



# Ensuring Business Impact for Training Professionals

An e-paper by  
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## Introduction

One of the big topics that seems to have been around forever is how to really effectively evaluate your training and development activities, to show the level of impact upon your organisation and, sadly, in some cases, to simply justify the existence of a training department at all.

As with all things, the trick with making sure your evaluation is rigorous and reliable is to give it more attention than you think you need to. As with planning, the more work you do on your evaluation up front, the less pain and heartache you suffer further down the line. So here are my top tips for effective evaluation.

# 1

## Start with the end in mind.

Too often training and development interventions happen straight off the back of some kind of centralised training needs analysis (or, again sadly, because someone in charge decides they want all of their team to be experts in something) and we dash straight into task, getting the resources delivered and then deciding on how to evaluate it. If you have had any intervention where your evaluation is some kind of happy sheet (or digital equivalent), some conversations during 1:1's and a survey monkey review after six months, then you've fallen into this trap.

Training interventions should not start from a generically identified need and work forwards. They should start with a need defined by building competitive advantage and worked backwards. Ask the question, 'What are we trying to achieve by doing this,' and don't accept an answer that isn't business related and can't have a clear business KPI attributed to it. A great training manager will challenge the business leaders to be clear on this area, and won't put pen to paper until they are sure.

## Know your ROI or payback figure

In most cases there should either be a total incremental income figure or a net saving figure attributed to your intervention. Otherwise there's no way you can know what budget you should be working to. A good place to start is by knowing your organisation's usual ROI figure. For charities it's usually a published figure (e.g. they publish that 80 pence in every pound goes to the cause) For commercial businesses you may need to hunt it down. It may not be the final figure you work to, but it's a start.

Secondly you need to agree the payback period. Usually you won't be seeing an immediate payback, and you may be looking at a payback period of 2 years. It will depend on a number of factors:

- ◆ When you actually start the training
- ◆ How long you estimate that it will take for the expected change to be in place. For sales it may be quicker, for leadership development it may take longer.
- ◆ The method you use for the intervention, and the level of support you are giving after it.

And there may be others. But make sure you think this through, and agree with the project sponsor up front what this period is going to be.

The good thing about this is that, rather than setting a budget for the intervention and having to work to that, you can ask, 'If we want this programme to help us increase sales by £200,000 over the next two years, at an overall 5:1 return, can we do this for £40,000 or less?'

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## Change your mindset on what can and can't be directly linked to business benefit

Every single training intervention that is delivered is aiming to do one thing, and one thing only, and that is to improve productivity. This can be either through establishing and developing skills, knowledge and behaviours that will help people make smarter use of their time and resources, or through identifying unhelpful behaviours and ways of working and reducing their effects. That's it. Maslow's hierarchy of needs is all well and good, and self actualisation is a wonderful thing, but ultimately your organisation invests in people being better at their jobs.

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Yes, some things are harder to measure than others, but only if you don't put an appropriate amount of time into thinking it through. If you are doing sales training, then it is relatively easy to tie this into KPI's such as increased call rate, conversion rate and average transaction value, but when we get to the softer skill set it all becomes a bit more woolly. This doesn't mean it's not possible, only that it needs a more lateral way of thinking.

Go back to the point number 1 and ask the questions:

- ◆ Why do we want to improve the [ defined ] skills of all of our managers?
- ◆ What was it that triggered the need in the first place?
- ◆ What is the shift we expect to see?
- ◆ How does this impact in terms of resource saving or business performance?
- ◆ How to we convert this into an actual figure.

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An example might be

- ◆ Managers say that they are spending too much time answering the same questions from their staff time and time again
- ◆ So we want to improve coaching skills as we believe this will reduce the amount of time managers spend answering pointless questions that they don't need to
- ◆ This gives them extra time to work on the important aspects of the business
- ◆ we can convert that into a £'s or \$'s figure by knowing the average profitability per hour or day of a manager in the organisation.

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### Get out into the business and experience it for yourself

The best way to truly understand the impact on the business is to get out there and live it. A good deal of time spent in the field or on the shop floor, talking to staff and soaking up their experience and wisdom will really help to ground your evaluation. Speak to staff from process reliant areas of the business and ask them how they would go about it, they will give you some really great ideas.

## Don't miss out the important step of pre-evaluation or benchmarking

In your planning you must allow time for establishing your baseline. What exactly is the current capability level within this particular skills area? Without knowing that ahead of time how could you possibly understand the impact once you've finished. Think through the mechanisms that you need to put in place to measure the current situation and put them into your overall project plan. Some examples are:

- ◆ Time and motion studies
- ◆ Activity journals
- ◆ On line/off line surveys
- ◆ Interviews
- ◆ Observation
- ◆ Development Centres
- ◆ 360 degree feedback tools
- ◆ External benchmarking

Now, this doesn't necessarily need to be done by the training department, you may want your business operations team to do it, but I believe that you should be actively involved and inputting into methodologies etc. After all, this is going to inform your intervention, so you need to know that the right data is being gathered.

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## Get your evaluation plan in place, and build the resources well ahead of time

Don't think that, because evaluation happens at the end that you can leave it until you've started everything else. You have to build it as a cohesive part of the whole. Pick an evaluation model that works for you and stick to it. Kirkpatrick's four stage model is well known, tried and tested, but make sure that you think about each stage properly, and understand it's value.

### **1. Immediate impact**

Usually a 'happy sheet', this deals with how well the intervention met on the day expectations. Quite often derided (unfairly) the happy sheet doesn't have to be superficial, or focus on the quality of lunch. Ask questions about how they feel about implementing their learning back in the workplace or what support they may need once they get back and this gives you much better quality data. Include questions asking about what might be missing or not very clear, as this will help to improve the training for the next cohort.

Don't put questions about the venue on it. If you don't already know then you need to be paying more attention.

### **2. Immediate learning**

Here you are looking at how well the learning objectives have

been met. This is best done via interactive assessment methods during the training itself. This can be quizzes, observations, examinations, practical exercises etc. When it comes to practical exercises, make them as real life as possible. If it's sales training, then get them to do some sales calls in the environment, and get feedback on it, for example.

### **3. Behavioural shift**

Here you are looking for evidence that things have changed back in the workplace. This is a longer term piece of evaluation and you need to consider the best options for the subject being covered. It's an early indicator as to how close you are to meeting your business KPI's. If after 3 months your evaluation shows that things haven't shifted at all, then you may need to look at some reinforcement activity.

### **4. Business impact**

The thing here is that you have to know that you can measure what you need to measure. I have known interventions come unstuck because this has been left until the end, the programme is underway and the project lead finds out that it's impossible to get the data they need from the system in place. Speak to your data experts and find out what can and can't be done. You can then look at whether some of your budget can be used to outsource your data gathering to provide the reports you need.

## Do a proper cost benefit analysis

Knowing how much you are going to spend on resources for your intervention is crucial. You are likely to be providing your final report for the senior management in your organisation, and they will want this to be pretty rigorous. Cost benefit goes beyond just listing out the costs of the intervention itself. Pay attention to opportunity costs as well. Include things such as the daily rate for each delegate's attendance (a guide is to divide salary by 220, the average number of working days in a year) and potential business impact for a day (predominately for people in a direct income generation role, but it can apply to other roles. Again, you need to think it through and ask the questions.)

When calculating the benefits, ensure you have included all potential impact areas and, much as you did in maths exams at school, show your working. An example might be:

6% increase in average call response rates per month @ 20% conversion and ave sale value of £200 = £12,000 per month

Or

15% increase in stock donations in year 1 @ ave profit per bag of £30 = £40,000

See how this then becomes clearly business focused, and lays out exactly what you will measure on a day to day basis?

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## Enhance your reporting capabilities

You can have the greatest evaluation plan in the world, but if you find pulling this into a succinct and robust report a struggle, then you need to find someone to help you. If you've sorted out your evaluation model and got your cost/benefit analysis done, then this will help, but when presenting your findings there are a couple of things to bear in mind:

### 1. Know your audience

Get to know the people that you will be presenting your findings to, and understand what their preferences are. If they tend to like concise, edited content then focus your energies on this. Don't provide them with endless tables of data and a 48 page report, because they won't read it. If they like to pour over data reports then provide more of this with some well-crafted supporting notes and recommendations, and be prepared for questions, as there will be some.

### 2. Be consistent

Identify a template for laying out your evaluation and stick to it. If you want a suggested template email me at [peter@etctraining.biz](mailto:peter@etctraining.biz) and I'll send you one. Using the same template each time, tailored to your audience, means that they will know what to expect and where the key points are that they want to know. There's nothing more confusing than having a different style of report each time you finish a piece of work.

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### 3. Get help

If you have access to teams within your organisation who do analysis for your audience on a regular basis, then go to them to ask for support. Not only is it likely that they will have greater levels of skill and experience in these areas, but they will also know more about the preferences of the audience you are writing for. They are also likely to know all the shortcuts to getting your data out of systems that it might take you weeks to work out.

## Conclusion

When it comes down to it, evaluation is simply making sure you ask the right questions at the start, plan effectively and do the sums. There will be countless people around you that can help you paint a great picture of what your interventions can achieve, you just have to ask.

If you want professional advice on anything to do with delivering learning interventions within your organisation, please get in touch:

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