Contents

ix

хi

38

44

Acknowledgments

Introduction

Chapter 1

The Need for and Benefits of Measurement and Evaluation of	
Training Outcomes	1
Why Measurement and Evaluation Are Necessary	1
A Framework for Evaluation with Six Types of Measures	3
Case Illustration: Utility Services Company	12
Setting Evaluation Targets	18
Creating A Results-Based Training Culture	20
Chapter 2	
The ROI Model and Process	23
Overview of the ROI Model and Process	23
Defining the Return on Investment and Benefit-	
Cost Ratio	26
Deciding Which of the Five Levels is Right for Your	
Training Evaluation	29
Chapter 3	
Step 1. Develop Training Objectives: The Basis	
for Measurement	35
How Specific Objectives at Each Level Contribute to	
Return on Investment	35
Linking Training Objectives to Organizational Objectives	36

Developing Objectives at Each Level for Training Solutions

Case Illustration: Reliance Insurance Company

Chapter 4	
Step 2. Develop Evaluation Plans and	
Baseline Data	51
Overview of Developing Evaluation Plans	51
Types of Measures	51 52
Clarifying the Purpose of Your Evaluation Initiative	52 53
Approaches to Collecting Baseline Data	58
Key Factors to Consider When Developing an Evaluation Strategy	
Developing Evaluation Plans and Strategy	59
Chapter 5	62
Step 3. Collect Data During Training (Levels 1 and 2)	73
Level 1: Measuring Reaction and Satisfaction	73 74
Methods of Level-1 Data Collection	7 4 75
Level-1 Target Areas—Standard Form	75 76
Level 2: Measuring Learning	90
Measuring Learning with Less-Structured Activities	11
Chapter 6	11
Step 4. Collect Data After Training (Levels 3 and 4)	123
The Best Methods of Collecting Follow-Up Data	123
Finding the Most Reliable Data Sources	146
Questions to Ask in Any Type of Follow-Up Evaluation	148
Improving Response Rates to Questionnaires	149
Getting Started with Data Collection	151
Chapter 7	131
Step 5. Isolate the Effects of Training	153
Case Illustration: First Bank	153
Identifying Other Factors: A First Step	155
The Best Strategies to Isolate the Effects of Training	158
Deciding Which Strategies to Use	171

Step 6. Convert Data to Monetary Values	177
Sorting Out Hard and Soft Data	177
The Best Strategies for Converting Data to Monetary	
Values	181
Deciding Which Strategy to Use to Convert Data	190
Addressing Credibility Issues	192
Making Adjustments to the Data	193
Converting a Unit of Value	193
Asking the Right Questions About Converting	
Hard and Soft Data	195
Chapter 9	
Step 7. Identify the Costs of Training	199
Identifying the Costs of Training	199
The Importance of Costs in Determining ROI	199
Disclosing All Costs	200
Identifying Fully Loaded Costs	202
Presenting Costs without Presenting Benefits	202
Recommended Categories for Costs	203
Cost Accumulation and Estimation	209
Cost Classification Matrix	209
Cost Accumulation	210
Cost Estimation	212
Chapter 10	
Step 8. Calculate the Return on Investment (Level 5)	217
Calculating the Benefit-Cost Ratio and the Return on	
Investment	217
Ten Guiding Principles	218
The Potential Magnitude of an ROI for a Target	
Population	218
A Rational Approach to ROI—Keeping it Simple	218
ROI Comparisons	221
•	

Chapter 8

Chapter 11	
Step 9. Identify Intangible Benefits	223
Why Intangible Benefits are Important	223
Identifying Common Intangible Variables	223
Sources for Intangible Benefits	22 4 226
A Final Word on Intangible Benefits	
Chapter 12	227
Step 10. Generate an Impact Study	990
The Need to Identify Organizational Impact	229
Monitoring Progress	229
Focusing on Contribution, Not Justification	230
Communicating Results	231
Addressing the Needs of Target Audiences	231
Developing the Evaluation Report	232
Developing the Impact Study	232
Presenting a Balance of Financial and Nonfinancial Data	233
Giving Others Due Credit	237
Chapter 13	242
Fast and Easy Approaches to Measuring Training Outcomes	0.45
Cost-Saving Approaches to ROI	245
Three Quick Ways to Discover What Happened,	245
Why, and What the Result is Worth	0.45
A Time-Saving Worksheet	247
Chapter 14	248
Gaining Management Support and Implementing the Process	071
Organizational Politics and Decisions	251
How to Get Management Support for Evaluation of	251
Training Outcomes	050
Avoiding the Misuse of Measurement	252
Implementation	256
Index	258
	273