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**An electronic information letter by BNH Expert Software.**

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**Training Impact - To Measure or Not To Measure**

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In this issue, we will attempt to shed some light on one of the most persistent questions. "Why do we need to justify or measure the impact of training? Isn't obvious that informed employees would be more productive?"

**Well, let us examine the facts ...**

Providing the right information to the right people at the right time will of course improve efficiency and productivity. However:

**a. Most skills gained through training are not applied on-the-job**

A number of studies have confirmed that most of the knowledge and skills gained through training (well over 80% by some estimates) are not fully applied on-the-job. Although the rationale for training seems clear – a new system is being implemented, too many accidents are being experienced, a process has too many errors, etc. - prominent researchers have successfully argued that most performance deficiencies are due to environmental factors, which may include vague expectations, insufficient/untimely feedback, limited experience, insufficient access to required information, inadequate tools, resources and procedures, inappropriate and counterproductive incentives, etc. Yet, when a performance gap does occur, the default intervention is all too often training – although it is typically much easier to fix environmental issues rather than people. Moreover, even when it is determined that training is necessary, is it sufficient? A training intervention, on its own, will rarely work if it is not part of a total performance system.

**b. Training budget is viewed as an expense**

Unless the training program is a revenue-generating business, the budget is viewed as an expense, which is being continually scrutinized – keep in mind that training units are competing for funds with other units within the organization including sales, marketing, IT and operations. As a result, the demand for training most likely exceeds capacity, and resources must be focused on the most important initiatives to maximize training investment and demonstrate value. Otherwise, limited resources may be invested in training programs that have minimal impact on the organization's goals. Without an objective mechanism for evaluating and prioritizing our training needs, how can decisions be made on which programs to fund? Should money/resources be allocated equally amongst several programs? Should the focus be on just a few programs? How can spending be prioritized in advance and how do we deal with the constant onslaught of new requirements and performance challenges that require training?

### **c. Are we measuring what counts**

Although traditional measures (trainees feedback and assessment results) held by training and development professionals are useful for incrementally improving the effectiveness of training programs, they are of minimal interest to business unit managers and executives as a measure of overall training effectiveness. Ultimately, training value is derived from trainees' ability to apply learned concepts on the job and the resultant impact on organizational and/or unit goals. Since one of the primary responsibilities of executives is to increase shareholders value, funds are inevitably allocated to areas that generate the greatest ROI.

### **So, how do we demonstrate the value of our training programs**

- a) Align training with organizational goals
- b) Identify which programs generate the greatest impact
- c) Find out the most effective and economical way to deliver the training
- d) Plan and manage training budgets and resources

Moreover, assessing training impact in the up-front planning phase, offers new insight on where training budgets and resources should be allocated and permit training managers to:

- (1) Become more responsive to current and future training needs
- (2) Increase the impact of training by focusing only on the most crucial initiative
- (3) Improve program efficiency by offering a methodology for selecting only cost-effective training delivery options

### **ADVISOR Enterprise can help**

ADVISOR Enterprise is an Internet/Intranet based decision support tool to help organizations effectively manage training budgets and resources from a central location as well as identify ways to run training programs more effectively and economically.

For an overview of ADVISOR Enterprise main features, please click on [ADVISOR Enterprise](#).

To request a free trial account, please click on [Free Trial](#) and complete the registration form. To schedule an online demo to walk you through ADVISOR's main features, contact BNH at (800) 747-4010, 1 (514) 745-4010 or [✉info@bnhexpertsoft.com](mailto:info@bnhexpertsoft.com).

### **Contributions**

Contributions, on what worked and didn't - including practical tips, advice, white papers, case studies, articles, reviews, online seminars, software tools and research reports - are welcomed. Please send to [✉bahlis@bnhexpertsoft.com](mailto:bahlis@bnhexpertsoft.com). Full credit will be given to author.

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