

ROI INSTITUTE®



# How to Become ROI Certified

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Chairman, ROI Institute, Inc.

## Objectives

After attending this session, participants should be able to:

1. Describe the ROI Certification process.
2. Explain the value of becoming a Certified ROI Professional (CRP).
3. Identify the approaches to become a CRP.
4. Plan next steps to achieve certification.



# Resources

**The ROI Methodology<sup>®</sup>**  
in 12 Easy Steps

A step-by-step guide for developing Impact and ROI studies for programs, projects, and solutions in the following areas:

- Human Resources/Human Capital
- Training/Learning/Development
- Leadership/Coaching/Development
- Knowledge Management/Transfer
- Recruitment/Retention/Engagement
- Work Management/Systems
- Change Management/Culture
- Talent Management/Performance
- Policy/Procedure/Processes
- Technology/Systems/IT
- Strategy/Process/Outcomes
- Marketing/Advertising/Promotions
- Compliance/Risk Management
- Organization Development/Consulting
- Project Management/Initiatives
- Quality/Six Sigma/Lean Engineering
- Construction/Public Relations
- Public Policy/Global Programs
- Contracting/Procurement
- Ethics/Integrity
- Safety/Health/Facility Programs
- Environmental/Sustainability
- Healthcare/Institutions
- Scientific/College/Universities
- Public Service/Nonprofits
- Faith-Based Programs

The ROI Methodology<sup>®</sup> is a balanced approach to measurement that generates six types of data:

- Reaction and Perceived Action
- Learning
- Application and Implementation
- Impact
- Return on Investment
- Insights

The process includes a step to isolate the effects of the project, program, or solution.

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Patricia Pulliam Phillips, PhD and Jack J. Phillips, PhD

**Value for Money**  
Measuring the Return on Non-Capital Investments

Analytics in Action

ROI Case Studies  
Volume I

ROI INSTITUTE<sup>®</sup>



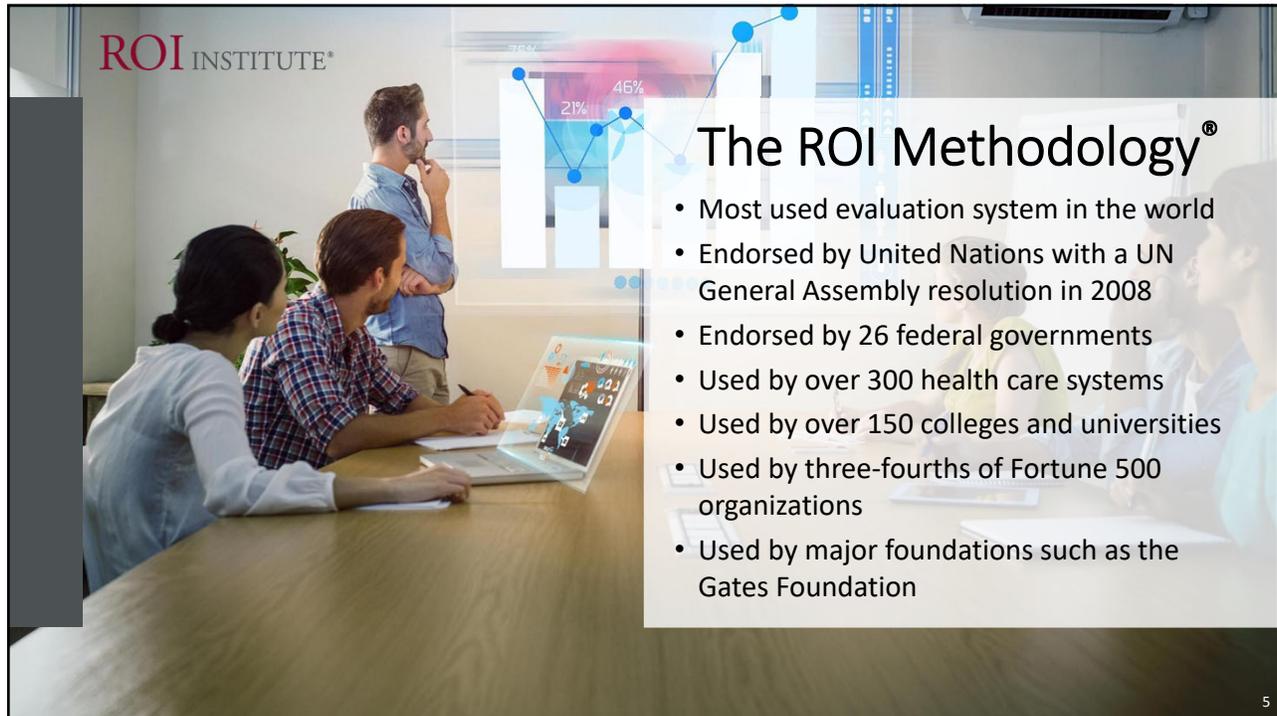
**How to Become ROI Certified**

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## Why are you interested in ROI? (Select all that apply.)

- Top executives require impact and ROI. I must pursue this.
- I have pressure to justify my budget. I need to pursue this.
- I know I will need to demonstrate more value in the future.
- I want to show increased accountability for our expenditures.
- I want to experiment with and explore new techniques to measure program success.

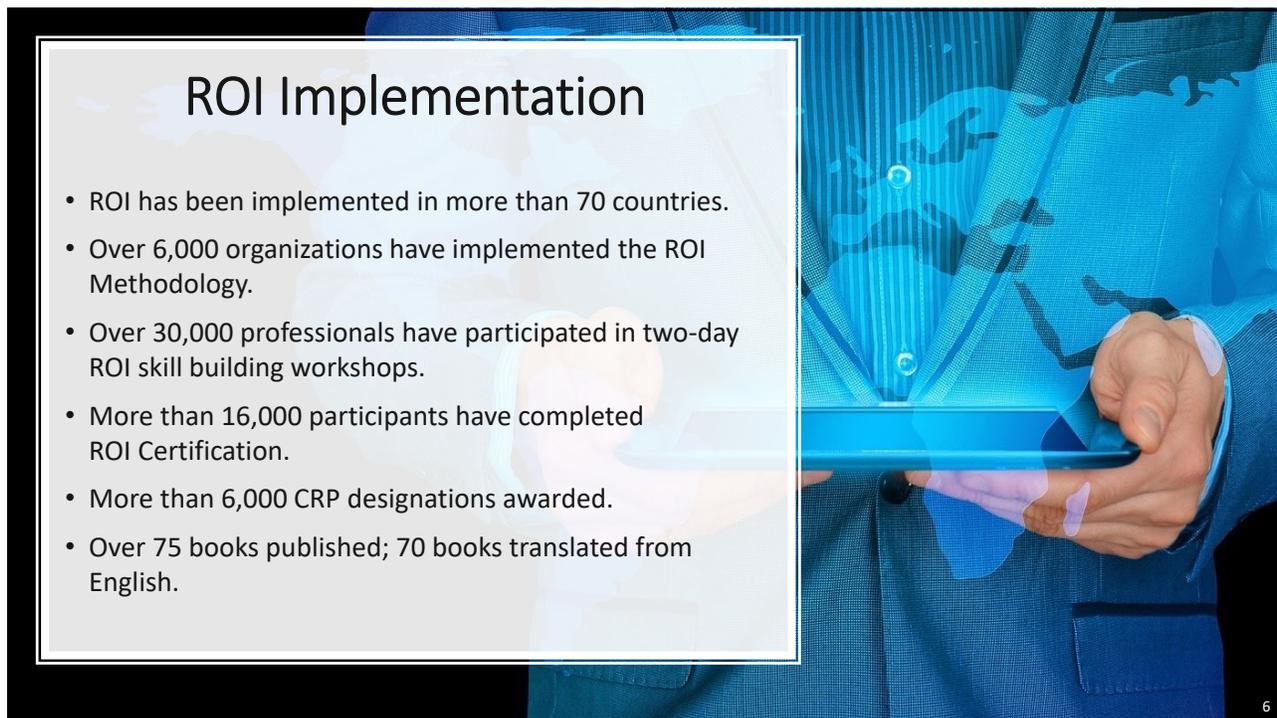


**ROI INSTITUTE®**

## The ROI Methodology®

- Most used evaluation system in the world
- Endorsed by United Nations with a UN General Assembly resolution in 2008
- Endorsed by 26 federal governments
- Used by over 300 health care systems
- Used by over 150 colleges and universities
- Used by three-fourths of Fortune 500 organizations
- Used by major foundations such as the Gates Foundation

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## ROI Implementation

- ROI has been implemented in more than 70 countries.
- Over 6,000 organizations have implemented the ROI Methodology.
- Over 30,000 professionals have participated in two-day ROI skill building workshops.
- More than 16,000 participants have completed ROI Certification.
- More than 6,000 CRP designations awarded.
- Over 75 books published; 70 books translated from English.

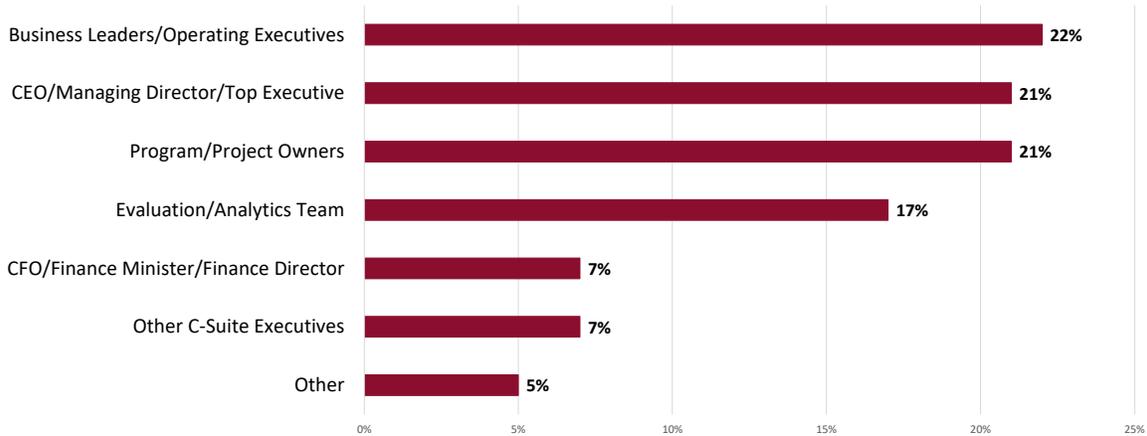
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- Human Resources/Human Capital
- Training/Learning/Development
- Leadership/Coaching/Mentoring
- Knowledge Management/Transfer
- Recognition/Incentives/Engagement
- Work Arrangement/Systems
- Change Management/Culture
- Talent Management/Retention
- Policies/Procedures/Processes
- Technology/Systems/IT
- Meetings/Events/Conferences
- Marketing/Advertisement/Promotion
- Organization Development/Consulting
- Project Management Solutions
- Quality/Six Sigma/Lean Engineering
- Communications/Public Relations
- Public Policy/Social Programs
- Creativity/Innovation
- Ethics/Integrity
- Safety/Health/Fitness Programs
- Environment/Sustainability
- Healthcare Initiatives
- Schools/Colleges/Universities
- Public Sector/Nonprofits
- Faith-Based Programs
- Compliance/Risk Management

## ROI is Appropriate For Many Fields

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## Who drives ROI in organizations?



n = 246

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## The ROI process is accepted by:

- Functional managers who design and implement projects
- Clients and senior management who request and approve projects
- Researchers and evaluators who validate projects

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## Benefits of Using the ROI Methodology

- Justify/defend budgets. (Funding)
- Align projects to business needs. (Alignment)
- Show contributions of selected projects. (Contribution)
- Earn the respect of senior management/administrators. (Respect/influence)
- Build staff morale. (Team satisfaction)
- Improve support for projects. (Support)
- Improve projects with process improvement. (Process improvement)
- Identify inefficient projects that need to be redesigned or eliminated. (Setting priorities)
- Identify successful projects that can be implemented in other areas. (Improving the organization)
- Enhance your career as you show the value of what you do. (Career enhancement)

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## What is your experience with ROI? (Select all that apply.)

- No experience with it.
- It's been suggested, but no action has been taken.
- I have attempted it.
- I have conducted an ROI study.
- I wish ROI would go away.

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## Value Chain— ROI Methodology Levels of Evaluation

Levels of Evaluation	Measurement Focus	Typical Measures
0. Inputs & Indicators	The input into the project in terms of scope, volume, efficiencies, costs	Participants, Hours, Costs, Timing
1. Reaction & Planned Action	Measures participant satisfaction and captures planned actions, if appropriate	Relevance, Importance, Usefulness, Appropriateness, Intent to use, Motivation to take action
2. Learning & Confidence	Measures changes in knowledge, skills, and attitudes	Skills, Knowledge, Capacity, Competencies, Confidence, Contacts
3. Application & Implementation	Measures changes in behavior or actions	Extent of use, Task completion, Frequency of use, Actions completed, Success with use, Barriers to use, Enablers to use
4. Business Impact	Measures changes in business impact variables	Productivity, Revenue, Quality, Time, Efficiency, Customer Satisfaction, Employee Engagement
5. Return on Investment	Compares project benefits to the costs	Benefit-Cost Ratio (BCR), ROI%, Payback Period

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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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## What is ROI?

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

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



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# What is ROI?

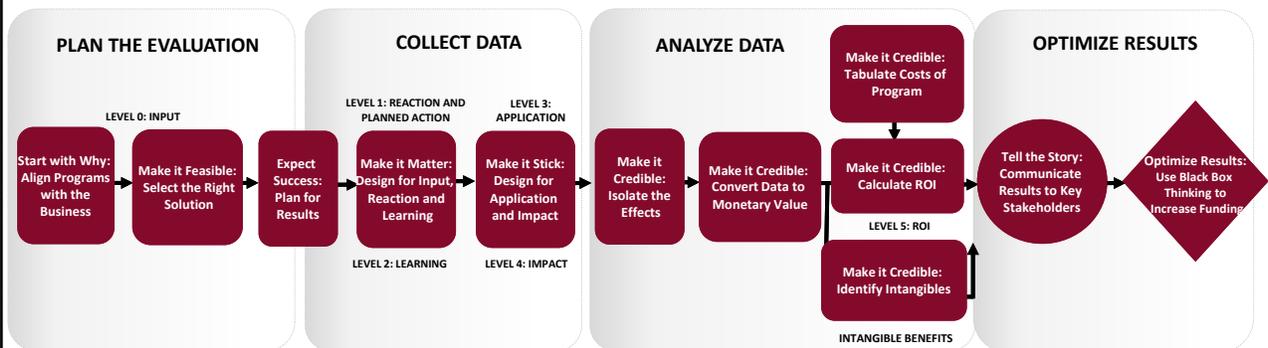
$$\text{BCR} = \frac{\$750,000}{\$425,000} = 1.76:1$$

$$\text{ROI} = \frac{\$750,000 - \$425,000}{\$425,000} \times 100 = 76\%$$



# The ROI Methodology® Process Model

## Designing for the Delivery of Business Results





## Measurement Targets

## How are users evaluating?

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

**What is your status?**

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**What types of projects are best?**

## Characteristics of Programs Suitable for Impact and ROI

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Cost of the program

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Linkage of program to operational goals and issues

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Importance of program to strategic objectives

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Top executive interest in the evaluation

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Visibility of the program

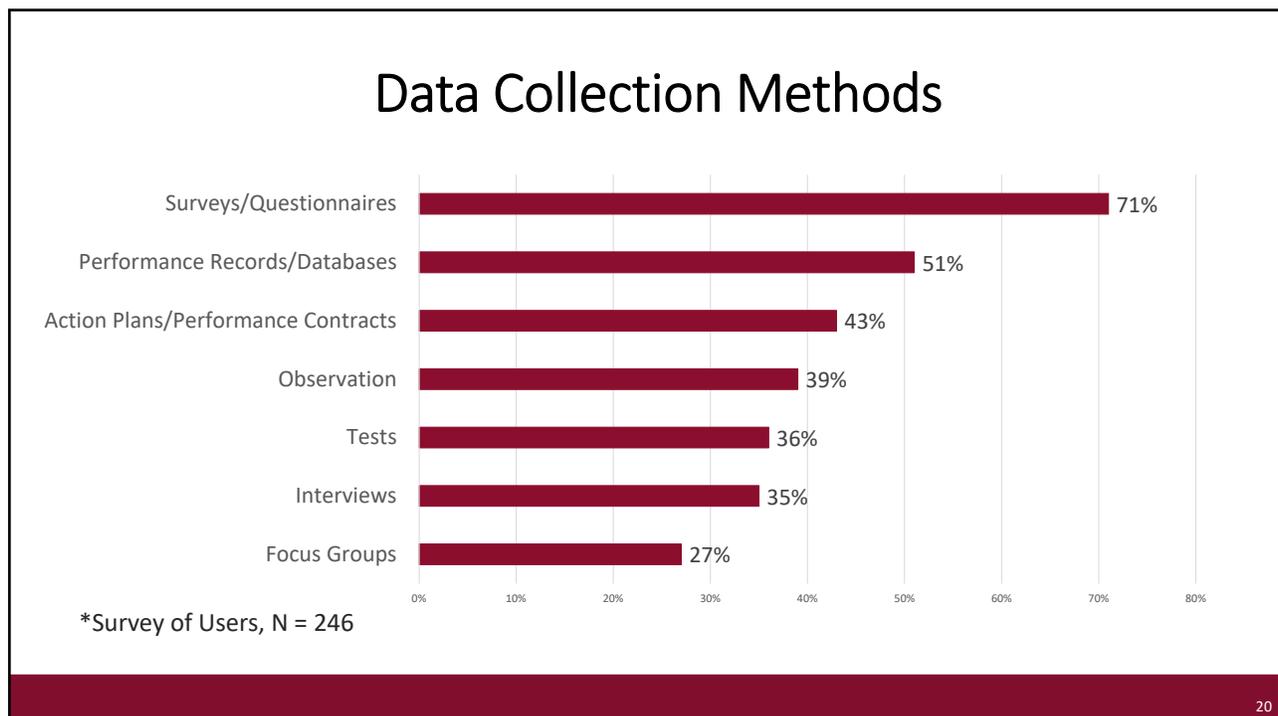
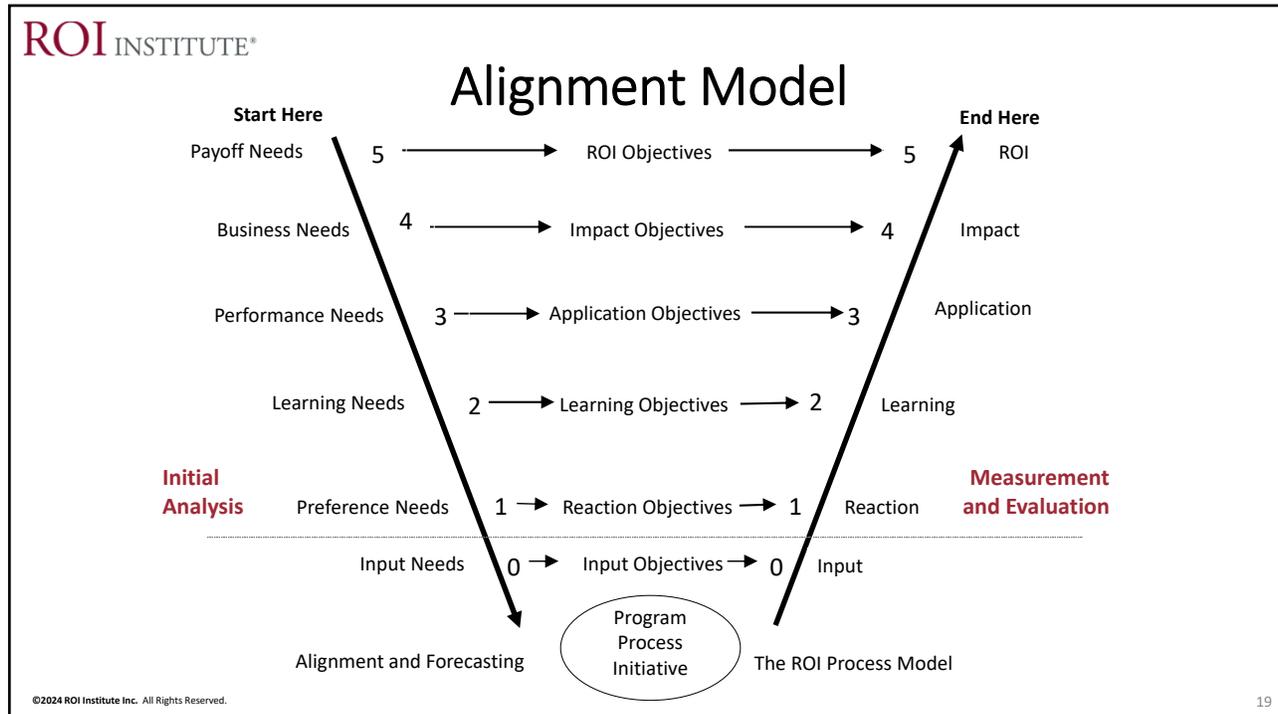
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Size of target audience

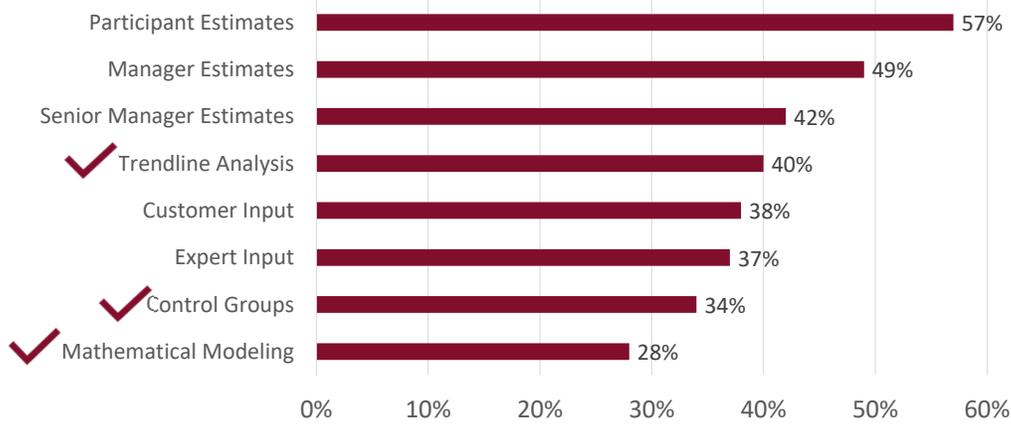
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Investment of time required

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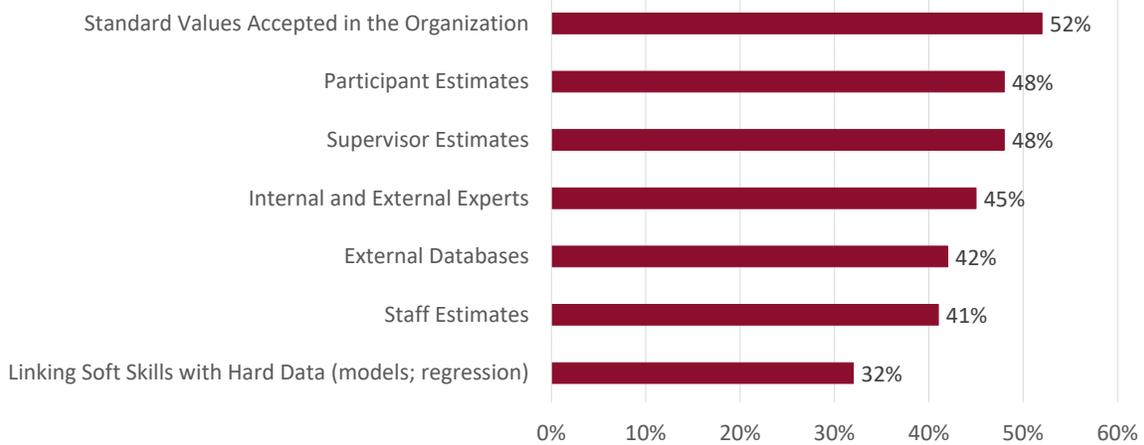


## Isolation Methods



\*Survey of Users, N = 246

## Data Conversion Methods



\*Survey of Users, N = 246

## The Rules — 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 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.

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## What You Receive — ROI Certification Components

Pework	Identify a project or program for ROI evaluation. Prepare for the basics.
Comprehensive Learning Program	Engage in content-rich, interactive sessions that focus on your evaluation project.
Materials	Utilize a 300-page action-oriented workbook, several reference books, and job aids.
Virtual Assistance through Group Coaching	Seek help with your ROI evaluation, receive review and approval of your ROI study.
ROI Academy Library	Access dozens of tools, templates, and job aids in members-only portal.
Right to Use Materials	Receive reproducible ROI materials to use internally with clients and colleagues.
Certified ROI Professional (CRP)	Join more than 6,000 others who hold this unique, sought-after credential.

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## What type of person is best suited to be a CRP?

1. No fear of numbers
2. Knows the organization(s)
3. Good problem solver
4. Detail-oriented
5. Good presenter
6. Good writer



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## How long does it take to conduct a study?

If the data are available, most evaluation studies can be completed in one to three weeks.

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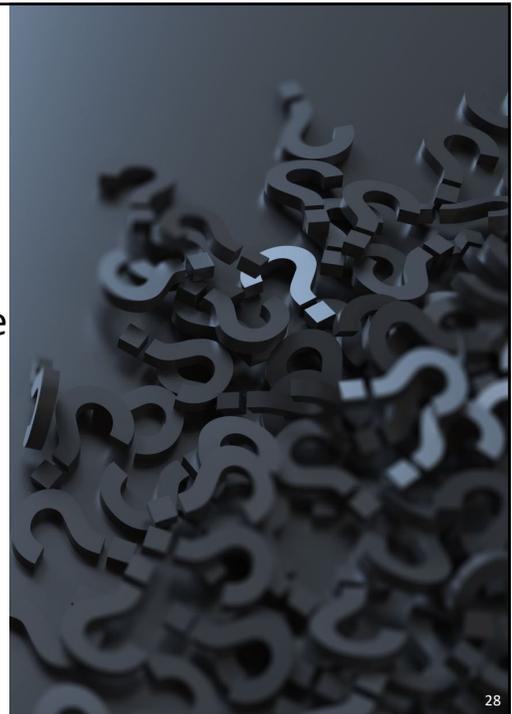
## How do you submit and report an evaluation study?

It ranges from a presentation in group coaching to a detailed report.

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## ROI Myths

- ROI is too complex for most users.
- ROI is too expensive, consuming too many critical resources.
- If senior management does not require ROI, there is no need to pursue it.
- ROI is a passing fad.
- ROI is too subjective.
- ROI is for post-analysis only.



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## What is the best way to learn the ROI methodology?

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- In-Person – Open Enrollment
- Live Virtual – Open Enrollment
- Internal
- On Demand
- Blended Options

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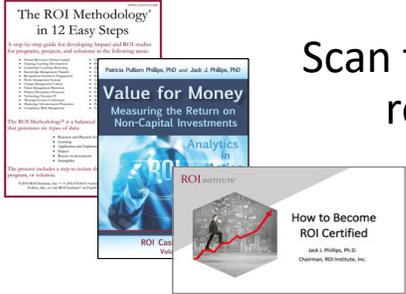
## What are your concerns about the ROI Methodology?

- No concerns.
- It's too complicated.
- It takes too long.
- It's too expensive.
- No one is asking for this.

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Scan the QR code or [click here](#) to access resources from today's session.



# ROI Learning Center

Hosted by Training Magazine Network  
Created by ROI Institute, Inc.



**Four realities occur in today's learning and development environment, globally.**

1. Most top executives want learning and development to be aligned with the business.
2. The concept of ROI is familiar to most people.
3. Connecting learning and development to the business is not that difficult.
4. Thousands of L&D professionals are routinely doing this.

The ROI Learning Center provides tools, templates, and case studies to help prepare you for success in today's environment. Our goal is to take the mystery out of the ROI process.

Start at Level 1 and explore each level at your own pace. Each of the five levels will bring you closer to calculating the ROI of your program or project. There is also a calculator to help you calculate ROI when you have the appropriate data.

**Level 1 Reaction**

**Level 2 Learning**

**Level 3 Application**

**Level 4 Impact**

**Level 5 ROI**

**ROI Calculator**

<https://www.trainingmagnetwork.com/roilearningcenter>

ROI INSTITUTE®

Need an ROI study on an important program or project?

## ROI Certification is the Solution!

By attending ROI Certification, you will:

- Build serious measurement and evaluation capability.
- 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 and digital badge.
- Join the ROI Network with more than 6,000 ROI professionals.
- Advance your professional skills and improve organization outcomes.

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