Param Pujya Dr. Babasaheb Ambedkar Smarak Samiti's

Dr. Ambedkar Institute of Management Studies & Research

Deeksha Bhoomi, Nagpur - 440010 (Maharashtra State) INDIA

Tel: +91 712 6521204, 6521203 ,6501379
Email: info@daimsr.in

NAAC Accredited with 'A' Grade

DAIMSR
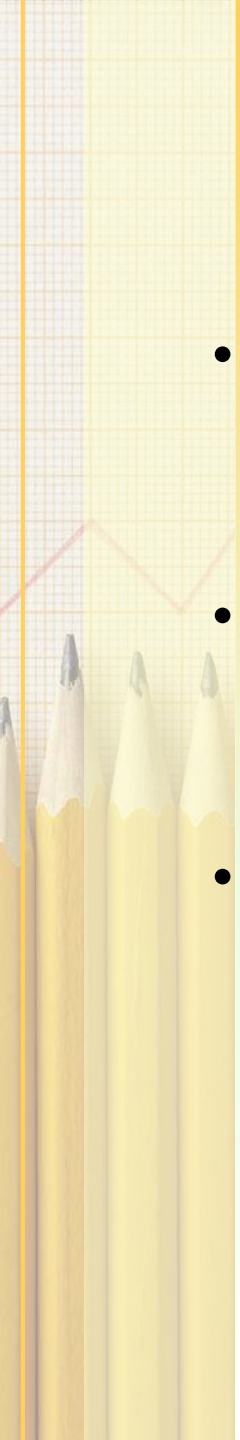
MBEIII - 11 – Training & Development Practices

Programme Educational Objectives

Our program will create graduates who:

1. *Will be recognized as a creative and an enterprising team leader.*
2. *Will be a flexible, adaptable and an ethical individual.*
3. *Will have a holistic approach to problem solving in the dynamic business environment.*

TRAINING AND DEVELOPMENT PRACTICES

- CO1-Student should be able to design the framework for conducting TNA and identify its inputs and outputs and also design the Training Calendar.

- CO2-Students should be able to distinguish between Education, Training and Development.

- CO3-Students should be able to compare and contrast between On-the- Job and Off-the-job Training Techniques.

- CO4-Students should be able to make use of ROI and Cost Benefit Analysis Model of Training program.

- CO5-Students should be able to formulate the MDPs and training programmes in a given situation.

- CO6-Student should be able to explain the concept , importance and application od HRD in the organization.

Unit III: Evaluation of Training: Follow Up of Training

- Importance of Evaluation, Different Models of evaluation, Types of evaluation data collected- Outcome data; Cost Benefit Analysis of Training program; ROI on Training.

Unit Objectives

- After studying the unit, students will be able to-

- Understand the importance of training evaluation

- Learn about the various models for training evaluation.

- Learn about the cost-benefit Analysis and ROI of the training Programme.

Evaluation

- **It is a process of establishing a worth of something.**
- **The 'worth', which means the** value, merit or excellence of the thing.

Training evaluation

- **Training evaluation** It refers to the process of collecting the outcomes needed to determine if training is effective.

- **Training outcomes or criteria** refer to measures that the trainer and the company use to evaluate training programs.

- **Training effectiveness** refers to the benefits that the company and the trainees receive from training.

Purpose of Evaluation

- **Feedback -** on the effectiveness of the training activities
- **Control -** over the provision of training
- **Intervention -** into the organizational processes that affect training.

Reasons for Evaluating Training

- Companies are investing millions of dollars in training programs to help gain a competitive advantage

- Training investment is increasing because learning creates knowledge which differentiates between those companies and employees who are successful and those who are not

Reasons for Evaluating Training

Because companies have made large dollar investments in training and education and view training as a strategy to be successful, they expect the outcomes or benefits related to training to be measurable.

Why Evaluate?

- **Determine the effectiveness of the program design**

- How the program was received by the participants?
- How learners fared on assessment of their learning?
- Determine what instructional strategies work?

  - ✓presentation mode
  - ✓presentation methods.
  - ✓learning activities
  - ✓desired level of learning

Why Evaluate?

- Should the program be continued?
- How do you justify your existence?
- How do you determine the return on investment for the program?

  human capital

  individual competence

  social/economic benefit

Benefits of Evaluation

- Improved quality of training activities.

- Improved ability of the trainers to relate inputs to outputs.

- Better discrimination of training activities between those that are worthy of support and those that should be dropped.

- Better integration of training offered and on-the job development.

- Better co-operation between trainers and line-managers in the development of staff.

- Evidence of the contribution that training and development are making to the organization.

Measuring Training effectiveness

- Training can be measured in a variety of ways-
- Prior to Training
- At the end of training
- On-the job behavior change
- On-the job performance change

Types of evaluation

1. **Formative**
2. **Process**
3. **Outcome**
4. **Impact**

Formative evaluation

- Formative evaluation provides ongoing feedback to the curriculum designers and developers to ensure that what is being created really meets the needs of the intended audience.

- It is the evaluation conducted to improve the training process.

Formative Evaluation

- It may be defined as "any combination of measurements obtained and judgments made before or during the implementation of materials, methods, or programs to control, assure or improve the quality of program performance or delivery."

Formative evaluation

- It answers such questions as, "Are the goals and objectives suitable for the intended audience?" "Are the methods and materials appropriate to the event?" "Can the event be easily replicated?"

Process evaluation

- Process evaluation is the most common type of training evaluation. It takes place during training delivery and at the end of the event.

- Process evaluation provides information about what occurs during training. This includes giving and receiving verbal feedback.

Process Evaluation

- It answers the question, "What did you do?" It focuses on procedures and actions being used to produce results.

- It monitors the quality of an event or project by various means. Traditionally, working as an "onlooker," the evaluator describes this process and measures the results in oral and written reports.

Outcome Evaluation

- Outcome evaluation determines whether or not the desired results (e.g., what participants are doing) of applying new skills were achieved in the short-term.

23

Outcome Evaluation

- It answers the question, "What happened to the knowledge, attitudes, and behaviors of the intended population?"

- Specific and observable changes in behaviors that lead toward healthier or more productive lifestyles and away from problem-causing actions indicates a successful program.

Impact Evaluation

- It takes even longer than outcome evaluation and you may never know for sure that your project helped bring about the change.

- The focus is on changes that have occurred in key social indicators which are used to gauge the levels of problem occurrence.

Principles of Training Evaluation

- Training need should be identified and reviewed concurrently with the business and personal development plan process.

- There should be correlation to the needs of the business and the individual.

- Techniques of evaluation should be appropriate.

- The evaluation function should be in place before the training takes place.

- The outcome of evaluation should be used to inform the business and training process.

KIRKPATRICKS FOUR LEVEL TRAINING EVALUATION

Training Outcomes: Kirkpatrick's Four-Level Framework of Evaluation Criteria

Level	Criteria	Focus
1	Reactions	Trainee satisfaction
2	Learning	Acquisition of knowledge, skills, attitudes, behavior
3	Behavior	Improvement of behavior on the job
4	Results	Business results achieved by trainees

Four Levels of Evaluation

- During program evaluation
  - Level One   Reaction
  - Level Two   Learning

- Post program evaluation
  - Level Three   Behavior
  - Level Four   Results

Reaction Level

- A customer satisfaction measures-
    - Were the participants pleased with the program
    - Perception if they learned anything
    - Likelihood of applying the content
    - Effectiveness of particular strategies
    - Effectiveness of the course

Areas for ascertaining reactions of the participants

✓ Course objectives

✓ Trainers performance

✓ Training methods

✓ Training group

✓ Time schedule

✓ Physical arrangements

✓ Training support materials

Examples of Level One

- Your Opinion, Please

- In a word, how would you describe this workshop?

- Intent
  - Solicit feedback about the course. Can also assess whether respondents transposed the numeric scales.

32

Example of Level One

Using a number, how would you describe this program? (circle a number)

Terrible		Average		Outstanding
1	2	3	4	5

Intent: Provides quantitative feedback to determine average responses (descriptive data).

Example of Level One

The best part of this program was…

The one thing that could be improved most ..

Intent

    Qualitative feedback on the course and help prioritize work in a revision. Develop themes on exercises, pace of course, etc.

Learning Level

- What did the participants learn in the program?
  - The extent to which participants change attitudes, increase knowledge, and/or increase skill.
  - What exactly did the participant learn and not learn?
  - Pretest & Posttest

Learning Level

- Requires developing specific learning objectives to be evaluated.

- Learning measures should be objective and quantifiable.
  - Paper pencil tests, performance on skills tests, simulations, role-plays, case study, etc.

Level Two Examples

- Develop a written exam based on the desired learning objectives.

- Use the exam as a pretest

- Provide participants with a worksheet/activity sheet that will allow for "tracking" during the session.

- Emphasize and repeat key learning points during the session.

- Consider using scenarios, case studies, sample project evaluations, etc, rather than test questions.

Behaviour Level

- How the training affects performance

- The extent to which change in behavior occurred.

- Was the learning transferred from the classroom to the real world.

- Transfer – Transfer - Transfer

Conditions Necessary to Change

- The person must:
  - have a desire to change.
  - know what to do and how to do it.
  - work in the right climate.
  - be rewarded for changing.

Guidelines for Evaluating Behavior

- Measure on a before/after basis

- Allow time for behavior change (adaptation) to take place

- Survey or interview one or more who are in the best position to see change.
  - The participant/learner
  - The supervisor/mentor
  - Subordinates or peers
  - Others familiar with the participants actions.

Level Three Examples

- Observation

- Survey or Interview
  - Participant and/or others

- Performance benchmarks
  - Before and after
  - Control group

Results Level

- Impact of education and training on the organization or community.

- The final results that occurred as a result of training.

- The ROI for training.

Examples of Level Four

➢ How did the training save costs?

➢ Did work output increase?

➢ Was there a change in the quality of work?

➢ Did the social condition improve?

➢ Did the individual create an impact on the community?

➢ Is there evidence that the organization or community has changed?

Guidelines for Evaluating Results

- Measure before and after

- Allow time for change to take place

- Repeat at appropriate times

- Use a control group if practical

- Consider cost vs. benefits of doing Level Four

- Remember, other factors can affect results

- Be satisfied with Evidence if Proof is not possible.

Levels	Description	Comments
Level-I	Trainee reaction to the course. Does the trainee like the course? Usually in the form of evaluation forms, sometimes called "smile sheets".	Most primitive and widely-used method of evaluation. It is easy, quick, and inexpensive to administer. Negative indicators could mean difficult learning in the course.
Level-II	Did trainees learn what was based on the course objectives?	Learning can be measured by pre-and post tests, either through written test or through performance tests.
Level-III	Trainee behavior changes on the job - are the learners applying what they learned?	Difficult to do. Follow-up questionnaire or observations after training class has occurred. Telephone interviews can also be conducted.
Level-IV	Ties training to the company's bottom line.	Look for the outcome like increase in sales/productivity, or improvement in product quality/customer service or profitability .Examples include reductions in costs, turnover, absenteeism and grievances. May be difficult to tie directly to training.

ROI

- It's difficult to assign a dollar figure to learning's most important benefits.

- For example can you calculate how much better your managers communicate with their direct reports since they took that course on online communication skills?

ROI Models

- Two models for determining the value of training experiences.

- Companies can use those formulas to calculate the ROI of learning initiatives.

- Developed by Donald Kirkpatrick and enhanced by his colleague Jack Phillips, the two form a framework to examine ROI from a human and business performance perspective.

Premises of ROI Models

- The models evaluate training benefits on several levels.

- Critical to both is the concept of "chain of effect," which links each benefit level to others.

- Each level of measurement depends on the previous level, as well as the next.

- Without this link, it's difficult to conclude that training is responsible for improvements in performance.

Comparison of ROI Models

- Kirkpatrick's original model considers the value of training on four levels.

- Philips expanded on Kirkpatrick's model suggesting that another level could calculate a company's return on investment.

- You cannot measure ROI at the fifth level without taking accurate measurements at the other four levels.

Level Five Evaluation

- Level V asks, "Did the monetary value of the results exceed the cost of training?"

- This is the measurement of ROI, which can be calculated in several ways.

Measuring ROI in HR

HRD Programmes	Possible measurements
Training Programme	Productivity, sales, quality, time, costs, customer satisfaction, absenteeism, turnover
Compensation Programmes	Labour costs, turnover, absenteeism
Recruiting Programmes	Cost per hires, time-to-fill ratios, yield
TQM	Defects, rework, response time
Employee Support Programmes	Absenteeism, employee referrals, employee satisfaction Productivity

TACTP - TACNP = PNS

- Subtract the total administrative costs of the new program (TACNP) from that of the former training program (TACTP) gives the projected net savings (PNS) for training administration.

- Although cost savings are important, ROI is much more than that.

TCT
Total students = CPS

- Divide the total cost of training (TCT) by the number of students gives the cost per student (CPS) of the training.

- This is useful, but again is not a true measure of return on investment.

- Both formulas, do not measure what monetary value or profit is derived from a training investment.

TB x 100 / TTC = ROI %

- Multiply the total benefits (TB) of training in by 100 and divide by the total training program cost (TTC).

- The true percentage of ROI in a new program.

- This formula is the most accurate of the three.

Conclusion

- It's often difficult to show increased value of a company's human capital.

- But if you don't your training investment ends up on the expense side of the balance sheet, ripe for budget slicing.

- By measuring the results of training and tying training to strategic business success, a company can increase and demonstrate the increase in its return on training dollars.

Reference Books and Suggested Readings

- Personnel Management and Human Resources – N.C. Jain & Saakshi (Allied Publisher)

- Effective Human Resource Training and Development Strategy – Dr. B. Rathan Reddy Publication –Himalaya Publication House

- Human Resource and Personnel Management – Text and cases, K. Aswathappa, Publication - McGraw- Hill Publishing co. ltd

- Human Resource Management , Tenth Edition, Gary Dessler, Publication- Pearson Education

- Human Resource Management , Ninth Edition, R.Wayne Mondy, Robert M, Noe, Publication- Pearson Education

- Human Resource and Personnel Management, by K Aswathapha, Publisher: Mc-Graw Hill.

- Strategic Human Resource Management, by Tanuja Agrawal, Publisher: Oxford University Press.

- Personnel and Human Resource Management: Text and Cases, By P. Subba Rao, Publisher: Himalaya Publishing House.