

Why are you pursuing this subject now? (Check all that apply.)

- Top executives are requiring impact.
- I have pressure to justify my budget.
- I will need to demonstrate more value in the future.
- I want to show increased accountability for our expenditures.
- I want to explore new techniques to measure program success.

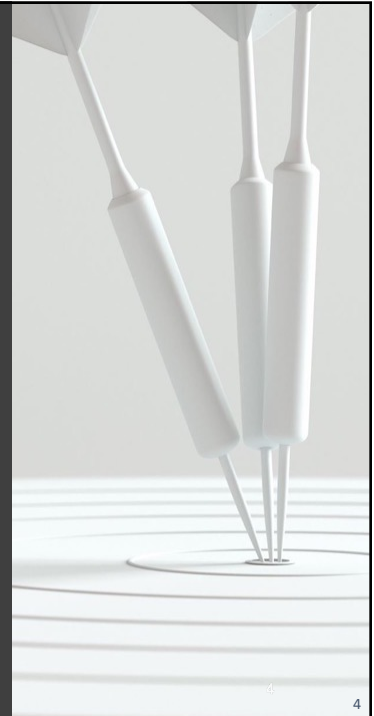


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Objectives

After completing this session, you will be able to:

- Identify the five levels of outcomes from virtual learning.
- Describe why virtual learning fails to deliver application and impact.
- Explain the need to deliver results, including impact and ROI, for selected virtual learning programs.
- Design virtual learning to deliver application, impact, and ROI, using design thinking principles.
- Plan next steps to ensure virtual learning delivers business value.



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Evaluation Framework

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 act
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

Katzell developed four steps of training evaluation; Kirkpatrick wrote about four steps of training evaluation; Phillips added economic theory and operationalized the framework by adding process and standards and applying it in practice in not only learning, but the broader HR community and beyond.

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What prevents virtual learning from being effective?



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- Attendance driven.
- Multitasking inhibits learning.
- Technology breaks down.
- Content and experience focus versus performance focus.
- Manager support is missing.
- Facilitator is missing.
- No real consequence.
- Not designed to deliver impact.



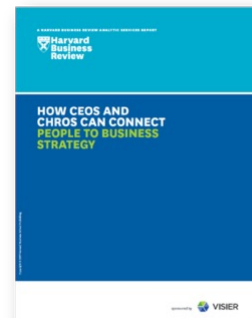
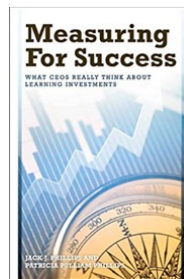
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Senior leaders want impact and ROI.

Sixty-seven percent of CEOs say they get a least a basic set of human capital metrics—but **only 24% of survey respondents** said HR also provides analytics that connect their people metrics to business metrics.

Really, the question isn't about relevance of the (HR) function or a 'seat at the table;' rather, it is **what impact has HR made on the business.**

Seventy-four percent of CEOs report they want ROI, but only 4% get it. Ninety-six percent of CEOs want impact; only 8% receive it. **Business impact data and ROI are the most important metrics** in their decision-making about the learning investment.



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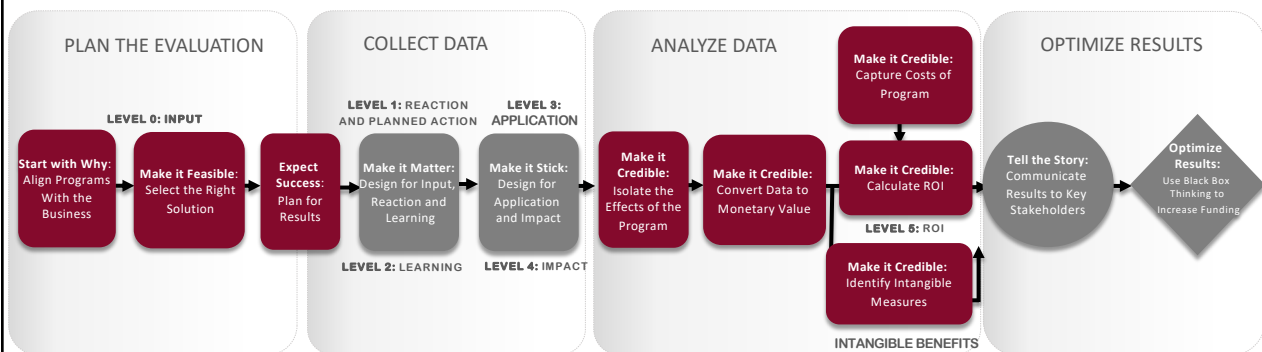
How do we design virtual learning to deliver application, impact, and ROI?



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The ROI Methodology Process Model

Designing for the Delivery of Business Results



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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 is ROI?

$$\text{BCR} = \frac{\text{Program benefits}}{\text{Program costs}}$$

$$\text{ROI} = \frac{\text{Program benefits} - \text{Program costs}}{\text{Program costs}} \times 100$$



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BCR and ROI Calculations

$$\text{BCR} = \frac{\$71,760}{\$32,984}$$

$$\text{ROI} = \frac{\$71,760 - \$32,984}{\$32,984} \times 100$$



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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 per year

**Benchmarking 2020

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Characteristics of Investments Suitable for Impact & ROI

Linkage of project to operational goals and issues

Importance of project to strategic objectives

Top executive interest in the evaluation

Cost of the project

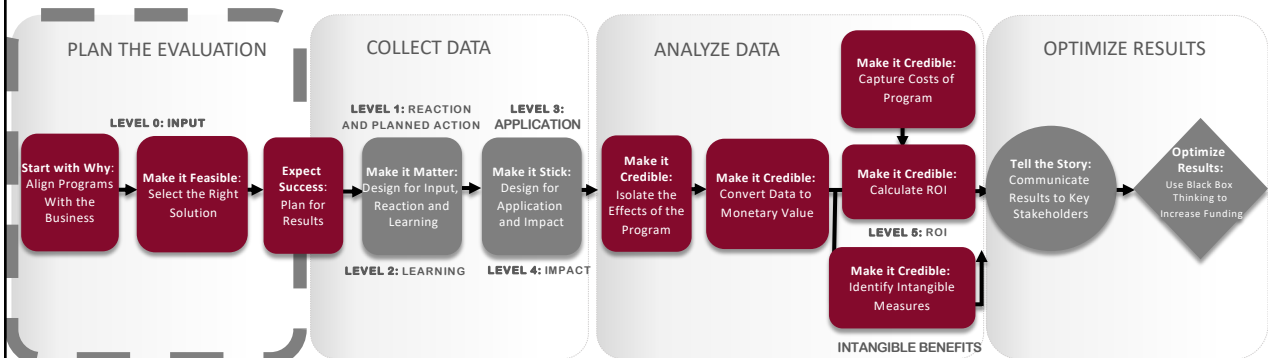
Visibility of the project

Size of target audience

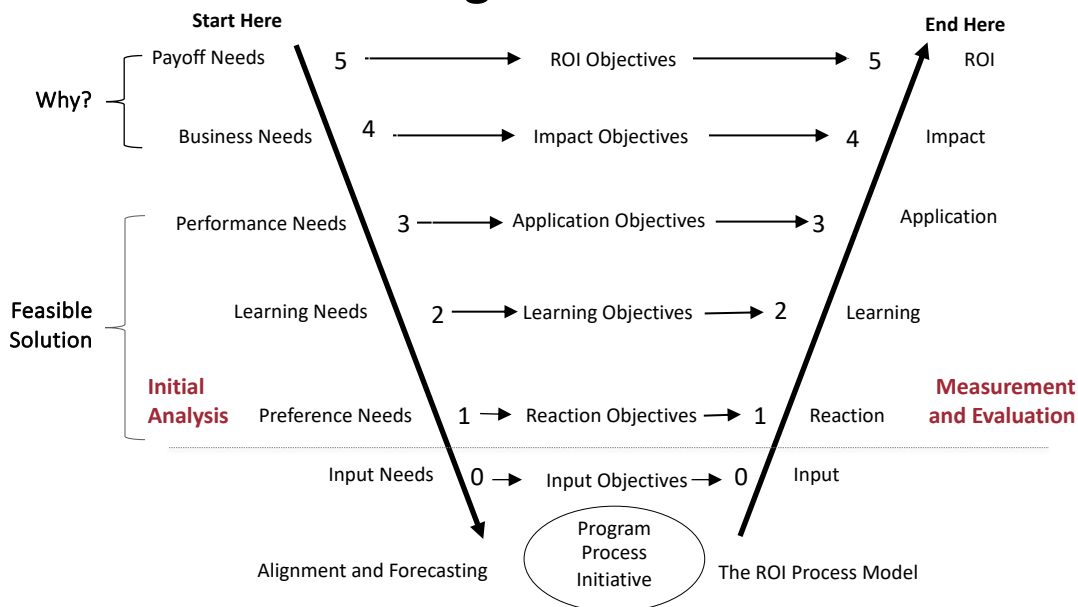
Investment of time required

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Alignment Model



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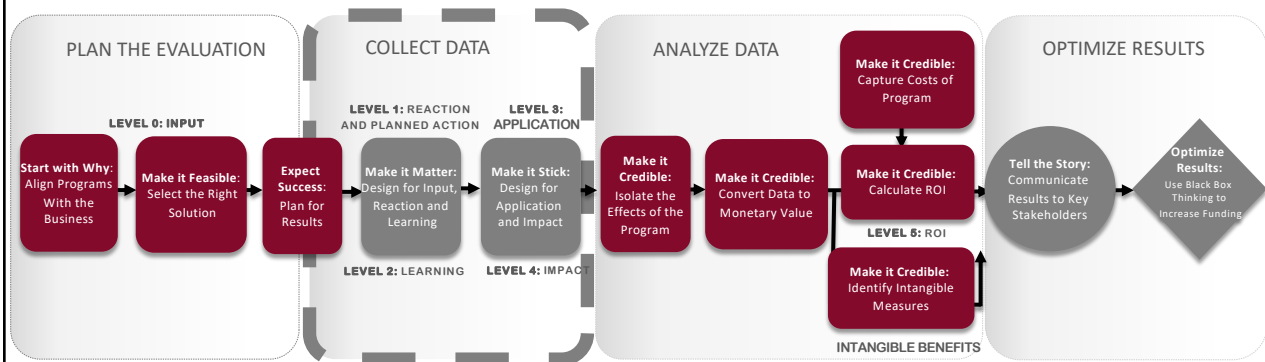
Developing Objectives for Each Level

Levels	Focus
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 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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Design for Application and Impact

		Timeframe		
		Before	During	After
Role-Players*	Manager			
	Participant			
	Facilitator/ Organizer			

*Replace role players with whomever is most influential for your program.

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Key Actions BEFORE a Program



- Develop application objectives for participants.
- Have participants develop customized impact objectives.
- Use performance contracts for application and impact.
- Create an application guide to enable and support the application.
- Create a job aid to use in the application.
- Have manager create expectations before the program.



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Key Actions DURING a Program



- Use action plans to detail application steps.
- Have action plans presented to the group to increase commitment.
- Teach to application and impact.
- Review Level 3 and Level 4 follow-up questionnaire in the last learning module.



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Key Technology-Enabled Actions



- Create coaching videos to use at appropriate times.
- Use apps to encourage and enable the use of content.
- Use social media groups to network for encouragement, support, and enablement.
- Post-recorded content reviews.
- Use automated reminders for application and impact.



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Actions AFTER a Program



- Organize a group coaching session after the program.
- Collect action plans in a follow-up period.
- Organize follow-up sessions to share results.
- Use an on-the-job trainer to support the application.
- Provide encouragement from the manager after the program.
- Host a lessons-learned meeting after participants have used the content.
- Share successes with other participants.

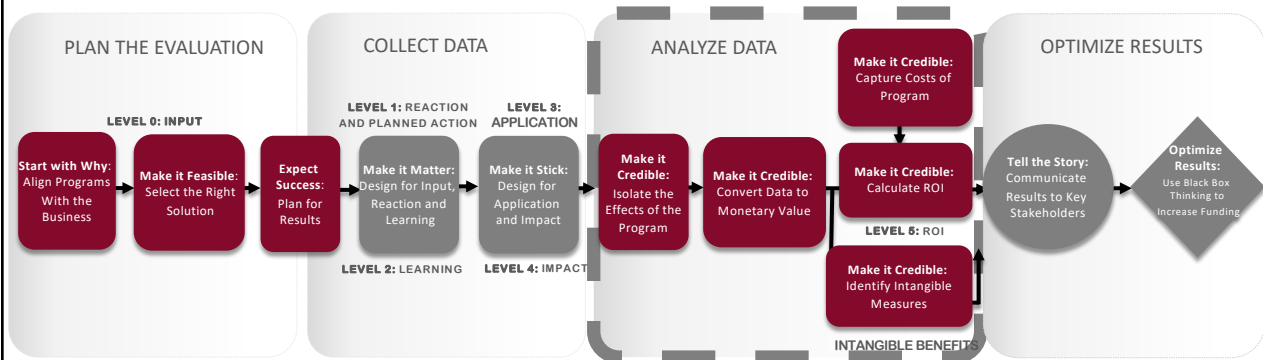


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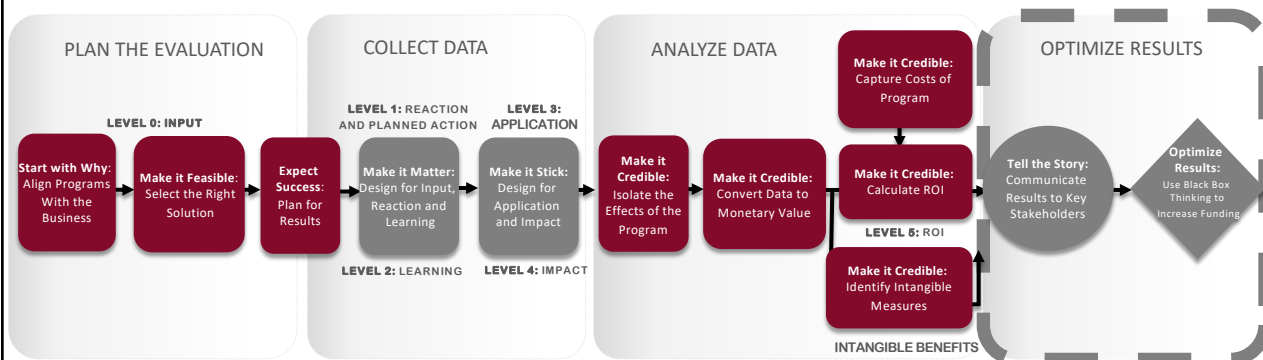
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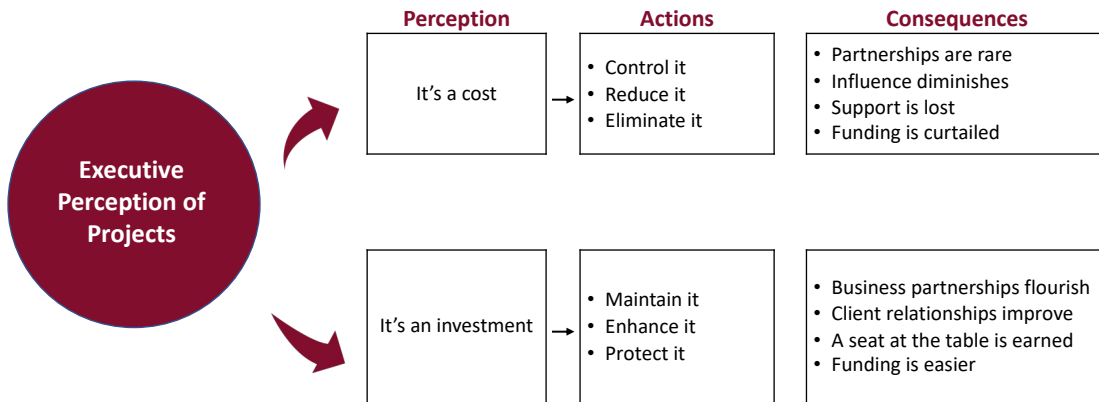
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Cost vs. Investment Perception: The Reality



How do your leaders view your projects?

Measuring the Success of Learning Through Technology
A Step-by-Step Guide for Business Leaders and HR
on Learning, Student Learning, and Skills Learning
James M. Ryan, PhD
Professor of Business, PhD
James A. Phillips, PhD

Case study available in resources

Transoft, Inc.

Transoft: Start with Why

Payoff Opportunity	<ul style="list-style-type: none"> • Potential increase in revenue from ProfitPro \$1,000 to \$3,000 per upgrade for 12,000+ users • Maintain competitive advantage
Business Needs	<ul style="list-style-type: none"> • Upgrade sales to existing customers
Performance Needs	<ul style="list-style-type: none"> • Demonstrate new features • Describe business case for upgrading • Demonstrate how upgrades will lead to greater profitability • Implementation and support
Learning Needs	<ul style="list-style-type: none"> • Rationale for upgrade • Key features • Upgrade contribution to client profitability
Preference Needs	<ul style="list-style-type: none"> • Flexible solution • Accessible to 200 sales reps across US • Avoid cost of travel and time off job

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Virtual Learning Solution

- Five modules
- Target first 25 Sales Representatives taking the program
- Content was relevant
- Five quiz questions per module
- Immediate use of skills expected
- Routine use of each major skill within one month
- Sales should occur within three weeks
- Associates should reach \$10,000 in sales per month
- Objectives set for all five levels
- Target ROI: 20%

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Time to test
your
knowledge!



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What is the ROI?

Virtual Learning for Sales Team

Benefits: \$228,000

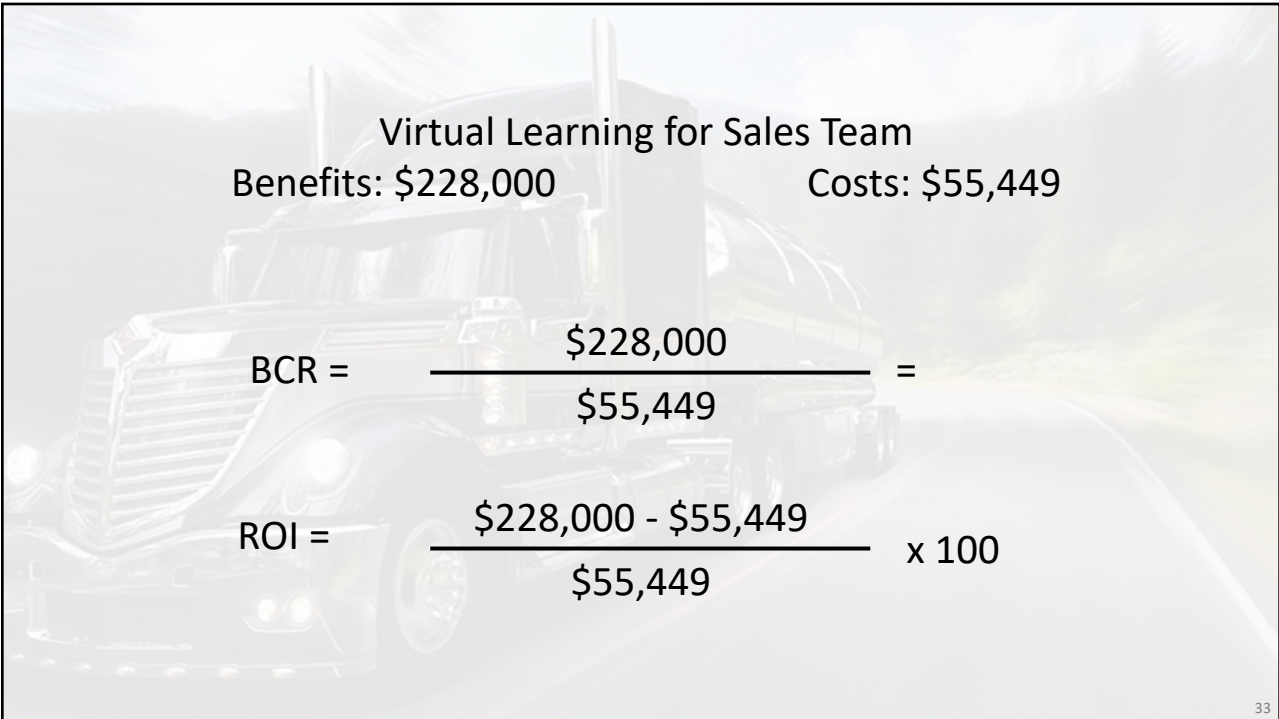
Costs: \$55,449

BCR = _____

ROI = _____ x 100

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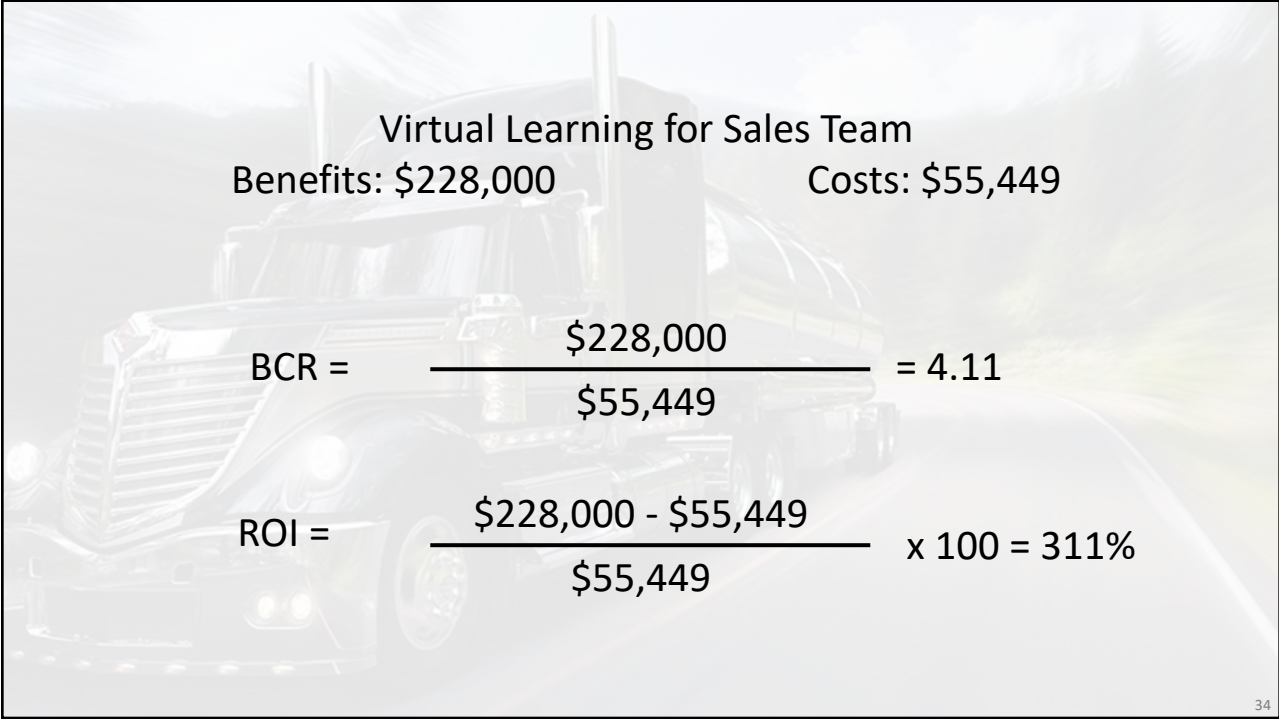


Virtual Learning for Sales Team
Benefits: \$228,000 Costs: \$55,449

$$\text{BCR} = \frac{\$228,000}{\$55,449} =$$
$$\text{ROI} = \frac{\$228,000 - \$55,449}{\$55,449} \times 100$$

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Virtual Learning for Sales Team
Benefits: \$228,000 Costs: \$55,449

$$\text{BCR} = \frac{\$228,000}{\$55,449} = 4.11$$
$$\text{ROI} = \frac{\$228,000 - \$55,449}{\$55,449} \times 100 = 311\%$$

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The Payoff

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

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Be Proactive

Remember, when it comes to delivering results:

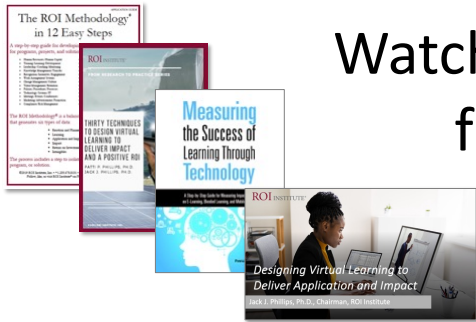
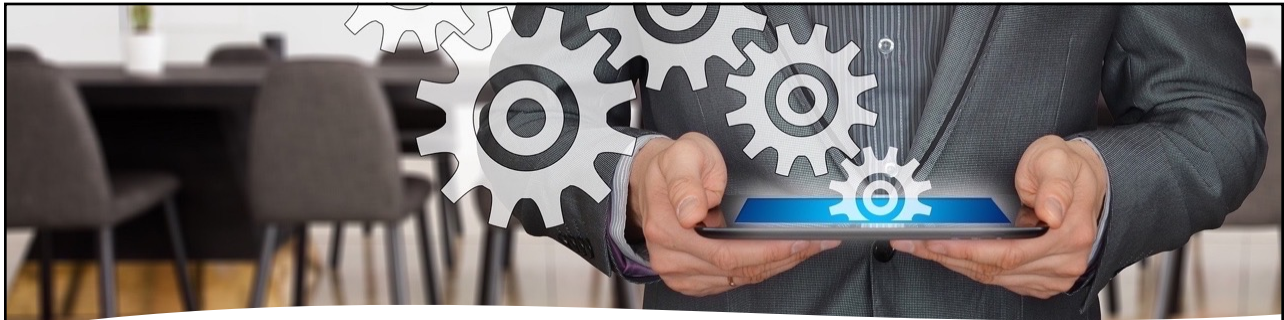
- Hope is not a strategy.
- Luck is not a factor.
- Doing nothing is not an option.

Change is inevitable.
Progress is optional.

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Watch you email for resources from today's session.

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