**Valuing HR Initiatives Course Project**

**Part One: Determining When ROI Makes Sense**

Before applying an ROI appraisal towards programs in your organization, you must determine whether the costs, time, and expertise involved are worthwhile. The decision-making framework has four key elements that aid in deciding whether executing an ROI is worth the investment. After applying the decision-making framework, there is still an additional step of planning for a successful ROI implementation.

Use the grids below to identify an HR program in your organization that you think has potential for a worthwhile ROI and apply the decision-making framework to the program. Then you will put together an initial plan for measuring ROI for the program.

**Deciding When to Measure ROI**

Use the decision-making framework to identify an HR program in your organization that is a good candidate for ROI.

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| Identify the program you are analyzing: |
| We deliver several leadership development programs that target several types of people managers in the organization. We offer classroom and virtual classroom delivery formats to a global audience of approximately 30,000 managers. While we have a few courses that are delivered in classroom and virtual classroom settings, there are “core” programs that do not have the virtual classroom option. This analysis will evaluate the potential of converting Leading at Citi 1 from a classroom to a virtual delivery format. |
| Provide some background information on the program (e.g., content, targeted employees, goals, and expected impact): |
| Leading at Citi 1 is targeted to mid-level managers who manage teams of direct reports who are individual contributors. The course has a global design delivered by each of four regions, North America, EMEA, Asia/Pacific, Latin America. At this time, there is not a version of the course that can be delivered in a virtual classroom. This limits the reach of the program to regional centers or headquarters where there are enough managers to offer a class. While the course is generally available, many managers are not able to attend due to a limited ability to afford travel to the class locations.  In the past few weeks with the outbreak of the COVID-19 virus, the need for a virtual classroom alternative has become much more apparent. While it is unlikely that the development can occur in time to meet this need, the longer term benefits should be evaluated. |
| **Resource Intensity**  How much of an investment is being made in the program? |
| The target population for the program is 20,000 managers world-wide. In 2019, X managers completed the Leading at Citi program. This represents a significant investment of organization resources in time away to attending the class, pre/post assignments, facility and travel expenses. The development of the course materials for the virtual classroom approach will be modest; primarily the activities and discussions will need to be redesigned. We already have the infrastructure and skilled facilitators in place to support delivery of this course. |
| **Visibility**  How visible is the program and its outcomes, both inside and outside the organization? |
| The Leadership Development programs, including Leading at Citi 1, is key component of senior management’s talent strategy. Monthly updates on attendance and progress are reviewed at the most senior levels of the organization. Even during the economic financial crisis for 2008, the programs were funded with no restrictions on the number of classes or participation. There have been a few studies trying to uncover the impact of these programs, none have been justified on a cost/benefit basis. |
| **Timing**  Is the program an ongoing initiative or a short-term event? |
| A decision to pursue the development of the program will need to be made soon if it is to have an impact on substitution of programs during the virus outbreak, however, the availability of the virtual classroom option would provide long term benefits to the organization by allowing more managers to attend the training. |
| **Feasibility**  How feasible is it to conduct a credible ROI analysis? Can you access the data needed to measure outcomes of the program? Can you reasonably isolate the impact of the program? Is it possible to convert this impact of the program to a monetary value? Will you be able to calculate the cost of the program? |
| I believe there is enough information to provide a credible analysis of the costs associated with both approaches. We have historical information on participation and the costs of delivering Leading at Citi 1. We also have the information needed to determine the costs of virtual classroom delivery in our organization. There was a study conducted in 2015 that attempted to isolate the impact of this program on performance, span of control, mobility, and attrition. I will use some of these findings as a basis for evaluating the ROI of this project. The approach taken was to historically compare attendees to non-attendees (control) over the 2010-2014 timeframe.  I will also propose a follow up study to more directly evaluate the two versions of the program using random assignment to classroom, virtual classroom and control conditions. |
| Using the factors outlined in the decision-making framework guidelines above, justify why the program you selected is a good candidate for ROI. Be sure to describe both the pros and the cons of measuring ROI for this program. |
| This initiative is a good candidate for a ROI analysis because the resource intensity is high, there is senior management attention on the Leadership Development programs to today, and the timing, while meeting an immediate need is expected to have long term benefits.  The rationale for not conducting this ROI study is that we have a strong track record with our other virtual classroom programs, development effort is modest, and there is an immediate need to address an evolving concern about not being able to sustain talent development throughout the year. Taking the time to analyze the costs and benefits could be viewed as unnecessary.  However, there are trade offs in the number of faculty needs and potentially the effectiveness of virtual classroom delivery. For this reason, the effort required to conduct the analysis has merit for this program and to build an approach for evaluating our other programs in the future (there are two other programs that do not have a virtual alternative). |

**Planning for a Successful ROI Implementation**

Begin to put together an initial project plan for measuring ROI for the program identified above. Some of the issues you may want to address in your plan include the following:

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| **Organizational Support** |
| How will you start to build organizational support for the ROI? |
| Organizational support will be important to gather the necessary information, validate the findings, and obtain sponsorship for the initiative |
| Whose cooperation and buy-in is critical? |
| We will need the support of our management team, the Chief Learning Officer, HR senior management and HR Learning Advisors who work with functional and regional organizations. We will need buy-in from the managers participating in the program during the testing phase of the program. They must be willing to be assigned to their participation group without choice and fairly evaluate their experience. |
| Where is there likely to be resistance? How might you engage detractors to better understand and respond to their concerns? |
| Even with the strong track record and support we have had for virtual classroom delivery, there are functional and regional managers who prefer face to face delivery. It will be important engage these stakeholders and ask for their active participation in the delivery of the program. They often ask about the benefits provided by our learning programs. This is a chance to address the question and involve them in the process of uncovering the answers. |
| Who might serve as a champion for the project? |
| Given the visibility of the program and the potential for embedding ROI in our decision-making process, our Chief Learning Officer is in the best position to champion this project. Our Learning and Performance Solutions lead should also be actively involved because we will need the help of several teams to develop and deliver the initiative. |
| **Resources** |
| What resources will be needed to carry out the ROI analysis? |
| We will need part-time support from:  1 Project manager  1 HR data analysts  1 Experimental design advisor  1 Instructional designer  2 Faculty |
| What type of budget is available? |
| While there is no allocated budget, we have the flexibility to redeploy resources to this project. |
| What expertise will be needed? Is it available? |
| We will need assistance from HR reporting and data analysts to gather and analyze the results of the program. We will need design resources to analyze, design, and development the virtual classroom version. Last year, we created a cross-functional team to organize and launch learning measurement initiatives. This project would have the support and resources available to carry out this project. |
| How long will the project take? What type of time commitment will be required of those involved? |
| I anticipate that this will require one FTE for a duration of a month to redesign the virtual program. The study will require three months of part-time support for the study design, data collection, analysis, and final report. I expect that we will need a project manager, data analyst, experimental design advisor, and faculty to assist with the project. Participation will vary, but I expect the combined contribution to be 10 hours a week for three months. There will also be an extended period of evaluation following the delivery of the sessions to collect and analyze the outcomes after one year. |
| **Goals and Objectives** |
| Is there clarity around the program’s goals and objectives? |
| At this time, we have not defined the goals and objectives of the project. We have been consulting with an HR analytics manager to determine the scope, goals and objectives. A preliminary draft includes:  **Goals and Objectives:**   * Compare the effect of Leading at Citi 1 virtual classroom and classroom delivery on selected workforce measures, attrition, span of control, participant reaction to the course, and the Voice of the Employee (VOE) manager index. * Conduct a comparative return on investment (ROI) analysis of the programs to determine the costs and benefits of the delivery approaches. * Based on the findings, consider other programs for conversion to a virtual classroom platform |
| Was a needs assessment conducted during the design phase? |
| A needs analysis, was not conducted, but will be included as an initial step in the analysis plan. |
| Is there clarity and agreement about expected program outcomes among key stakeholders? |
| The Learning Measurement team was established to undertake these learning impact studies. The team is sponsored by the CLO and management by his chief of staff. While the project has not been approved yet, there has been general agreement that another study should be undertaken to update the finding of the 2015 study. The addition of a delivery format comparison will achieve the goal of replicating the study and add an additional valuable comparison given the ongoing use of virtual classroom delivery for our programs. |

**Part Two: Applying a Process to Measure ROI**

The five key steps in the ROI process help you to measure the value of HR programs in your organization. Some of these key steps involve isolating the effects of the program, converting those impacts to a monetary value, and calculating the costs of the program.

In this part of the course project, you will use the grids below to collect evaluation data for the program you identified in the first part of the course project. You will then isolate the effects of the program, convert the impacts to a monetary value, and calculate the costs of the program.

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| **Collecting Evaluation Data** |
| What are the business outcome(s) you want to use to assess the impact of the program? |
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| What are the data sources (e.g., business records, surveys) you would use to measure these outcomes? |
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| **Isolating the Effects of the Program** |
| What is the method (e.g., control group, trend analysis, estimation) you would use to isolate the effects of the program? |
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| Why did you choose this particular method? What are its pros and cons in the current context? |
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| **Converting Impact to a Monetary Value** |
| How would you convert the program impact to a monetary value? |
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| What is the smallest meaningful unit of the outcome you plan to measure (e.g., one case of voluntary turnover)? |
| Participant cost  Upfront  Prorated cost  Direct  Indirect  Faculty  Producers  Travel  Accommodations  Time away from work (in class)  Pre-Post work productivity would be equivalent  ROI net benefits / costs \* 100  Faculty Travel |

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| How would you determine the value of each of these units? |
| Ask participants and managers what change in behavior is attributable to the program  ROI compared to other investments – benchmark, opportunity cost  Benefits Cost Ratio BCR – return before costs are recovered absolute vs. net benefits  225000/75000 = 3.1 |
| How long do you expect the results of the program to be sustained (e.g., six months, one year)? |
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| **Calculating Program Costs** |
| Describe the expected direct or hard costs associated with the design, development, delivery, implementation, and evaluation of the program. Note that you do not need to provide specific cost estimates, but rather should describe the different types of costs that likely should be included. |
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| Describe the expected indirect or soft costs associated with people’s participation in the program as well as overall support and administration of the program. Note that you do not need to provide specific cost estimates, but rather should describe the different types of costs that likely should be included. |
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| Describe whether any of the costs that you will include will need to be prorated and, if so, the method you plan to use for proration. |
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**Part Three: Applying ROI Frameworks**

Even if your ROI analysis shows promising results, this data is useless unless you can communicate it in an easy-to-understand and credible manner to key stakeholders.

In this part of the course project, you will use the grids below to indicate how you will communicate the results of the ROI for your selected program and how you plan to enhance its credibility for key stakeholders.

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| **Communicating the Results** |
| What groups should receive information about the results of the ROI evaluation? |
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| What are the primary reasons for targeting each of these groups? |
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| How would you communicate with each of them (e.g., a report, a meeting)? |
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| **Enhancing Credibility** |
| Discuss how you could enhance the credibility of your ROI analysis through both the design of the evaluation as well as your communication with key stakeholders: |
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| How would you maximize data integrity? |
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| How could you adopt a conservative approach? |
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| How could you enhance transparency? |
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