renowned expert on accountability, measurement, and evaluation. He provides consulting services for Fortune 500 companies and major global organizations, and regularly consults with clients in manufacturing, service, and government organizations in 70 countries. The author or editor of more than 100 books, he conducts workshops and presents at conferences throughout the world and has received several awards and honors for his work.

Author of these books and more.



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Resources







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Objectives

After attending this session, participants should be able to:

- Explain the value chain for soft skills.
- Design soft skills programs to deliver impact and ROI.
- Explain how to measure program results at all five levels of outcomes.

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The Importance Of Soft Skills

"Communication skills and the ability to work well with different types of people are very important ... software innovation, like almost every other kind of innovation, requires the ability to collaborate and share ideas with other people, and to sit down and talk with customers and get their feedback and understand their needs."

—Bill Gates, Co-Founder, Microsoft



"Talent wins games, but teamwork and intelligence win championships."

—Michael Jordan, NBA Legend

"You cannot over-invest in communication skills—written and oral communication skills... Learn how to motivate people—small groups, medium-sized groups, large groups—and how to write in a way that's pithy and to the point."

— Indra Nooyi, *former* CEO, PepsiCo

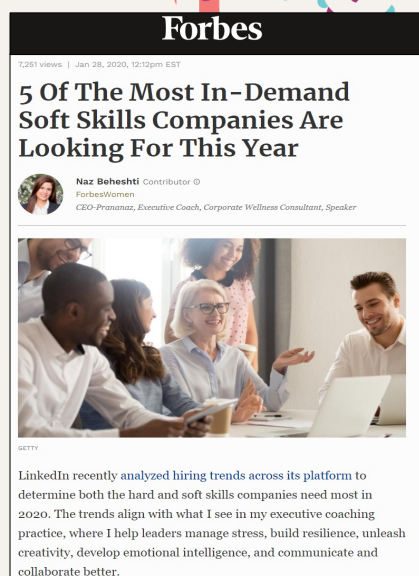


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Most Important Soft Skills

- **Creativity** ranked the highest in-demand soft skill
- Persuasion
- Collaboration
- Adaptability
- Emotional Intelligence

Source: LinkedIn Research



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“Communication is probably the most essential part of my job.”

—Marc Benioff, Salesforce CEO

Statement made one day after Salesforce was added to the Dow Jones Industrial Average, reporting one of its best quarters in company history and blowing past Wall Street's expectations.



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Common Soft Skills Programs

- Effective interviewing skills
- Communication skills
- Teamwork & collaboration
- Outstanding customer service
- Empathetic listening skills
- Problem solving & critical thinking
- Building an inclusive culture
- Developing emotional intelligence
- Coaching for high performance
- Becoming an engaging, inclusive leader
- Delivering presentations for results
- Writing with impact
- Conflict resolution skills
- Building agile teams
- Dealing with difficult people
- Customer service skills
- Leadership development
- Management development
- Supervisor development
- Executive development

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Poll: Serious Challenges for Soft Skills

True or False?

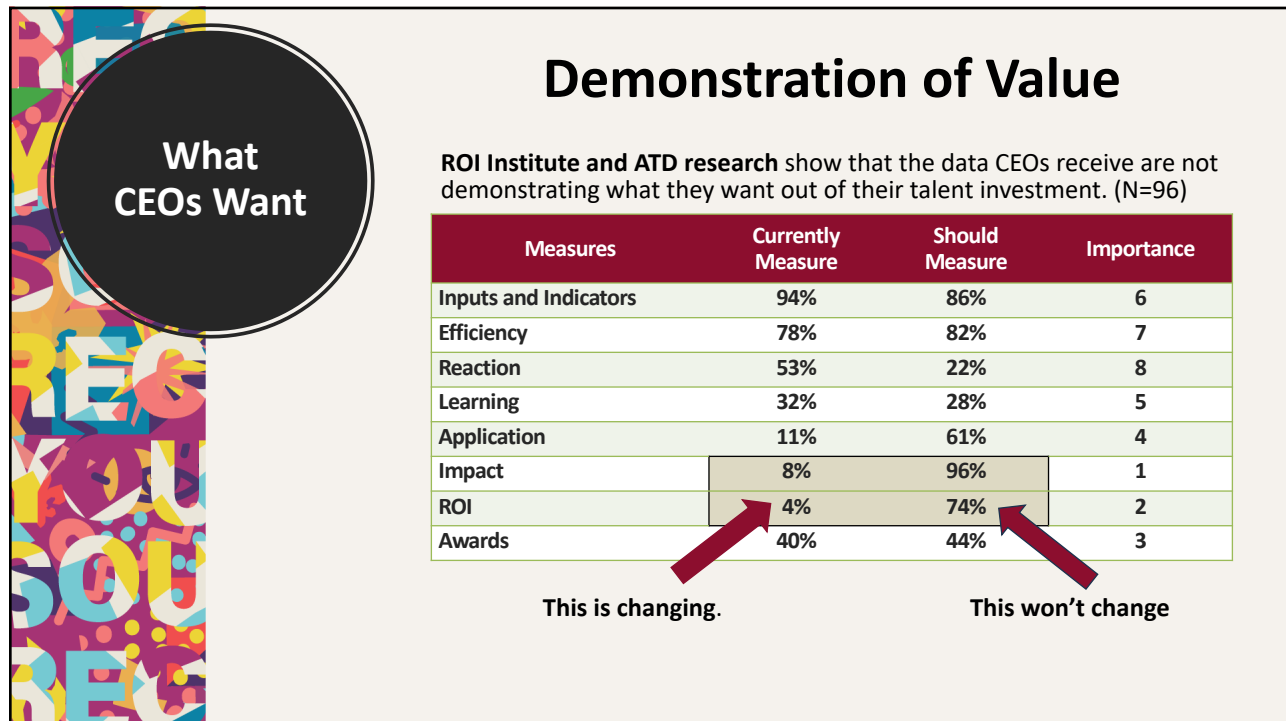
1. Most soft skills are wasted (not used after a program is conducted).
2. The soft skills outcome desired by executives is rarely measured in organizations.
3. Most soft skills providers do not have data that shows they make a difference in the organization.
4. Most executives see soft skills as a cost and not an investment.
5. Executives see hard skills as more valuable than soft skills.
6. Hard skills programs usually have higher ROI values than soft skills programs.

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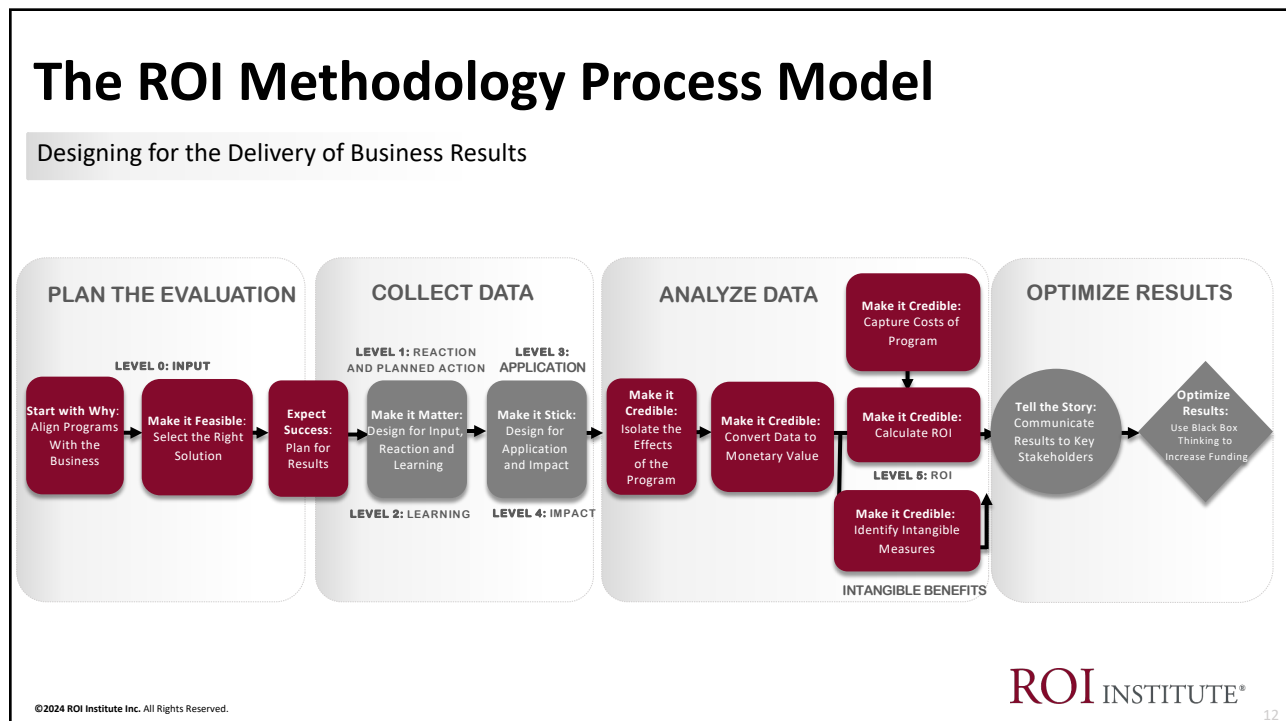


**Do Business
Leaders Want
The Business
Connection?**

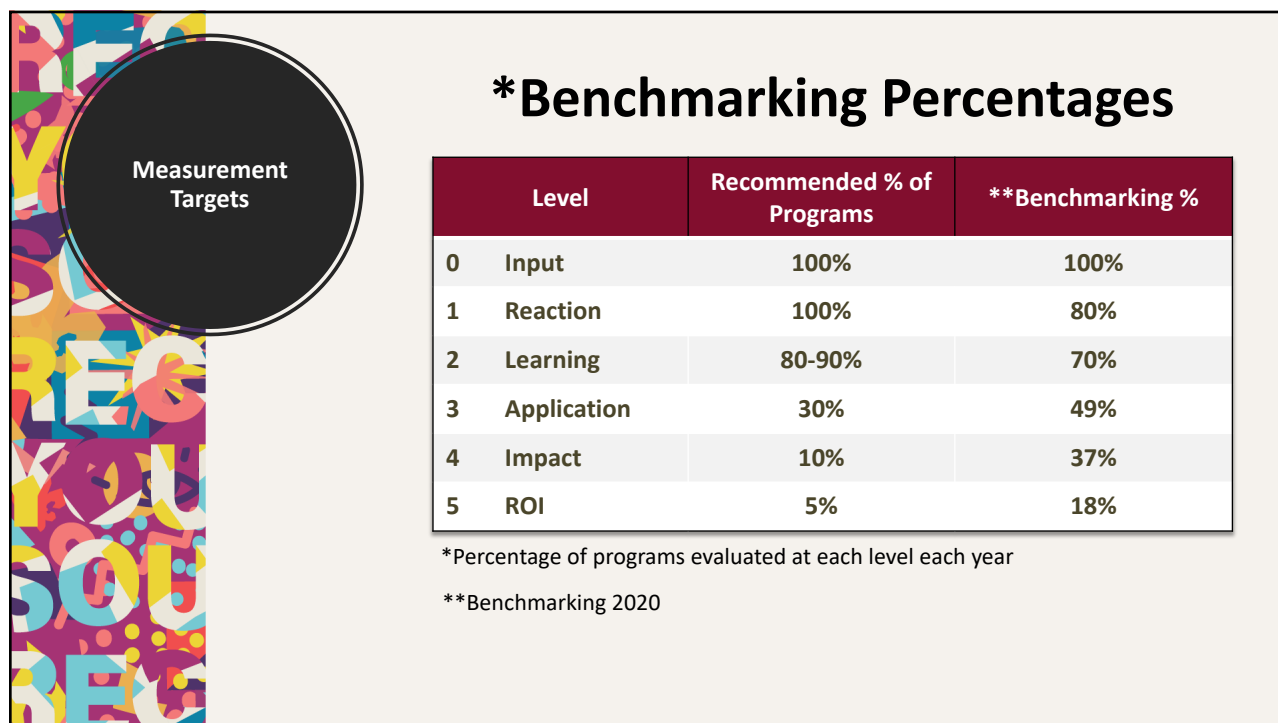
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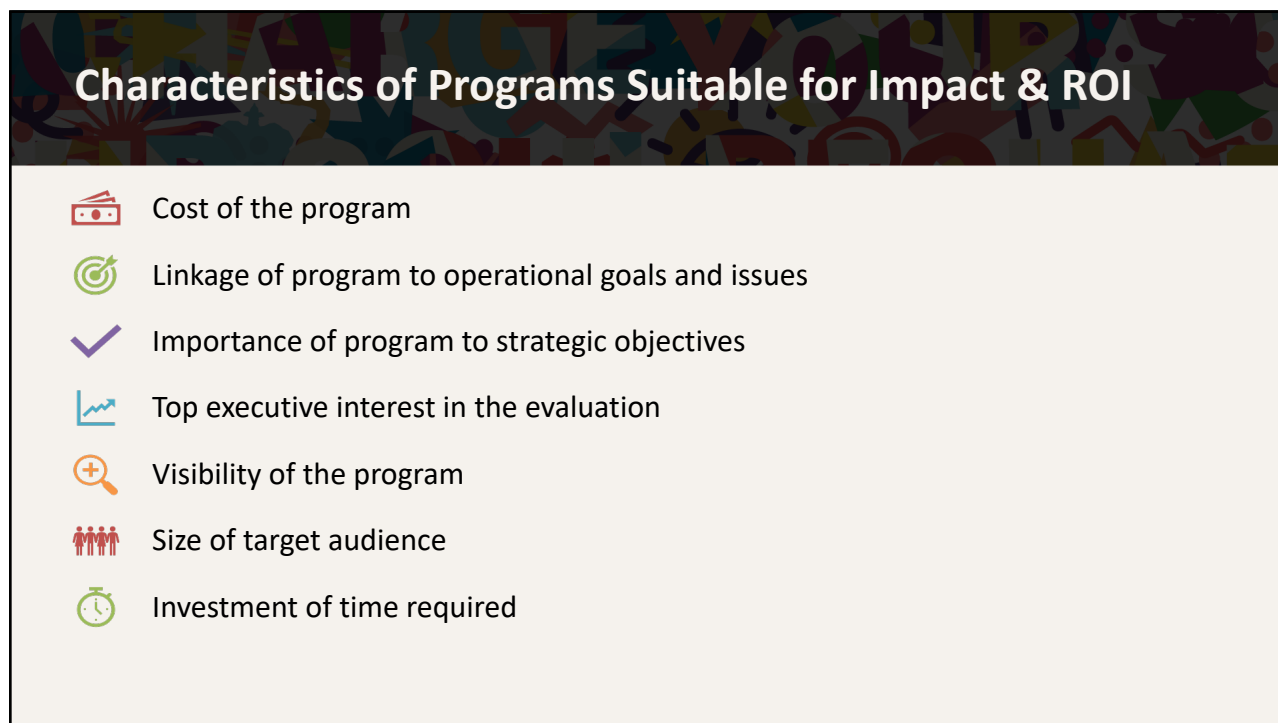
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What is Value?

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The Value Chain is Always There!

		LEVEL	ISSUE	MEASURES	TARGETS
*Can predict	<u>This is easy</u> Always measured	0	Inputs	Volume, Hours, Convenience, Cost	100%
	<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%
Executives prefer	<u>Possible</u> Often measured	3	Application	Use of content, Frequency of Use, Success with Use, Barriers, Enablers	30%
	<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%

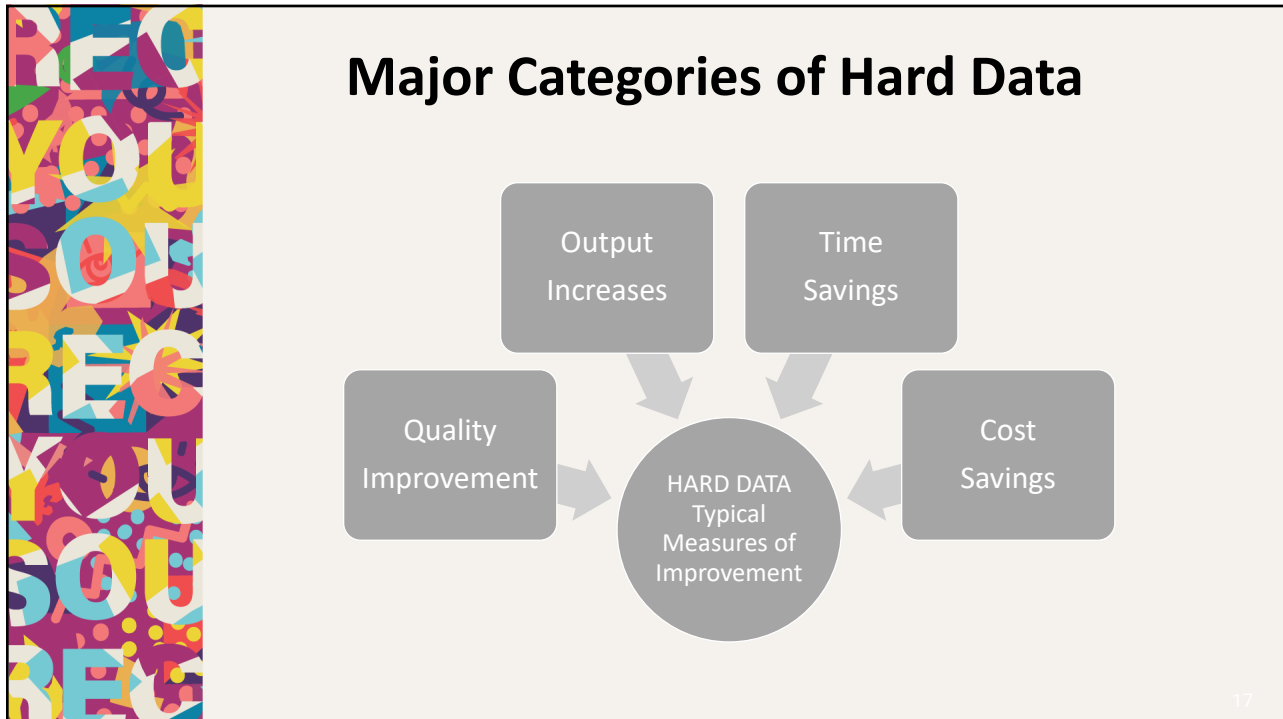
Hard Data

*Best Practice: Percent of Programs Evaluated at this level each year.

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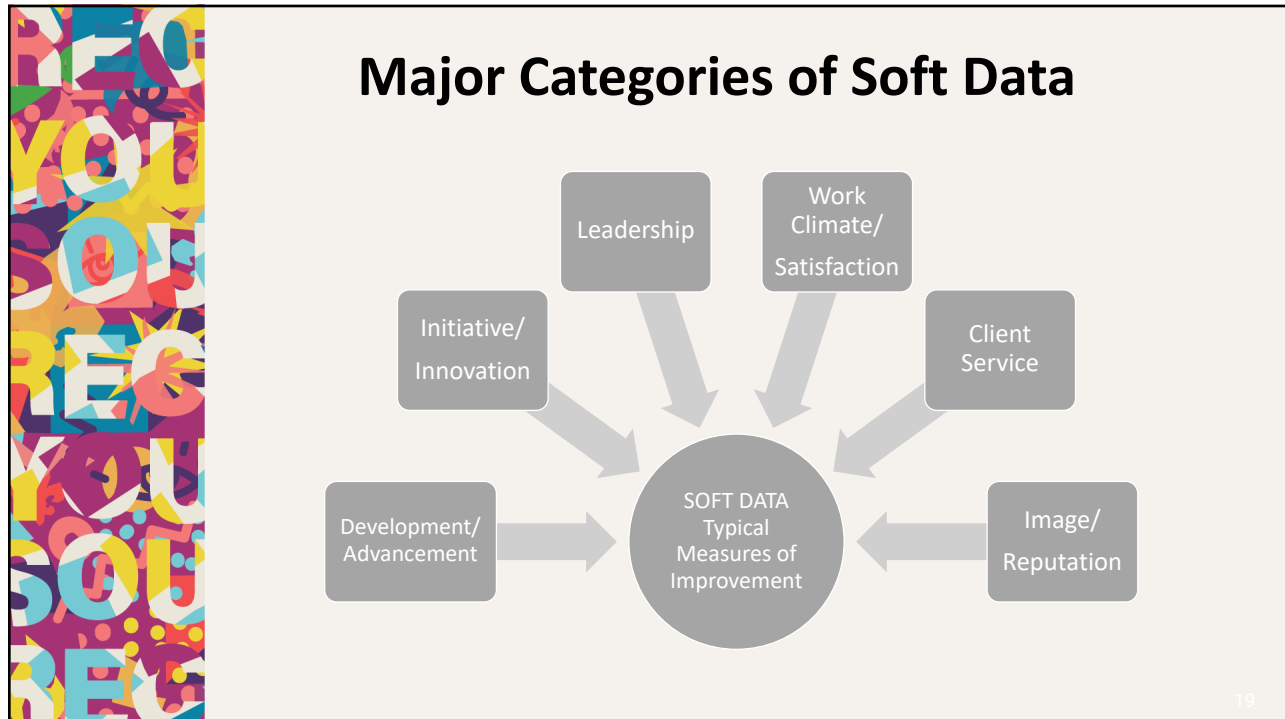
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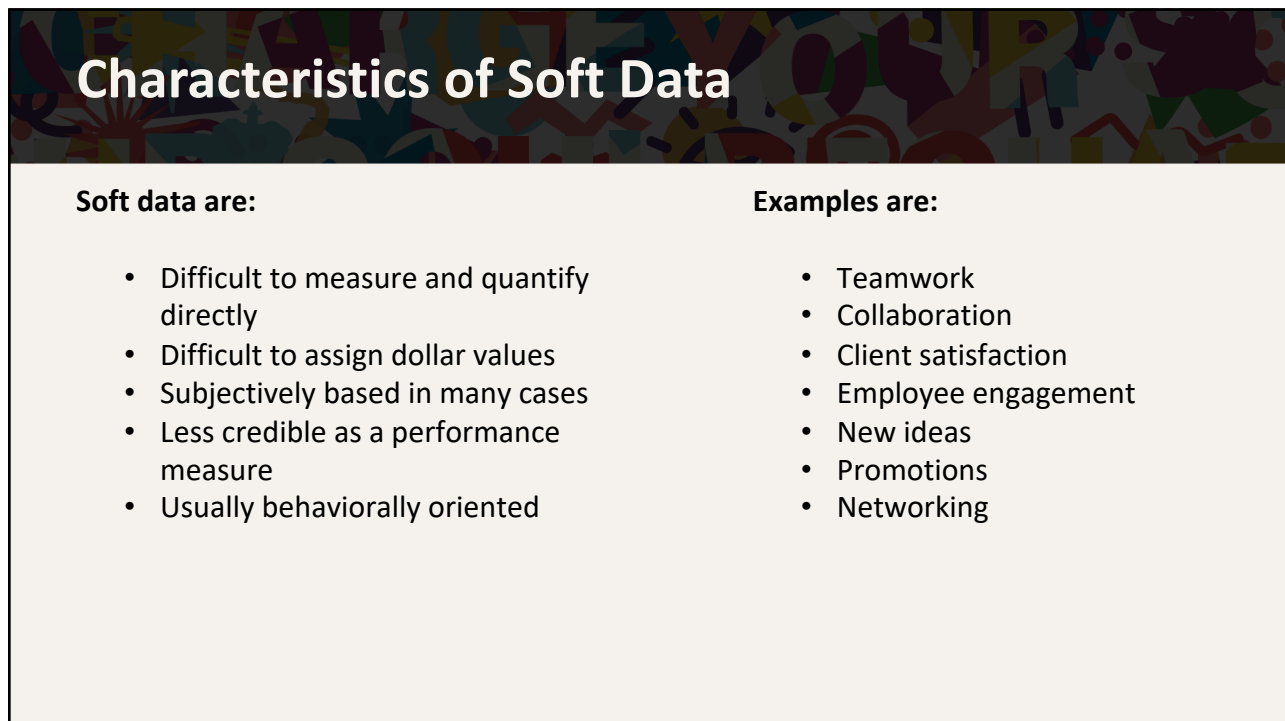
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Characteristics of Hard Data	
Hard data are:	Examples are:
• Easy to measure and quantify • Relatively easy to assign monetary values • Objectively based • Common measures of organizational performance • Very credible with management	• Citizens vaccinated • Loans approved • Patients discharged • Length of stay • Repair time • Operating costs • Cost per day

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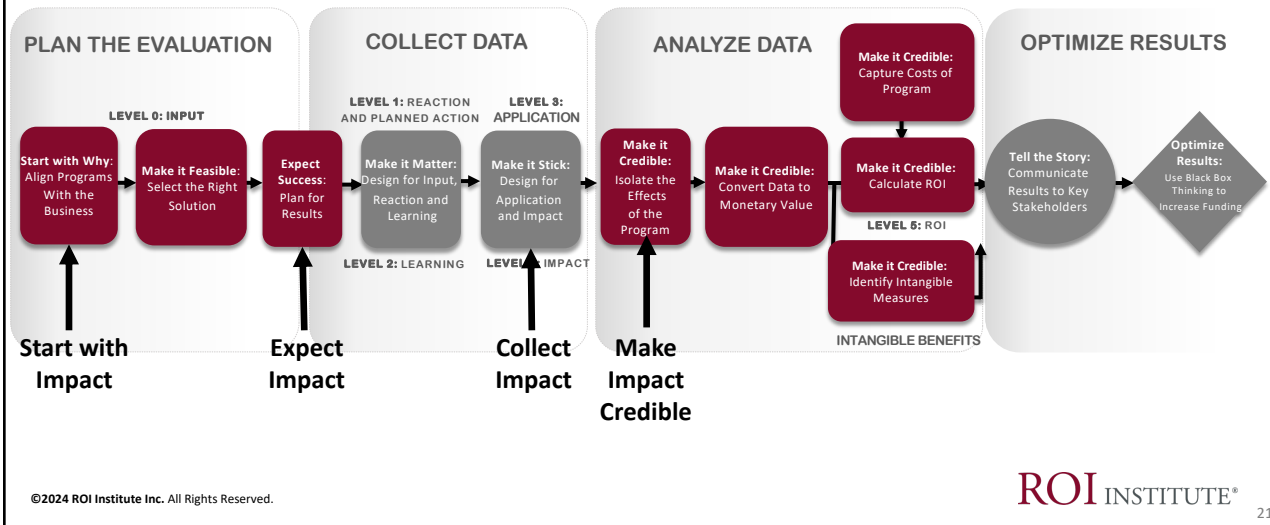
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The ROI Methodology Process Model

Designing for the Delivery of Business Results



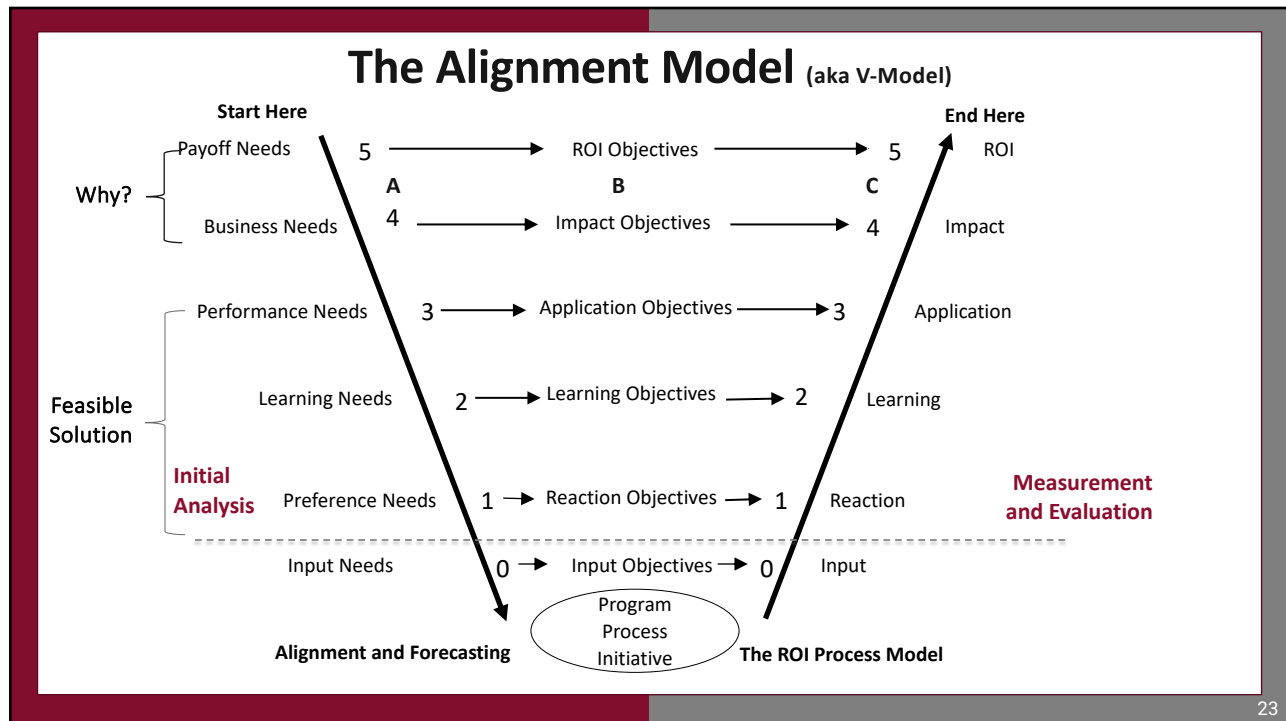
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Is it connected to the business? Is it the right solution?

- Examine the data and records.
- Initiate the discussion.
- Reference a case study.
- Use benchmarking from similar solutions.
- Use evaluation as the hook.
- Involve others in the discussion.
- Discuss disasters in other places.
- Use diagnostic tools.

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Expect Success: Developing Objectives for Each Level

Levels of Objectives	Focus of Objectives
Level 1, Reaction	Defines specific measures of expected reaction to the program as it is revealed and communicated to the stakeholders
Level 2, Learning	Defines specific measures of improvement in knowledge, information, contacts, and skills as the participants and other stakeholders learn how to make the program successful
Level 3, Application	Defines specific measures of actions taken that define success with application and implementation of the program
Level 4, Impact	Defines the specific impact measures that will change or improve as a consequence of the program's implementation
Level 5, ROI	Defines the minimum return on investment from the program, comparing program costs with monetary benefits from the program

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Matching Evaluation Levels with Objectives

Objective	Evaluation Level
After completing this program, participants should:	
1. Decrease citizen complaints by 20% in one year.	_____
2. Use recognition to motivate employees.	_____
3. Be able to demonstrate the five steps to diffuse a conflict, given two individuals in a heated argument.	_____
4. Perceive the communications program as important to them.	_____
5. Decrease annual employee turnover from 35% to 20% in six months.	_____

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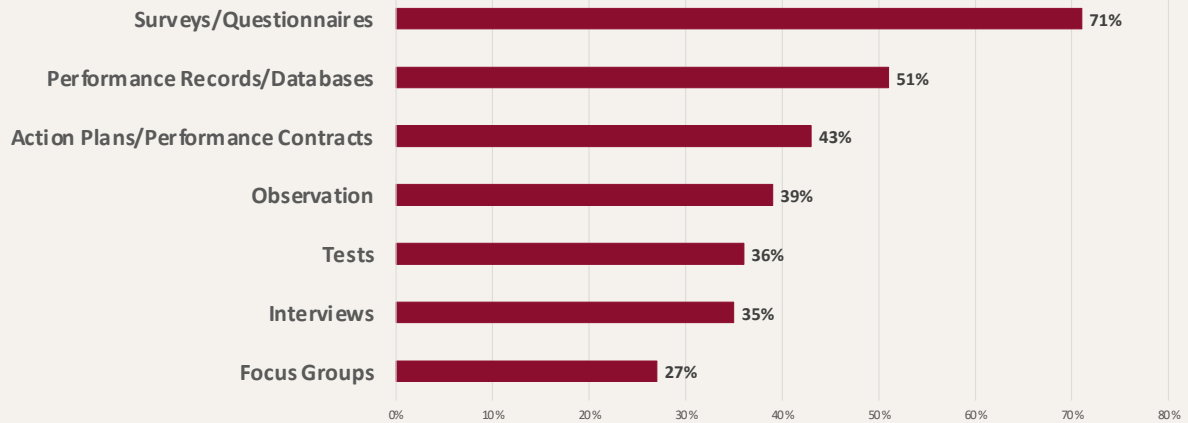
Collecting Data

Hard Data

Method	Type of Data			
	1	2	3	4
Surveys	✓	✓	✓	
Questionnaires	✓	✓	✓	✓
Observation		✓	✓	
Interviews	✓	✓	✓	
Focus Groups	✓	✓	✓	
Tests/Quizzes		✓		
Demonstrations/Simulation		✓		
Action Planning/Performance Contracts			✓	✓
Performance Monitoring				✓

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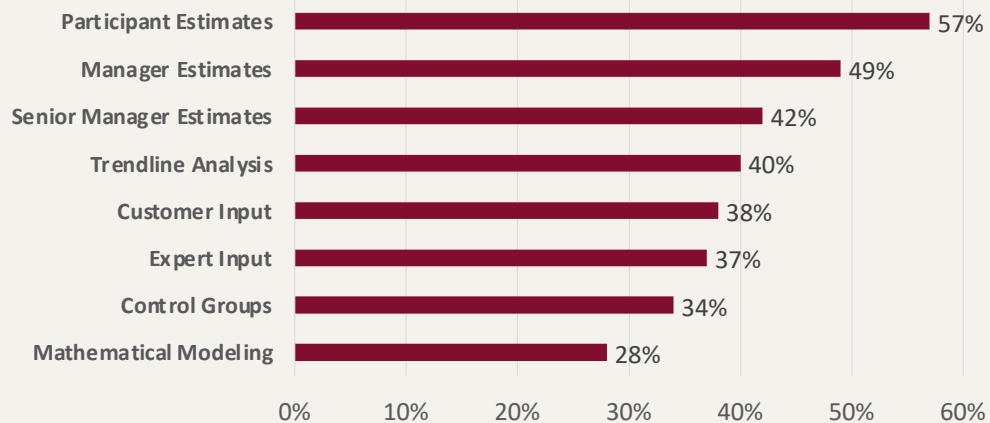
Data Collection Methods



*Survey of Users, N = 246

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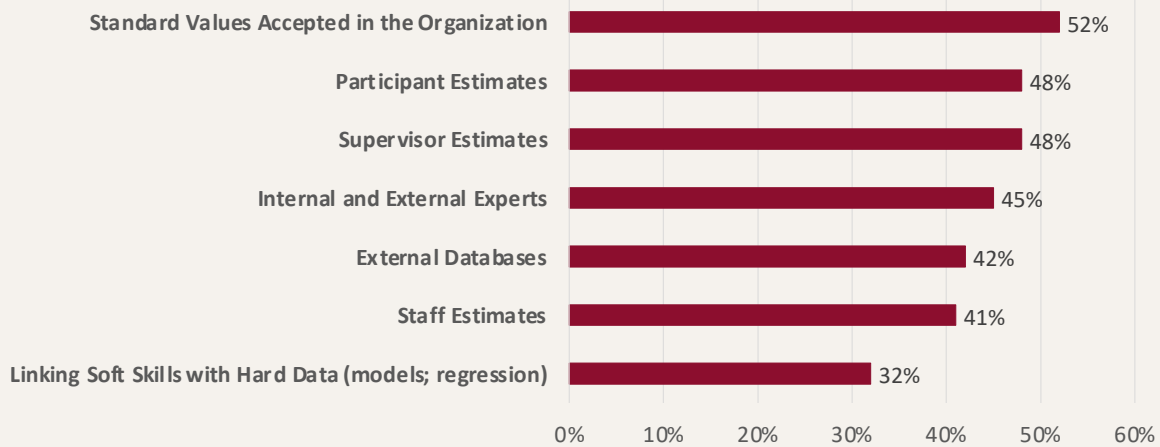
Isolation Methods



*Survey of Users, N = 246

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Data Conversion Methods



*Survey of Users, N = 246

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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

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Fully Loaded Costs

“When in doubt, put it in.”

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

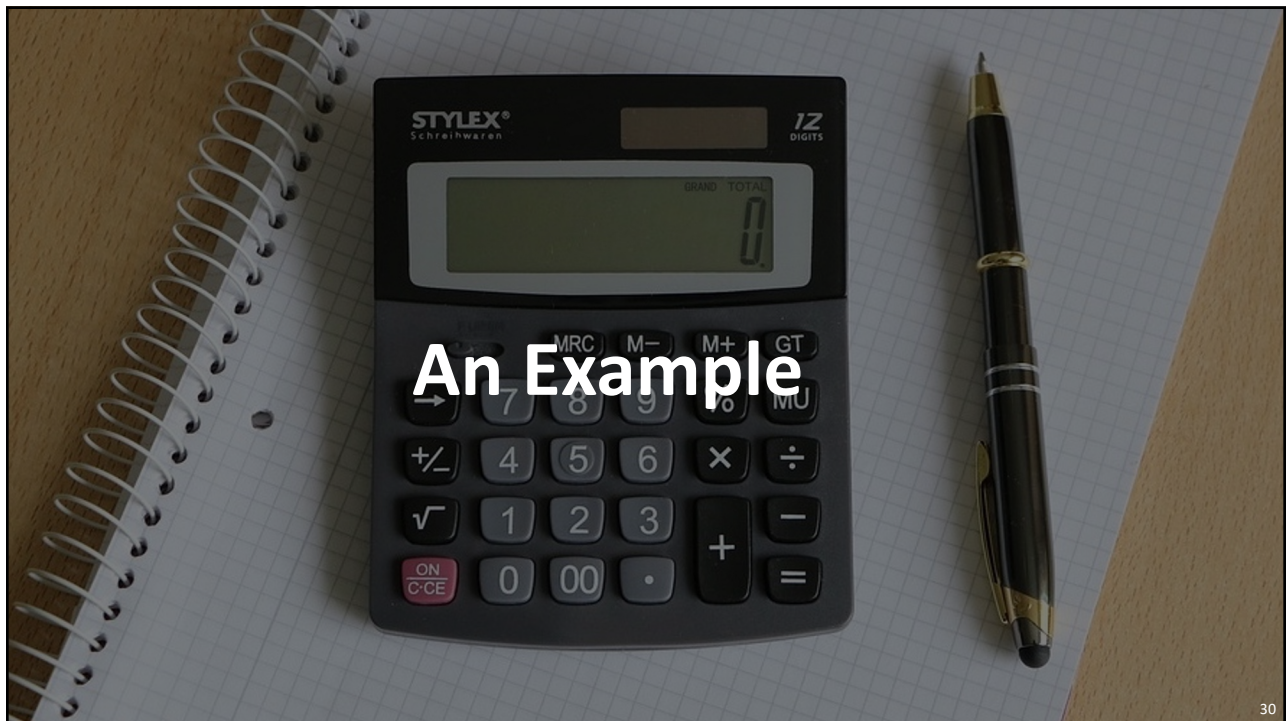
DIRECT

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

INDIRECT

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

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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	56% improvement
Impact	Sales Growth Operating Costs Productivity	4.3 out of 5 4.5 out of 5 3.9 out of 5
ROI	Safety Retention Quality	Each participant reported improvement in two measures.
	14%	47%

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Case In Point: Calculate ROI Leadership Development - Precision Manufacturing Company

Isolating the Effects: Estimate, Adjusted for Error
 Converting Data to Money: Expert Input, Standard Value
 Annual Monetary Benefits: \$538,640
 Cost of Program: \$365,260

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

Intangibles: Engagement, job satisfaction, stress

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Case In Point: Calculate ROI Leadership Development - Precision Manufacturing Company

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$$\text{ROI} = \frac{\$538,640 - \$365,260}{\$365,260} \times 100 =$$

Intangibles: Engagement, job satisfaction, stress

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Case In Point: Optimize 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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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.

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SCAN ME

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

The ROI Methodology[®] in 12 Easy Steps
A step-by-step guide for developing ROI and ROI studies for projects, programs, and initiatives in the following areas:

PROVING THE VALUE OF SOFT SKILLS
Measuring 2017-2020 to 2021

Connecting Soft Skills to Hard Data
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- Join the ROI Network with more than 6,000 ROI professionals.
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