

Is management asking you to demonstrate your training results?

# Making

Here are three real-world examples that worked.

# Results

It's a widespread trend: Learning professionals are asked increasingly to make visible the results of training and development programs. Fort Hill Company recently convened learning leaders from 16 well-known corporations across America to a Best Practices Summit, in which every participant reported increased pressure to demonstrate measurable results from training. Indeed, more than half of the participants rated the pressure as “significant” or “very great.” Daniel Peterson, project coordinator for learning and development at GlaxoSmithKline, is typical. When asked, What are the greatest challenges your learning organization is facing? he responded, “Showing measurable benefit.”

# Visible

By Calhoun Wick and Roy Pollock

We don't have to tell you that traditional measures of reaction—number of courses taught and participant counts—are no longer sufficient. Fred Harburg, senior vice president of leadership and development at Fidelity Investments, says in the March 2004 issue of *Chief Learning Officer*: “We are not in the business of providing classes, learning tools, or even the learning itself. We are in the business of facilitating improved business performance.”

More and more, training budgets are linked to learning analytics and outcomes assessment. Because that new alliance provides a forum to demonstrate the value that learning adds to an organization, learning professionals shouldn't view this as a threat but rather as a great opportunity. The challenge is to become adept at making the results of our efforts visible in a compelling way. The following examples relate success stories from different programs and industries. Each presents the lessons learned. More important, each provides practical guidance for meeting the challenge of demonstrating measurable results.

## Hewlett-Packard: Accelerating time to value

The Dynamic Leadership program at Hewlett-Packard was created in response to pressing business needs. The company recently experienced an unprecedented period of change that included the spin-off of Agilent, the appointment of Carly Fiorino as CEO, and a hotly contested merger with Compaq. According to Peter Gaarn, global program manager in executive development, “So much had changed so fast that managers were saying that they were unsure how to lead in the new environment.” To get to the core business issues, HP's Workforce Development and Organization Effectiveness group interviewed business managers across the disciplines. What they heard was frustration with the slow pace of decision making,

lack of alignment, and loss of shared purpose that led to wasted opportunities and organizational deceleration.

HP designed Dynamic Leadership to address those needs by

- accelerating time to value for customers, employees, and shareowners
- building greater capability to gain alignment more swiftly
- improving cross-boundary collaboration
- accelerating issues resolution and decision making.

A major objective of the program was to help leaders accelerate time-to-value through “authentic conversations” as described by Mickey Connolly and Richard Rianoshek in their book, *The Communication Catalyst*. Topics include

- context setting through business mapping
- laws of conversations, conversation model
- rapid decision making
- RACI (responsible, accountable, consulted, informed) model for decision making
- authentically raising and resolving issues.

Program designers chose the live-group format as the most effective way to introduce and illustrate the targeted skills and concepts, and provided participants with a *Learning Journal* that includes descriptions of the key concepts and room for personal notes. To ensure relevant business context, sessions were coled by external professional and internal HP facilitators. An important part of the design was “accountability for action”—the idea that development doesn't end on the last day of class, but only when participants have put what they learned into action. Participants had to commit, in writing, that they would apply Dynamic Leadership to their goals. A copy of those goals was sent to each participant's manager to underscore accountability, foster alignment, and encourage support.

Given the importance of the business issues addressed by the Dynamic Leadership program, HP's executive committee authorized a rapid worldwide deployment. In the first 12 months, more than 8000 managers attended programs in over 20 countries. Given the magnitude of the effort and the cost involved, management wanted to see results.

Gaarn was asked to devise an assessment system that would provide hard data on the value of the program, yet still be cost- and time-efficient. Using Friday5s, a Web-based follow-through system, he accessed rich Level 3 (evaluating behavior) data that prompted participants to reflect on their progress and periodically update the system. In addition, managers and coaches provided excellent descriptions of learning transfer and supportive feedback.

To gather quantitative data, Gaarn worked with Fort Hill to develop an electronic survey that could be administered efficiently to thousands of participants. Three months after the program, Gaarn's survey asked attendees to indicate how often they used the information they had learned from Dynamic Leadership in ways that generated value for HP. The survey also asked them to describe, in detail, a critical incident in which their new knowledge produced real benefit to HP. Following is a sample of the first-person accounts from the value creation survey:

- “We saved at least 10 engineering days of time by reducing the number of meetings and assigning clear decision owners, which is a lot for a project of this size.”
- “Benefited greatly by alignment, authentic conversation and rapid and valuable decisions.... Many people have commented and thanked me for efficient decision making and alignment. Ten hours of time [and] eight people have been saved.”

Hours saved were converted to dollars using the fully loaded cost of employees at

## Visible Results

that level supplied by HP's finance department. The ROI for the program was calculated using the median value of reported incidents *times* the frequency with which they were reported, *minus* the fully loaded cost of the program (including the time away from the person's regular work). In the first year alone, the ROI was 15 times the cost of the program. The evaluation was presented to the executive committee and had credibility with senior management because the estimates were based on specific instances rather than broad generalizations.

As compelling as those numbers were, the importance of managing the whole message was still apparent. In discussing the results, senior managers would also interject their personal experience: "I heard from one of my managers...." Here, the lesson for learning leaders is the importance of paying attention to the formal as well as the informal channels of communication.

Summing up the success of Dynamic Leadership, Gaarn points to the work that was done to

- identify the real business needs
- design the program to deliver to those needs
- support follow-through and learning transfer
- select learning analytics geared to the mindset of senior management.

### AstraZeneca: Creating a coaching culture

Well-researched analyses of ROI can be compelling, but it isn't always necessary—or even advisable—to use financial measures for analytics, as the following case study illustrates.

Joanne Manidis, director of field development-sales at the pharmaceutical company AstraZeneca, had a clear and challenging mandate: Develop a coaching culture among sales managers.

AstraZeneca was preparing to launch two important new medicines, Iressa and Crestor, into the highly competitive pharmaceuticals market.

To win in the market, AstraZeneca's sales specialists needed first-rate coaching to hone their selling skills. However, much of what transpired during field rides and other interactions between managers and their direct reports was "telling," rather than coaching. Senior sales management knew that to maximize the chances for success of AstraZeneca's new drugs, they needed more and better coaching. Manidis had to make that happen.

Working with Curran Brugger and other colleagues, Manidis designed Breakthrough Coaching II, a two-day intensive coaching workshop that included assessments, lectures, group work, and role-play exercises for district, regional, and area sales managers. To ensure that the lessons of Breakthrough Coaching were applied in the field, the program included a 10-week follow-through period in which managers were asked to report on their progress and plans for continued improvement biweekly in Friday5s, an online follow-through system. Each level of management could review the updates of their direct reports and provide online as well as in-person coaching. Regional field development leaders who delivered the program also had access to the follow-through system and helped to monitor and support on-the-job application.

Manidis and her team realized that they had to demonstrate real results; it wasn't enough to show that managers liked the course or felt they learned a lot about coaching. The team recognized that the people in the best position to judge whether there had been a change in coaching were the people being coached. So, they surveyed the pharmaceutical sales specialists in the field and mid-level managers about the coaching they re-

ceived from their bosses. Managers and leaders were polled using an online data collection system; sales specialists completed optical scan sheets during regional sales meetings.

Without question, the program had delivered on its promise. With more than 60 percent of the managers and 500 sales representatives providing information, the results were as follows:

- 48 percent reported receiving more frequent coaching
- 59 percent experienced more coaching, less "telling"
- 61 percent felt that their managers were more effective as a result
- 69 percent reported that their sales performance had improved
- 51 percent reported being more satisfied with their jobs.

The job satisfaction result was especially gratifying and has proven to be an important, unexpected benefit: It has helped AstraZeneca in its recruiting efforts and in its designation as one of *Fortune's* "Best 100 Companies to Work For."

The field development team provided senior sales management with results that directly answered the charge to increase the frequency and quality of coaching. When asked to comment about her most important lesson learned in the process, Manidis said, "The improvement of coaching is not an event. Instead, it requires continuous improvement and follow-through every day. Measurement then becomes the final piece in making results visible."

### Federated Department Stores: Delivering bottom-line results

While large-scale surveys and statistical analyses are appropriate in some situations, case studies are a more compelling way to tell the story in others, as Sue Sul-

livan Hays, manager of the Leadership Institute for Federated Department Stores, proved. Hays's team is responsible for Leadership Choice, a program designed to increase sales and profit performance in Federated's stores by helping leaders

- enhance personal leadership effectiveness
- develop a customer-centric plan to improve business performance
- build partnerships, commitment, and capabilities to improve execution
- recognize the impact of decisions on business results.

At the conclusion of the program's face-to-face session, attendees are asked to set two goals to work on over the following three months. One is to be a business goal targeted at one of the four corporate priorities; the other is to be a leadership goal related to an opportunity identified from Proflor, a 360-degree feedback tool by Personnel Decisions International. Participants then use the Friday5s follow-through tool to track their progress and continue their learning.

Because managers selected for the Leadership Choice program have a wide range of responsibilities in Federated's different divisions, it was important to show that the program produced results for managers in various settings. Hays decided it would be better to illustrate the value to management with concrete examples rather than broad generalities or summary statistics.

Using the Friday5s input, she identified participants who reported good progress and then conducted follow-up interviews and prepared a series of case studies to illustrate the program's impact in each of management's priority areas, such as "in-store shopping experience" and "differentiated assortment." Hays selected examples that showed how the program helped managers create value in different settings with diverse business challenges. Because those case studies

"told a retailing story," they communicated the kind of results that the program was designed to cause happen.

**Case study 1:** One manager set a goal of aggressively driving new and differentiated neckwear assortments so that selling floors would be visually exciting and sales would increase by 5 percent over plan. Using concepts from Leadership Choice, he coached and developed a new associate buyer to take more ownership of the neckwear business. He partnered with that buyer to review future buying strategies, walked the competition's and his own floor to analyze current successes and opportunities, and developed a strategy to drive best/better neckwear opportunities. The impact:

- exceeded goal of 5+ percent
- beat neckwear plan by 12 percent
- increase of 52+ percent over last year in "best" labels.

**Case study 2:** A general manager was focused on spending 20 percent more of her time on the selling floor interacting with her staff and customers. Through open communication with customers and her team, she gained valuable insight and increased her ability to generate the best possible solutions. By applying insights from Leadership Choice, she became more sensitive to customers' needs and communicated their concerns to the part of the organization that can resolve the issue. She now handles performance issues with a greater understanding of how time invested in developing people is tied to business results. The impact:

- Her store increased its customer service ranking from number 6 to number 2 in its division.
- The store was also among the top 10 in achieving the company credit card solicitation goal, moving in rank from number 12 to number 7.

Commenting on the success of the program and her approach to analysis, Hays said, "Storytelling is an important part of our culture. This analysis enabled

us first to present the impact of the Leadership Institute to our senior vice president of HR in a compelling way and then provide a framework to share the results with our most senior line leaders."

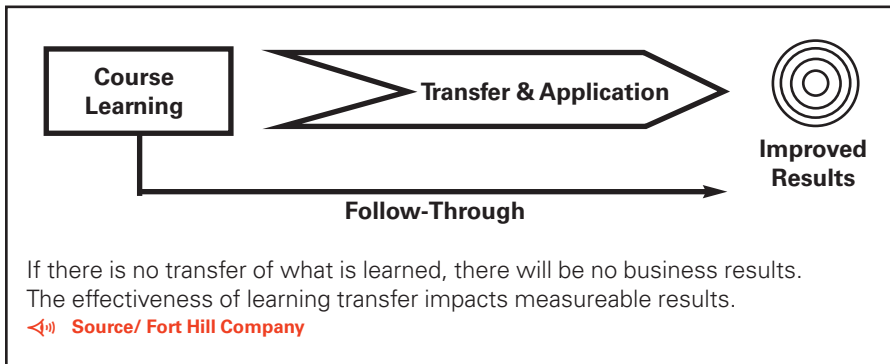
### Success factors and lessons learned

What can you apply from those case studies to your own program?

**Teach and measure what matters.** If you want continued support for your learning organization, you need to concentrate your efforts in areas that the business values most. In each of the previous case studies, the programs were designed to address real business needs. Knowing what results business leaders wanted to see from the training made it easier to design programs that would deliver those outcomes. More important, clearly defining the business objectives at the outset made it obvious what learning analytics would be needed at the end.

Getting the measures right is critical. But "right" is a relative, rather than absolute, term. What is right for one audience may be a turnoff for another. The most persuasive measures depend on the audience and their goals for the program. An analysis, no matter how sophisticated or statistically elegant, will fail to win support for the program if it doesn't address the issues management is interested in. Program designers need to be sure they truly understand what the customer is looking for before putting pen to paper. The design process should include getting management to agree on how success will be measured *in advance*. Waiting until after a program has begun to consider how it will be evaluated is a recipe for disaster.

Susan Burnett, senior vice president of talent and development for Gap Inc., is very clear: Training and development programs must be driven by the needs of the business, which can only be discovered by talking directly with the



business leaders. “Too many learning professionals,” she says, “talk only to human resources when they’re trying to understand the training and development needs. While human resources is a great partner, it is one step removed from actual business challenges. HR cannot help but introduce its perspective on the business needs, based on its training and experience. If you really want to know what the business leaders will value from training programs, you have to speak directly with the business leaders.”

Two cautionary comments about interviewing business leaders to discover what business needs are in order: One, be sure to use reflective listening techniques to play back what you have heard and check your understanding. Your challenge is to discover the core issues that keep managers up at night, the issues that cause them pain or lost productivity. To design an effective program and analytics, you need specifics. “I need my direct reports to be better managers” is not good enough. Probe for what “better managers” means to that manager. What does that business leader define as success? What will program participants do better or differently if the program achieves its objectives? What would better management look like? Does it mean more efficient use of time? Greater delegation? More strategic thinking? Better coaching?

The answers to those questions not only determine the content and nature of

the educational program, but also define what outcomes you need to track.

Another pitfall we’re all familiar with is selling training as a solution to every problem. Many business problems are the result of poor systems, inefficient processes, inadequate technology, or other issues that have nothing to do with inadequate knowledge or skills and, as such, cannot be “fixed” by training.

One of the most valuable roles we can play for our business colleagues is as a trusted consultant. That includes advising them when training is *not* the solution. And even when training is needed, be careful not to over-promise. Line managers learn early in their careers to under-promise and over-deliver. In other words, promise only what you are confident you can measurably deliver. As learning analytics become more widespread, you’ll be held accountable.

**Make sure the results will be there.** One of Peter Drucker’s oft-quoted aphorisms is, “If you cannot measure it, you cannot manage it.” His point is that unless you measure outcomes in a meaningful way, you have no idea whether the decisions you made were right or wrong, whether changes improved the situation or made it worse.

An equally compelling case can be made for this adage: If you aren’t willing to manage it, don’t measure it. That is to say, in order to produce business results, learning must be transferred from the training experience to the person’s job.

If there is no transfer, there will be no business result, no matter how much was “learned.” The effectiveness of learning transfer directly impacts the magnitude of measurable results. Most training programs, however, pay little attention to what happens after the course itself. Transfer is left to chance and the learner’s individual initiative. And that’s a risky mistake. **TD**

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