

# **A Guide to Strategically Planning Training and Measuring Results**



**UNITED STATES OFFICE OF PERSONNEL MANAGEMENT  
OFFICE OF WORKFORCE RELATIONS**

# A Guide to Strategically Planning Training and Measuring Results

U. S. Office of Personnel Management

Office of Workforce Relations



# A Guide to Strategically Planning Training & Measuring Results

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## Making a Strategic Investment in Training: Executive Overview

### Workforce Investments

Chances are that you have read something lately or participated in a discussion about the payoffs of investing in training. For example, two major corporations recently made front-page news by providing their employees with home computers. These corporations believe that this investment will contribute to an acceleration of skills for both employees and the company throughout the 21st century.

You are also aware that, in both public and private sectors, there are a growing number of examples of how a better trained workforce correlates with reduced costs, increased profitability, improved services, and increased customer satisfaction. No major, successful corporation fails to invest significantly in its people – the most important resource.

According to data collected by organizations such as the American Society for Training and Development (ASTD) about leading-edge companies, one of the components that gives these companies an edge is commitment to and investment in learning. Further, research also shows that high impact companies, public-sector agencies, and other institutions attribute much of their front-runner status to recognition of the importance of including training as a key element in their strategic planning process.

Throughout the business world, there is increasing recognition that training the workforce is a win-win business strategy.

### Executive Order 13111

The President of the United States provided pivotal direction to Government leaders about workforce learning and development in January 1999 through Executive Order 13111, *Using Technology to Improve Training Opportunities for Federal Government Employees*.

This Executive Order embodies many tenets that Federal executives can use to harness the power of training. For example, learning should be an integral, planned part of doing business, as opposed to an afterthought. Every agency's strategic plan should identify training and education as a means for achieving goals. It is a business strategy that makes sense.

The Executive Order specifically calls on agencies to include a set of goals to provide effective training opportunities and allied performance measures as part of the annual budget process.

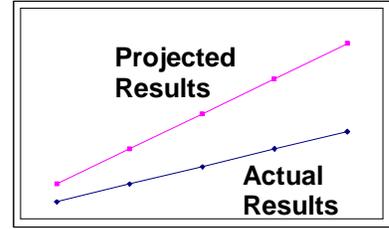
Further, agencies are to identify the resources needed to achieve the accomplishment of those goals in their annual performance plans. This planning process is an important step in integrating and linking learning and education to accomplish organizational objectives.

## Making a Strategic Investment in Training: Executive Overview

### Typical Scenario

Imagine the following scenario.

You and your planning team have established a performance goal to improve the efficiency of processing time for one of your agency's mission-critical functions.



Three months have now passed and the actual results are lagging behind the projected results.

### The Challenges

When analyzing the risks to goal achievement, the planning team identified a number of concerns including:

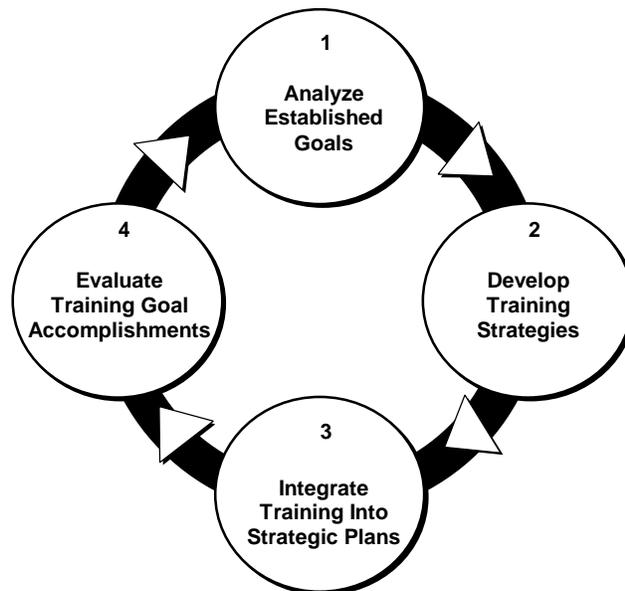
- Lack of computer capacity and other information systems.
- High turnover of key technical personnel due to competition from private industry.
- Loss of experienced employees due to a "retirement bubble."
- Rapid evolving technology requiring staff to learn new skills.
- Inadequate public awareness of agency services.

**What is the key to addressing these risks to goal achievement?**

With the exception of the first item above, training could be a key element to ensuring goal achievement. Effective training can help provide the employees with the skills they need while addressing other human resource problems such as turnover. **The key is to plan your training strategically.**

### The Approach

In most cases training can play a pivotal role in ensuring that your agency's strategic and performance goals are met. The following process can be used to plan training strategically.



## Making a Strategic Investment in Training: Executive Overview

### Process Overview

Listed below are the questions to ask when completing each step. The subsequent chapters of this guide are designed to provide additional information, tips, and examples for those who are responsible for completing the steps.

#### Analyze Established Goals



- To reach each goal, what competencies must the current and/or future workforce members possess?
- What benchmarks can be used to create innovative approaches to reaching this goal?
- Are there competency gaps that must be addressed to meet this goal?
- Could training help reduce other human resource problems such as high staff turnover?

#### Develop Training Strategies



- Could training address the competency gaps?
- Are there non-training strategies that are needed to support the training intervention?
- What types of training should be provided (e.g., classroom, distance learning, electronic performance support, on-the-job training, etc.)?
- Do the anticipated benefits from training outweigh the projected costs?

#### Integrate Training Into Strategic Plans



- What is the goal of the proposed training?
- Can you relate this training goal to an existing goal in your agency's strategic plan?
- How will you measure training goal accomplishments?
- What tasks and resources are required to implement the training?

#### Evaluate Training Goal Accomplishments



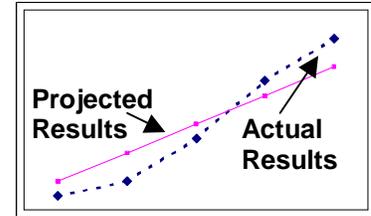
- Did you achieve the training goal?
- How much did it cost to achieve this goal?
- Did accomplishing this training goal help support the agency's achievement of the related strategic goal?
- Did the benefits outweigh the costs?
- What modifications should we make to the strategic plan based on the evaluation findings?

## Making a Strategic Investment in Training: Executive Overview

### The Results

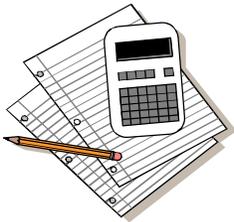
The agency succeeded in reaching the strategic goal.

To reach these results, the team analyzed the gaps and identified the non-training and training issues.



- *Non-training Issues:* To address the computer and systems capacity issue, the planning team conducted an extensive benchmarking of current system capability. As a result the team developed an updated Information Resource Management plan to address system shortfalls.
- *Training Issues:* The team established a business case that demonstrated the benefits of providing enhanced training and electronic performance support to new and current employees. Given the competencies of the existing workforce, the team found that it was more cost effective to contract with a public relations firm to develop the public awareness.

### The Benefits



The team then measured the interim and long-term results. The following training results support the achievement of the agency's strategic goal:

- Increased skill level on use of automated systems.
- Increased knowledge of agency regulations.
- Increased effectiveness and efficiency in processing public inquiries.
- Decreased absenteeism and employee turnover due to the acquisition of new ergonomic and stress reduction techniques.
- Increased favorable customer service ratings.

## Making a Strategic Investment in Training: Executive Overview

### Purpose of This Guide

This Guide is about planning training strategically. It was developed to assist agencies in fulfilling the direction contained in the Executive Order—to set goals and develop performance measures for training. It is a resource for those who plan the allocation and use of training resources, especially under the auspices of the Government Performance and Results Act (GPRA).

In this document, you will find approaches to integrating training into the strategic plan, situations in which training can contribute to the accomplishment of strategic goals, and ideas about how to develop a business case for training strategies.

Think of this Guide as a primer—a first step—to help Federal agencies begin to create long-term workforce investment strategies and plans.

A wide agency audience—from managers, to human resource development professionals, to agency planners—can use this Guide.

The ideas, examples, techniques and illustrations captured in this document will be of value to any agency, regardless of its particular strategic planning approach. These illustrations have come from both public and private sector entities that have recognized and successfully integrated strategic thinking into the ways in which training is used to achieve organizational goals. Some approaches will foster new and enduring collaborations among organizational components, as managers, budget analysts, program managers, and stakeholders focus on the potential of training as a key element in achieving corporate goals.

Consider this Guide as a storehouse of ideas and tools that will help agencies achieve their goals and accomplish their mission. These tips and techniques can serve as an asset to people throughout the organization and can be useful at many junctures throughout the strategic planning and implementation process. Examples and techniques are offered as catalysts, not as mandates, to effectively consider and integrate training strategies into strategic and performance plans.

### How To Use This Guide

The remainder of this guide provides how-to guidance. The following icons are used to signal the type of information being presented:



This icon indicates that a “how-to” tip is being presented.



This icon indicates that an example is being presented.



This icon indicates that suggested additional resources are being presented.



Once, land and capital were the key strategic resources. Now, knowledge is our key strategic resource and learning is our key strategic skill.

Vice President Al Gore  
Lifelong Learning Summit (January 1999)

## Step 1: Analyze Established Goals To Identify Training Requirements



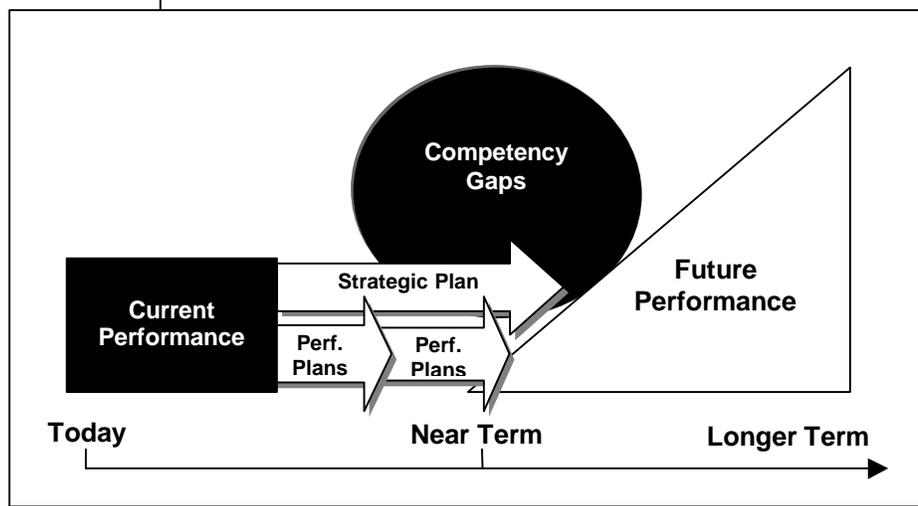


## Step 1: Analyze Established Goals To Identify Training Requirements

### Introduction

The first step is to identify the training requirements based on your agency's strategic and performance plans. As illustrated below, the strategic plan and annual performance plans contain blueprints for transforming the agency's current performance into the desired future state. The performance plans include incremental goals that lead toward the achievement of the longer-term strategic goals. The performance plans are tools that can be used to help agencies identify the human, information/technological, and other resources to achieve the desired future performance.

Training is an essential component of this approach. The training process ensures that any competency gaps within the workforce are addressed so that the agency can achieve the future performance goals.



### The Process



Suggested activities for completing this step include:

1. Analyze the agency's strategic and performance goals.
2. Identify the enterprise (organization)-wide competencies that the workforce will need to accomplish these goals.
3. Analyze **gaps** in the current or projected workforce.
  - Required proficiencies and deficiencies
  - Causes of deficiencies

## **Step 1: Analyze Established Goals To Identify Training Requirements**

Congress' determination to make agencies accountable for their performance lay at the heart of two landmark reforms of the 1990s: the Chief Financial Officers (CFO) Act of 1990 and the Government Performance and Results Act of 1993 (GPRA).

With these two laws, Congress imposed on Federal agencies a new and more businesslike framework for management and accountability. In addition, GPRA created requirements for agencies to generate the information congressional and executive branch decision makers need in considering measures to improve Government performance and reduce costs.

Most fundamentally, under the Government Performance and Results Act of 1993 (GPRA), every major Federal agency must now ask itself some basic questions: What is our mission? What are our goals and how will we achieve them? How can we measure our performance? How will we use that information to make improvements? GPRA forces a shift in the focus of Federal agencies—away from such traditional concerns as staffing and activity levels and toward a single overriding issue: **results**. GPRA requires agencies to set goals, measure performance, and report on their accomplishments.

Charles A. Bowsher  
Comptroller General of the United States (June 1996)

The Government Performance and Results Act (GPRA) is the primary legislative framework through which agencies will be required to set strategic goals, measure performance, and report on the degree to which goals were met. The Act requires each Federal agency to:

- Develop, no later than by the end of fiscal year 1997, strategic plans that cover a period of at least 5 years and include the agency's mission statement; identify the agency's long-term strategic goals; and describe how the agency intends to achieve those goals through its activities and through its human, information/technology, and other resources. Under GPRA, agency strategic plans are the starting point for agencies to set annual goals for programs and to measure the performance of the programs in achieving those goals.
- Submit to the Office of Management and Budget (OMB), beginning for fiscal year 1999, an annual performance plan. Agencies submitted the first annual performance plans in the fall of 1997. The annual performance plan provides a direct link between the strategic goals outlined in the agency's strategic plan and what managers and employees do day-to-day.
- Submit to the President and to the appropriate authorization and appropriations committees of Congress an annual report on program performance for the previous fiscal year.

## Step 1: Analyze Established Goals To Identify Training Requirements

The following table summarizes the GPRA requirements and opportunities where agencies can strategically plan for training's role in supporting goal accomplishment.

| Activity   | Requirements   | Training Opportunity   |
|--|--|--|
| <p><b>Develop and maintain strategic plans covering a 5-year period</b></p> <p>Updated every 3 years</p> | <p>Provide a description of:</p> <ul style="list-style-type: none"> <li>▪ Agency's mission</li> <li>▪ General goals and objectives</li> <li>▪ The means and strategies to achieve goals and objectives (processes, skills, technologies, various resources)</li> <li>▪ The relationship between performance goals in performance plan and general goals and objectives in strategic plan</li> <li>▪ The key factors that can affect achievement</li> <li>▪ The program evaluations to be used and schedule of evaluations</li> </ul> | <p>Analyze strategic goals to determine short-term and long-term training requirements.</p>  |
| <p><b>Develop and maintain performance plans</b></p> <p>Updated every year</p>                           | <p>Provide a description of:</p> <ul style="list-style-type: none"> <li>▪ The relationship to strategic plan</li> <li>▪ The performance goals and indicators (for each Program Activity in the budget)</li> <li>▪ The operational processes, skills, and technology, and the human, capital, information, or other resources needed to meet goals</li> <li>▪ The means to be used to verify and validate measured values</li> </ul>  | <p>As appropriate, create annual <b>training</b> performance goals to support the achievement of strategic goals.</p> <p>Use the performance measures when evaluating the value of training.</p> |
| <p><b>Develop program performance reports</b></p> <p>Submitted annually</p>                              | <p>Provide a description of:</p> <ul style="list-style-type: none"> <li>▪ The relationship to strategic plan and performance plan</li> <li>▪ The comparison of goals with achievements</li> <li>▪ An explanation where goals were not met and plans for meeting unmet goals</li> </ul>   | <p>Report training performance goal accomplishments.</p> <p>Identify if training can help address any goals reported as unmet.</p>   |



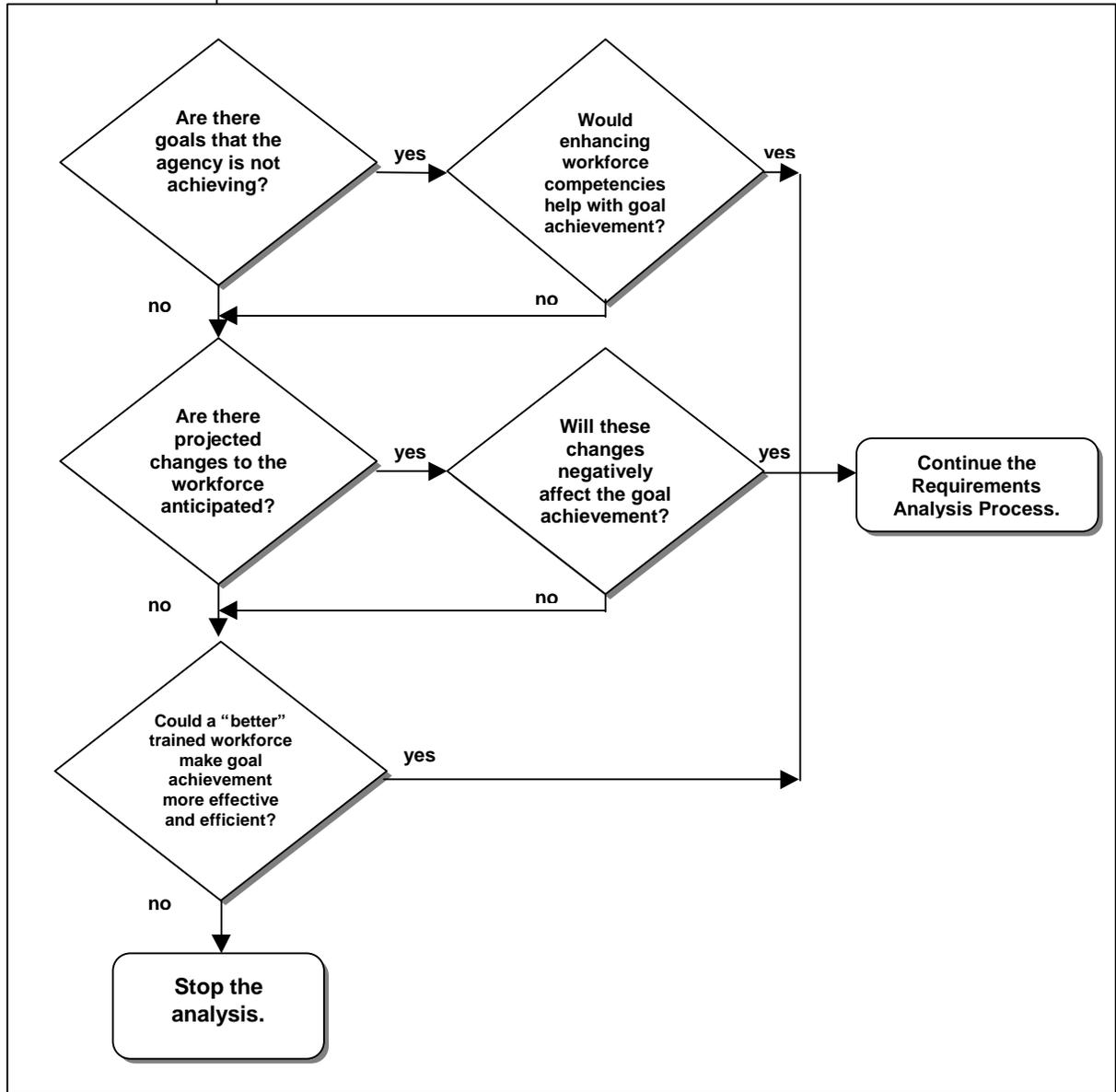
**Tip:** Your performance goals for training could be set in an evolutionary fashion. For example, the first-year goals could be to plan and design the training intervention, the next year to pilot test the intervention, and beyond the third year to implement and evaluate the intervention.

## Step 1: Analyze Established Goals To Identify Training Requirements

### Tip: Analyzing Strategic and Performance Goals



The first activity is to analyze your agency's strategic and performance goals to determine where training could enhance goal achievement. The following flowchart contains a series of questions that you may want to ask when analyzing the agency's strategic and performance goals.



## Step 1: Analyze Established Goals To Identify Training Requirements

### Tip: Identifying Enterprise-Wide Competencies



After you have targeted the goals that could be enhanced, next you need to identify the enterprise (organization)-wide competencies required to support goal achievement. A competency is defined as a behavior or set of behaviors that describes required performance in a particular work context (e.g., job, role or group of jobs, function, or whole organization). Competencies can help ensure that individual and team performance aligns with the organization’s mission and strategic directions.

At this point in the analysis, competencies are identified at the “macro level.” In a later step, you may need to repeat the process at the individual performer level. The following chart lists general competency areas you may want to assess:

| Competency Areas                  | Questions To Consider  |
|-----------------------------------|--|
| Leadership                        | <ul style="list-style-type: none"> <li>What new skills will leaders need in the near term and longer term?</li> </ul>  |
| Communication                     | <ul style="list-style-type: none"> <li>To achieve these goals, what types of communication competencies (interpersonal, written, oral) are required for working effectively within the organization and for meeting external stakeholder needs?</li> </ul> |
| Administrative and Work Processes | <ul style="list-style-type: none"> <li>Will new work processes be required to meet the goals? If so, what competencies are required to support these processes?</li> </ul>   |
| Professional                      | <ul style="list-style-type: none"> <li>What specialized knowledge or skills (e.g., scientific, engineering, legal, medical, etc.) should performers possess?</li> </ul>  |
| Analytic Problem Solving          | <ul style="list-style-type: none"> <li>What new problem-solving challenges are associated with the achievement of the goals? What competencies will be needed to address these challenges?</li> </ul>  |
| Decision Making                   | <ul style="list-style-type: none"> <li>Will regulatory changes require new approaches to decision making?</li> </ul>   |
| Technology                        | <ul style="list-style-type: none"> <li>What types of technological competencies are required to reach these goals?</li> </ul>  |

## Step 1: Analyze Established Goals To Identify Training Requirements

**Tip: Identifying Enterprise-Wide Competencies**  
(Continued)

The most common methods to use in identifying the competency requirements for goal achievement at the “macro level” are as follows:



| Activities                        | Description   |
|-----------------------------------|---|
| Review Existing Competency Models | <ul style="list-style-type: none"> <li>▪ You may use existing competency models to produce a “strawperson” model or models as a starting point.</li> </ul> <p>The use of existing models coupled with additional data gathering decreases cost and improves the quality of the models.</p>  |
| Conduct Focus Groups              | <ul style="list-style-type: none"> <li>▪ Next, focus groups or semi-structured interviews are conducted with selected groups of top performers and stakeholders to identify the competencies needed.</li> </ul> <p><b>It is critical that the data collection efforts be focused on the future competency requirements rather than today’s requirements.</b> For the purpose of linking training to strategic planning, it may be necessary to include both near-team and longer-term competency expectations in your models.</p> |
| Validate Models                   | <ul style="list-style-type: none"> <li>▪ Next, the competency models should be validated. Usually, validation is done through a survey and/or focus groups/ feedback sessions.</li> </ul> <p>To generate an initial approved version of models, the refined competency models are then presented to a stakeholder group for review and “sign off.” It is important to maintain a link between the competency model and the organization’s strategic and performance goals.</p>  |

## Step 1: Analyze Established Goals To Identify Training Requirements

**Tip: Identifying Competency Gaps**



After you have identified the enterprise-wide competencies that are required for goal achievement, then you should assess to what degree the current and/or projected workforce possesses these competencies.

As stated earlier, at this stage in the analysis you are analyzing performance at the “macro level” rather than for each individual performer. Even at the macro level, you may find it useful to conduct this analysis by organizational units or occupational series.

The tools used to conduct a gap analysis include focus groups, surveys, and review of current performance data. In reviewing current performance data it is important to look at trends and project the data into the time span covered by the strategic and performance plans. Current performance data may not reveal future performance gaps.

**Tip: Determining Reasons for Competency Gaps**



After determining that there are competency gaps, it is important to determine the reasons for the gaps. The table below lists some common causes of competency gaps:

| Types of Causes   | Questions To Ask   |
|---|--|
| <p><b>Environmental</b></p> <p>If you answer <b>no</b> . . .</p> <ul style="list-style-type: none"> <li>▪ The environmental factors impacting performance must be addressed.</li> <li>▪ Training alone is unlikely to address the performance gap.</li> </ul>   | <ul style="list-style-type: none"> <li>▪ Will employees have adequate tools/technology, resources, or information to achieve the goals?</li> <li>▪ Are job standards and expectations communicated in a timely and explicit fashion?</li> <li>▪ Are job standards and expectations consistent with strategic and performance plans?</li> <li>▪ Are employees satisfied with the general working conditions?</li> <li>▪ Do work processes and rules (regulations) facilitate (rather than impede) goal attainment?</li> <li>▪ Do standard operating procedures/work processes support the goals?</li> </ul> |
| <p><b>Motivational</b></p> <p>If you answer <b>no</b> . . .</p> <ul style="list-style-type: none"> <li>▪ Address motivational factors by aligning incentives with your strategic plan and removing disincentives for change.</li> <li>▪ Training alone is unlikely to address the performance gap.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Are there mechanisms in place to measure performance and provide feedback to performers?</li> <li>▪ Will individual employees receive recognition for achieving the organization’s strategic and performance goals?</li> <li>▪ Will there be consequences for poor performance that jeopardizes goal attainment?</li> <li>▪ Is it <b>unlikely</b> that informal leaders will reinforce others for resisting change?</li> </ul>  |
| <p><b>Knowledge/Skills</b></p> <p>If you answer <b>no</b> . . .</p> <ul style="list-style-type: none"> <li>▪ Lack of knowledge/skills can be solved through training.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Have the employees successfully performed these competencies previously?</li> <li>▪ Have employees been trained in the work processes and tools/technologies that will be used to reach goal attainment?</li> <li>▪ Have managers and supervisors been trained to facilitate change management processes required to reach these goals?</li> </ul>  |

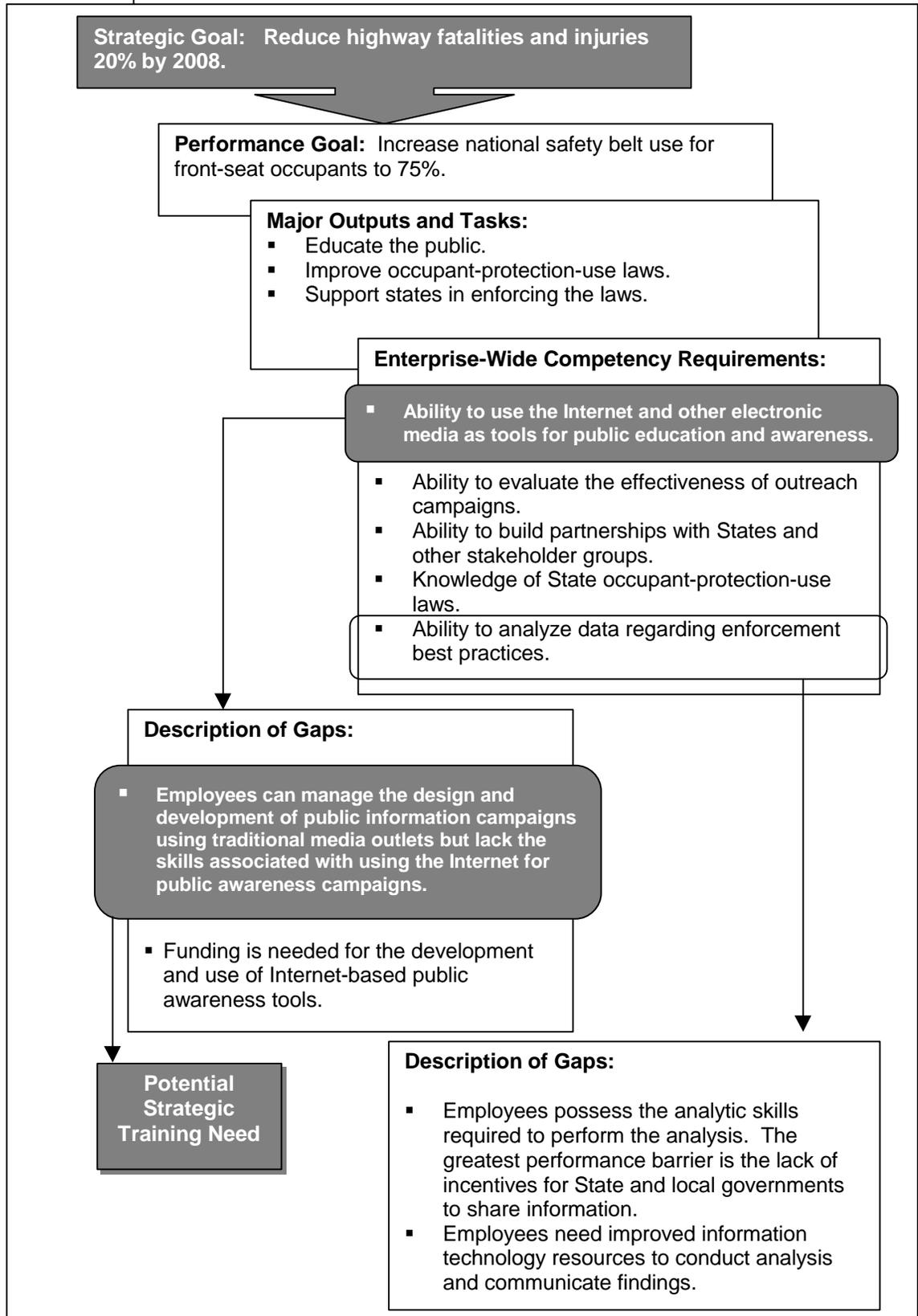


## Step 1: Analyze Established Goals To Identify Training Requirements

### Example 1



The following example illustrates the process of identifying strategic training requirements:

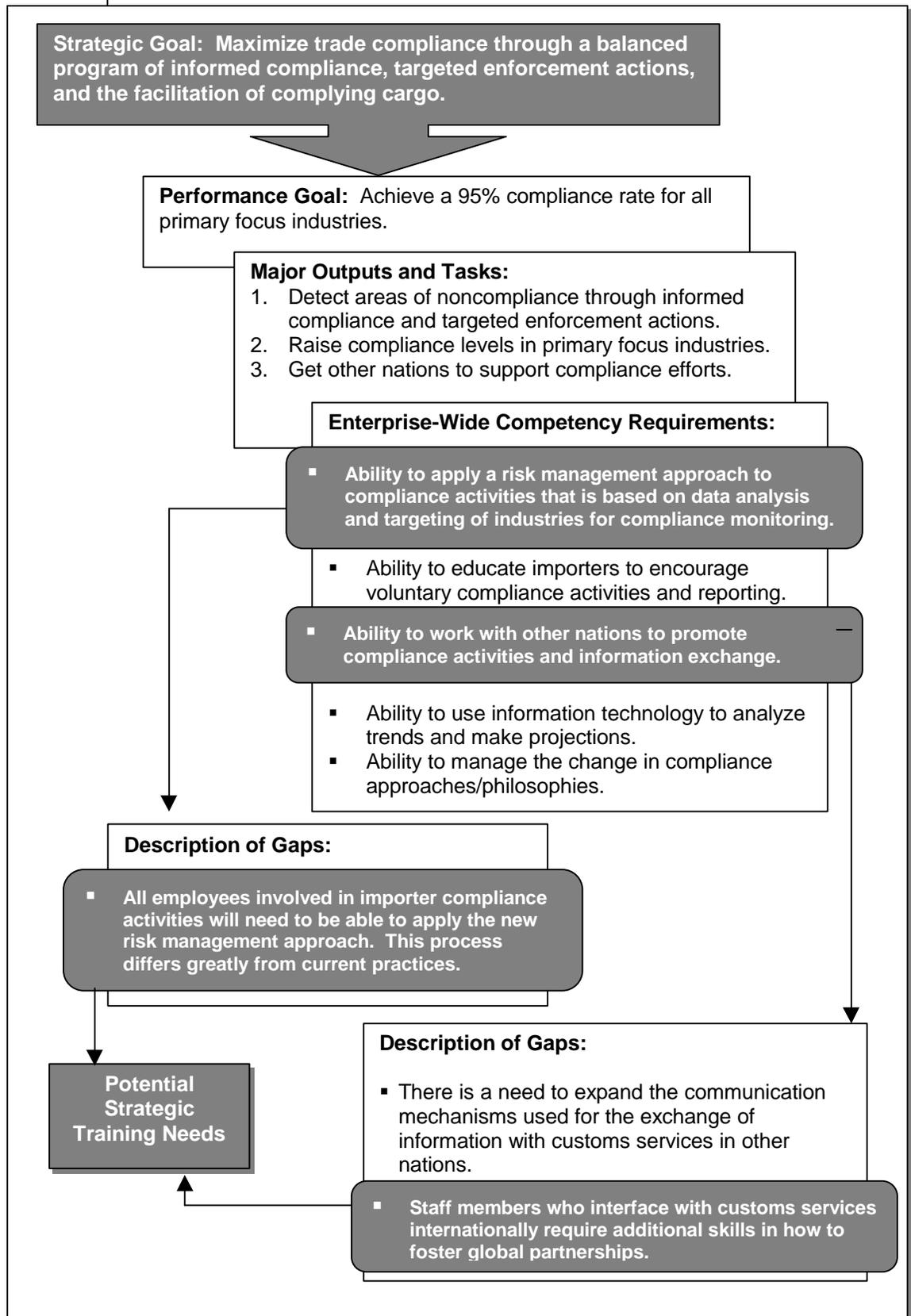


## Step 1: Analyze Established Goals To Identify Training Requirements

### Example 2



The additional example again illustrates the process of identifying strategic training requirements:



## Step 1: Analyze Established Goals To Identify Training Requirements

### Suggested Resources



The resources listed below provide additional information relating to the process of identifying strategic training requirements:

#### Publications

Dubois, D.D. *Competency-Based Performance Improvement: A Strategy for Organizational Change*. Amherst, MA: HRD Press, 1993.

Gilbert, T. *Human Competence: Engineering Worthy Performance*. New York: McGraw-Hill, 1978.

Harless, J.H. *An Ounce of Analysis*. Falls Church, VA: Harless Educational Technology, 1970.

Jonassen, D.H., Tessmer, M., & Hannum, W.H. *Task Analysis Methods for Instructional Design*. Mahwah, NJ: Lawrence Erlbaum Associates, 1999.

Mager, R.P. & Piper, P. *Analyzing Performance Problems*. Belmont, CA: Fearon, 1970.

Spencer, L.M. & Spencer, S.M. *Competence at Work: Models for Superior Performance*. New York: John Wiley & Sons, Inc., 1993.

U.S. Office of Personnel Management. *Training Needs Assessment Handbook: A Guide for Conducting a Multi-Level Needs Assessment (HRDG-024)*, January 1994.

#### Web Resources

<http://www.epa.gov/epahrist/workforce/wap.pdf>

**Workforce Assessment Project** (Executive Summary and Tasks 1-4 Final Reports), May 1999. This report documents EPA's efforts to identify the critical skills needed today and into the next millennium to prepare the EPA workforce to meet the mission challenges.

<http://www.opm.gov/hrd/lead/FALLFEST/OPMBRI~1.HTM>

Cook, D. & Longanbach, P. ***A Competency-based Learning and Development Program***, Federal Aviation Administration, The Center for Management Development, The Office of Training.

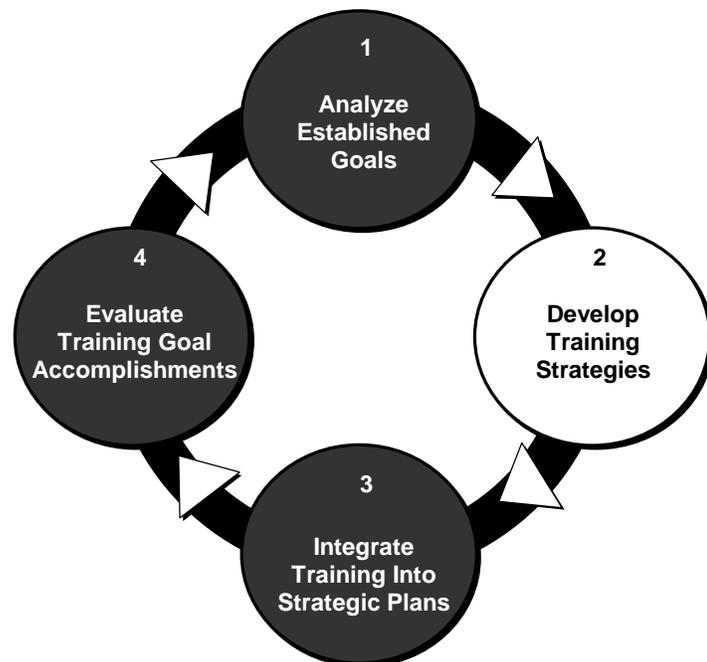
This guide provides some definitions commonly used in a competency-based program. It lists validated competencies that are required for successfully accomplishing your organizational mission, and it shows examples of the inventory instruments that are part of the program's model. The guide describes processes for answering the following three important questions:

1. What general and technical competencies does it take to effectively perform our jobs?
2. What specific critical and important competencies must our employees develop in order to achieve our business mission and goals?
3. How can we optimally provide learning and development competence for employees to close performance gaps?

Senior managers must include in their strategic plan investing in workforce education through expanded company training and development programs in order to improve performance and productivity.

Corporate University Review  
(August 1999)

## Step 2: Develop Training Strategies To Achieve Goals



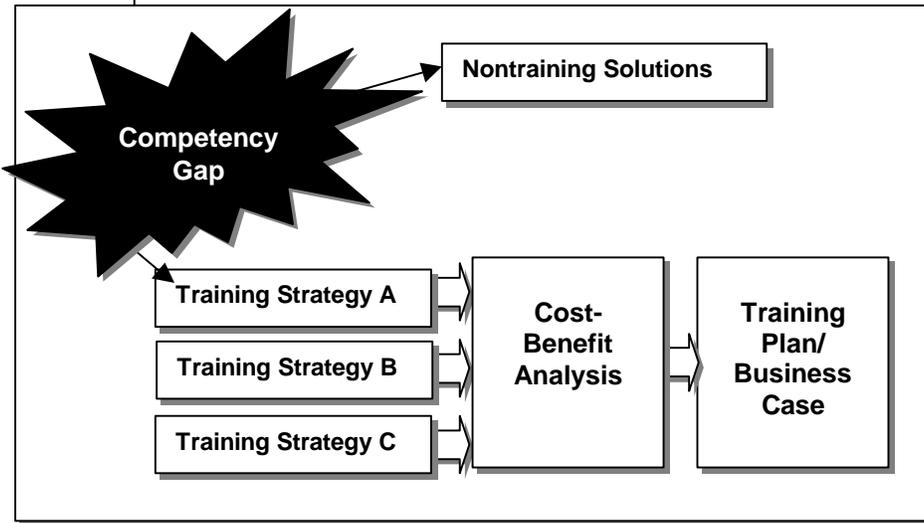


## Step 2: Develop Training Strategies To Achieve Goals

### Introduction

After identifying strategic training requirements, the next step is to explore alternative training strategies and to build a business case.

As illustrated below, competency gaps are addressed using both training and nontraining solutions. If training solutions are to be pursued, then you first should weigh the costs and benefits of various training strategies and then build a business case to support the selected training strategy.



### The Process



Suggested activities for completing this step include:

1. Generate alternative training strategies for addressing competency gaps.
2. Assess the costs and benefits.
3. Build the business case for the selected approach.

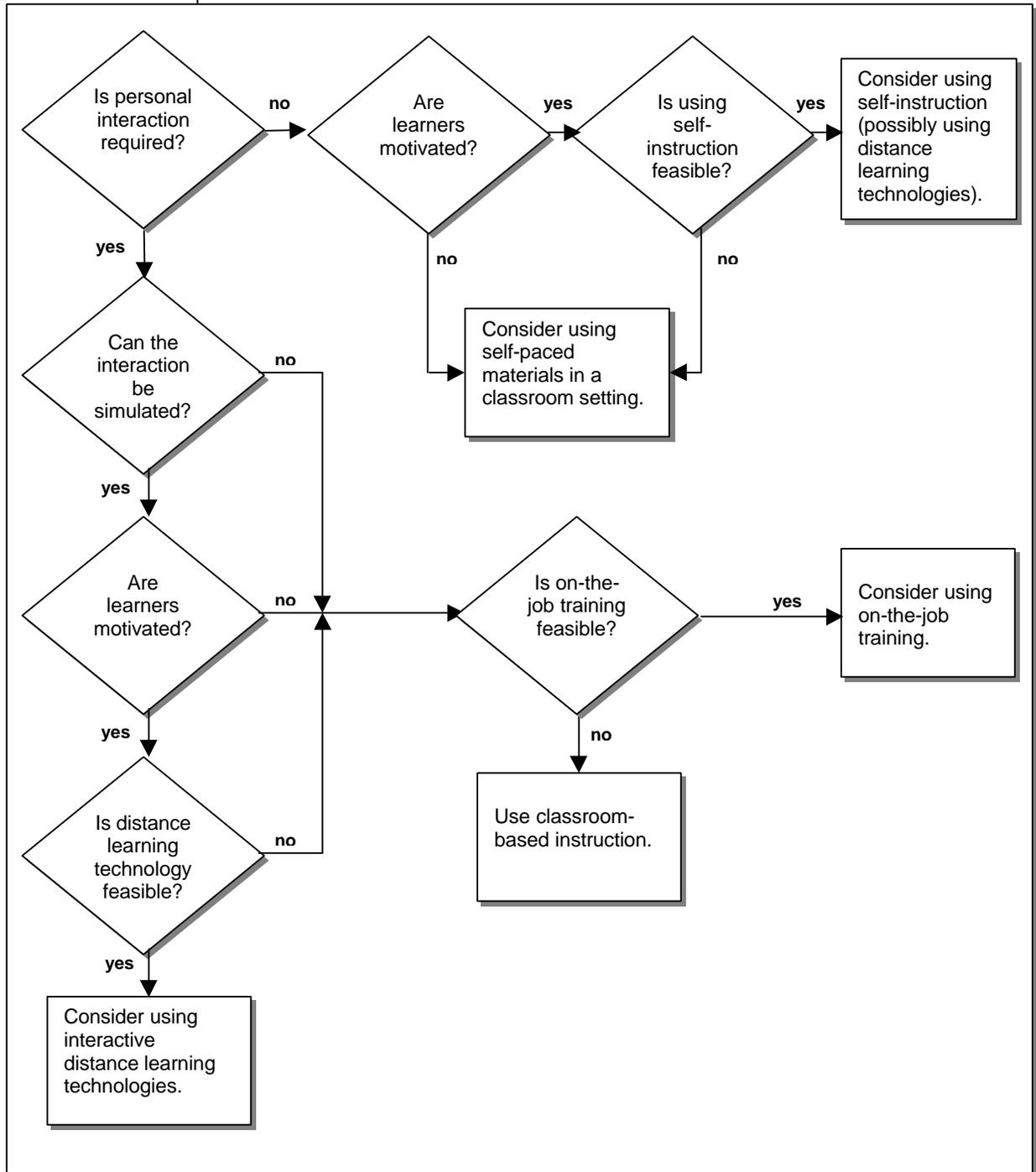
## Step 2: Develop Training Strategies To Achieve Goals

### Tip: Generating Alternative Training Strategies



There are many ways to provide training. The first decision to make is whether training will occur in a classroom, through distance learning, or in the workplace.

The flowchart below lists the questions to ask when deciding if classroom training is appropriate.



## Step 2: Develop Training Strategies To Achieve Goals

### Tip: Weighing Costs and Benefits



Prior to making a commitment to providing training, it is important that you fully understand the potential costs and benefits. The table below lists the types of training costs that must be considered.

| Training Costs   |
|--|
| <ul style="list-style-type: none"> <li>▪ Development costs (e.g., salaries and benefits of personnel, equipment)</li> <li>▪ Direct implementation costs (e.g., training materials, technology costs, facilities, travel, equipment, instructor's salary and benefits)</li> <li>▪ Indirect implementation costs (e.g., overhead, General &amp; Administrative)</li> <li>▪ Compensation for participants</li> <li>▪ Lost productivity or costs of "backfilling" positions during training</li> </ul> <p>For additional guidance on calculating training costs, see U.S. Office of Personnel Management's <i>Making the "Business Case" for HRD Investments (HRDG-025)</i>, January 1994.</p> |

As shown below, training benefits include increased outputs, resource savings, improved quality, and error reduction.

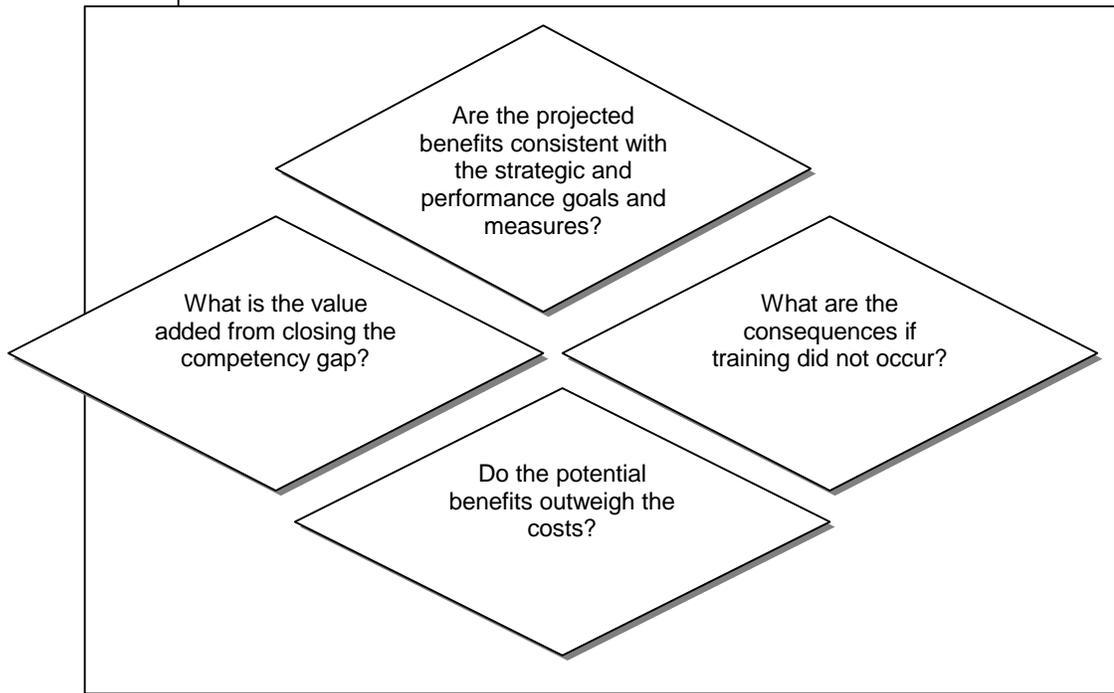
| Training Benefits     |  |
|-----------------------|--|
| Potential Benefits    | Indicators   |
| Increased Outputs     | <ul style="list-style-type: none"> <li>▪ Number of products produced or services provided</li> <li>▪ Number of work processes completed</li> <li>▪ Amount of backlogged work</li> </ul>  |
| Time/Resource Savings | <ul style="list-style-type: none"> <li>▪ Ratio of productive/non-productive time</li> <li>▪ Amount of overtime required</li> <li>▪ Amount of "break-in" time for new employees</li> <li>▪ Amount of equipment "down time"</li> </ul>   |
| Improved Quality      | <ul style="list-style-type: none"> <li>▪ Ratio of positive/negative customer feedback</li> <li>▪ Ratio of positive/negative findings from internal audits/studies</li> <li>▪ Amount of "rework" required</li> <li>▪ Percentage of products/services meeting standards</li> <li>▪ Number of innovative solutions/products developed</li> <li>▪ Changes in employee morale</li> <li>▪ Number of grievances and other personnel issues</li> </ul> |
| Error Reduction       | <ul style="list-style-type: none"> <li>▪ Number of errors</li> <li>▪ Number of safety-related complaints</li> <li>▪ Number of accidents</li> <li>▪ Number of rule/procedure violations</li> <li>▪ Number of products/services rejected</li> </ul>  |

## Step 2: Develop Training Strategies To Achieve Goals

### Tip: Building the Business Case



After selecting the projected type of benefit and indicator, you should answer the following questions:



You may want to include the following information in your business case:

#### Business Case Elements

- Strategic and performance goals that would be advanced by this training
- The competency gaps to be addressed
- The potential benefits to be realized if the competency gap is closed (tangible and intangible benefits)
- The training strategies considered
- The training strategy selected and reasoning
- The total life-cycle costs of developing and implementing the training
- The comparison of costs and benefits
- The consequences to the strategic and performance goals if training is not conducted

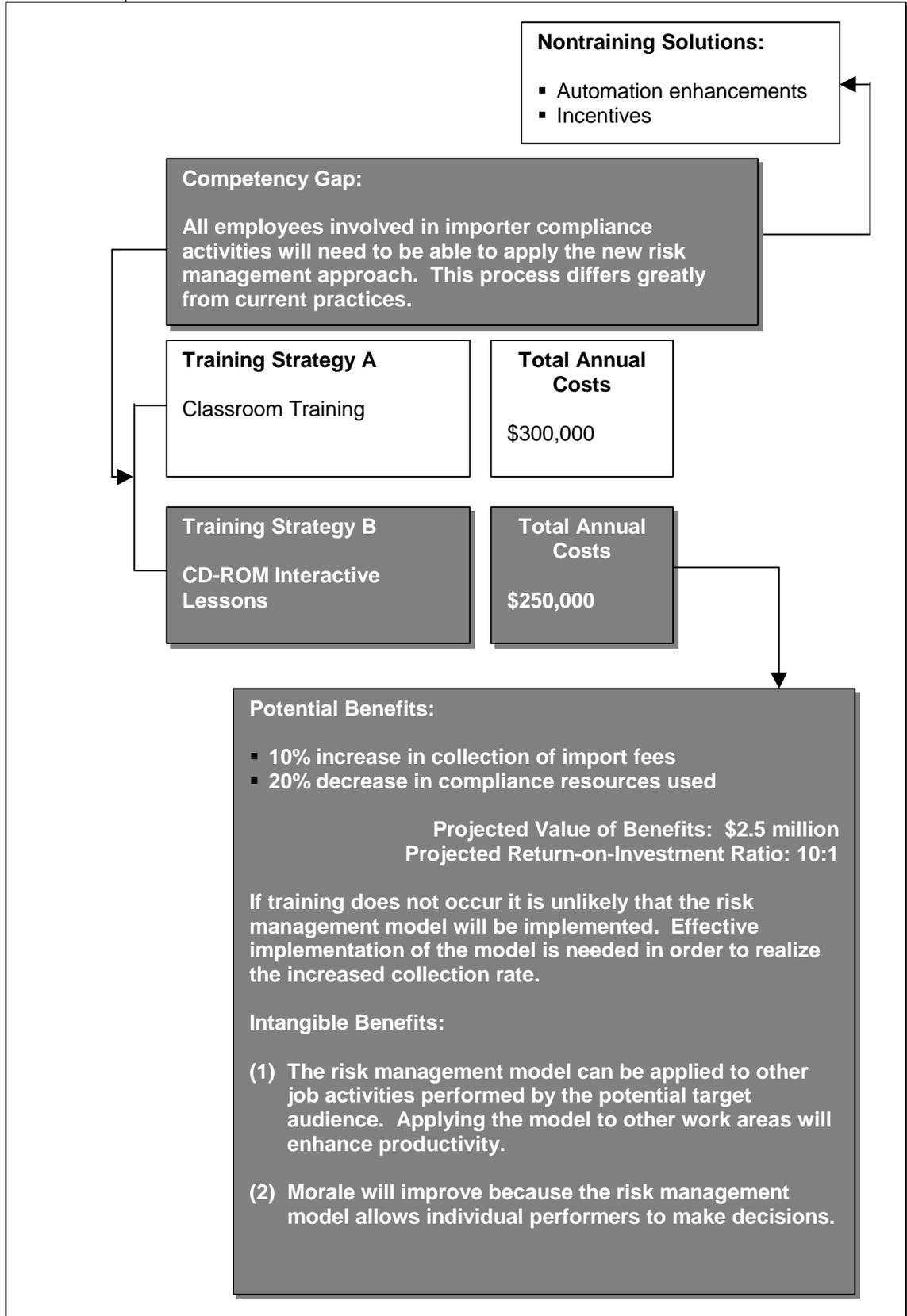


## Step 2: Develop Training Strategies To Achieve Goals

Example



The following example illustrates the process of developing a business case for training:



## Suggested Resources



### Step 2: Develop Training Strategies To Achieve Goals

The resources listed below provide additional information relating to the process of developing a strategic business case for training.

#### Publications

Fisher, S.G. *The Manager's Pocket Guide to Performance Management*, Amherst, MA: HRD Press, 1997.

Van Adelsberg, D. & Trolley, E.A. *Running Training Like a Business: Delivering Unmistakable Value*. San Francisco: Berrett-Koehler Publishers, Inc., 1999.

U.S. Office of Personnel Management. *Making the "Business Case" for HRD Investments: A Tool for Making Training and Development Decisions (HRDG-025)*, January 1994.

#### Web Resources

<http://www.acq.osd.mil/dau/files/implplan.pdf>

The **Defense Acquisition University's Technology-Based Training Implementation Plan** provides an excellent example of building a business case for the use of technology-based distributed learning courses.

<http://www.opm.gov/hrd/lead/events/atasofle.htm#top>

**A Taste of Learning: Tips, Tools, and Techniques for Developing the Workforce** was held on September 29, 1999. Designed for the Federal community, A Taste of Learning is part of a continuing series of leadership education seminars sponsored by the Office of Personnel Management's (OPM's) Office of Human Resource Development. This link provides access to keynote addresses by Janice Lachance, OPM Director, and Dr. Henry Kelly, then Assistant Director for Technology, White House Office of Science and Technology Policy. Also available are handout materials from workshops offered on a variety of topics including diversity as a business strategy, competency modeling, distributed learning, and private-sector approaches to organizational measurement and evaluation.

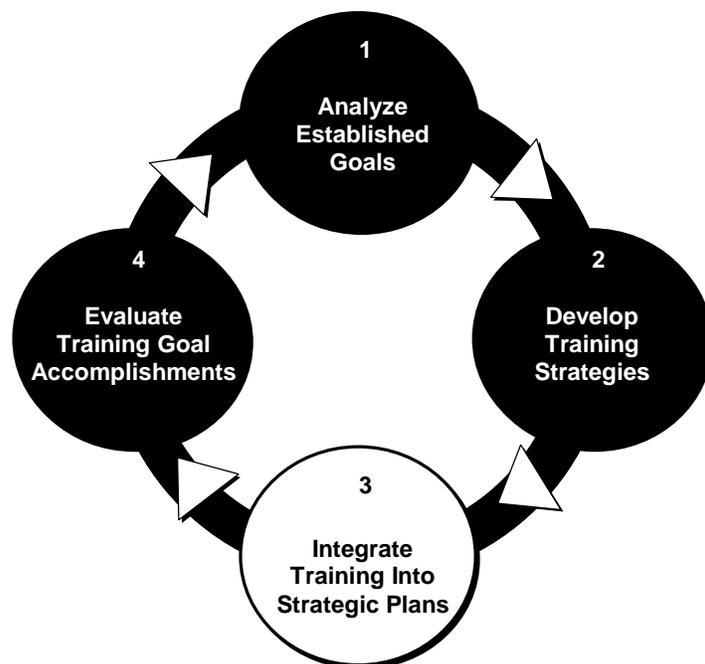
<http://www.opm.gov/hrd/lead/leadindx.htm>

The **U.S. Office of Personnel Management HRD Leadership Site** provides online publications, policy guidance, training information, an events calendar, other resources, and links.

The American Society for Training and Development (ASTD) surveyed 540 U.S. corporations. The survey results, although not conclusive, indicated that there was a solid relationship between a company's performance and its workplace learning and development practices. Companies that used innovative training practices were more likely to have improved performance over time.

American Society for Training and Development  
(1998)

### Step 3: Integrate Training Into Strategic Plans



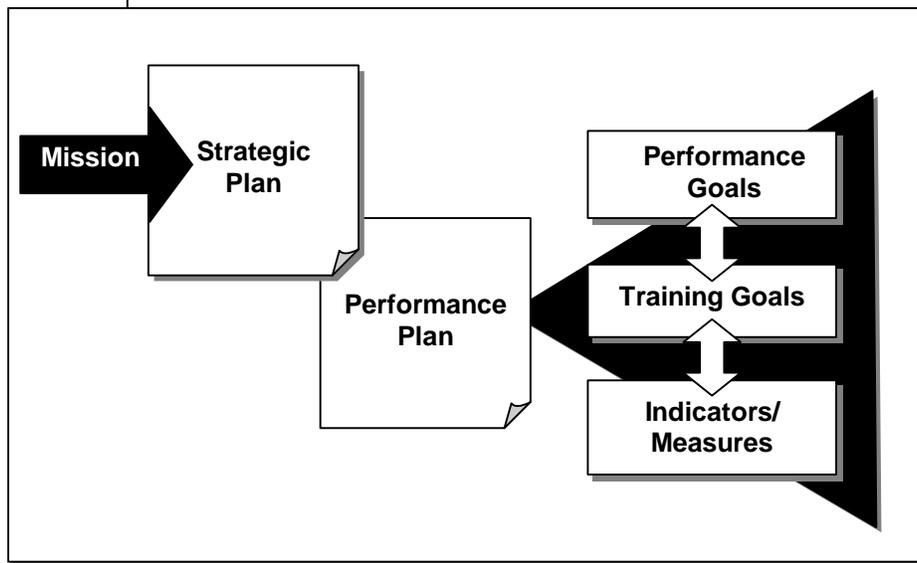


### Step 3: Integrate Training Into Strategic Plans

#### Introduction

The purpose of this step is to incorporate the training strategy from the business case into the organization's strategic plan. When training is integrated into the organization's strategic plan, it is more likely to receive the required support and resources.

As illustrated below, the strategic plan translates the organization's mission into a 5-year plan. The strategic plan is the basis for the performance plan, which is a more detailed implementation blueprint. It is most likely that training goals will be added to the performance plan to support performance goals. In some cases, if the organization's mission includes a training and education focus, then training goals may be included directly in the strategic plan. Whether the training goals are incorporated into the strategic or performance plans, they should include measures.



#### The Process



Suggested activities for completing this step include:

1. Write training goals.
2. Identify performance measures (indicators).
3. Develop an action plan.

### Step 3: Integrate Training Into Strategic Plans

**Tip: Writing Training Goals**



To be consistent with the Government Performance and Results Act (GPRA) guidance, your training goals should include target levels and performance indicators.

Listed below are definitions and examples of the components that should be included in your training goals. (Source: This information was adapted from OMB's *Primer on Performance Measurement*, February 28, 1995.)

| Component                              | Definition  | Example   |
|--|---|---|
| <b>Performance Goal (Target Level)</b> | GPRA defines a <b>performance goal</b> as a <b>target level</b> of performance expressed as a tangible, measurable objective, against which actual performance can be compared, including a goal expressed as a quantitative standard, value, or rate.    | Improve maternal and child health on tribal reservations to meet 95 percent of the national standards for healthy mothers and children by 2001. (Note that this goal would rely on performance indicators (see below) to be measured effectively.)                  |
| <b>Performance Indicator</b>           | GPRA defines a <b>performance indicator</b> as a particular value or characteristic used to measure output or outcome.<br><br>Performance goals that incorporate performance measures into the target goal statements do not require separate indicators. | Indicators for the maternal and child health goal above might include morbidity and mortality rates for this population, median infant birth weights, percentages of tribal children receiving full immunization shot series, frequency of pediatric checkups, etc. |

**Tip: Identifying Performance Measures (Indicators)**



Different types of performance indicators can be used to measure goal attainment. The tables on the following pages describe the different types of indicators and provide examples of each.

(Source: This information was adapted from OMB's *Primer on Performance Measurement*, February 28, 1995.)

### Step 3: Integrate Training Into Strategic Plans

| Indicator Type        | Description   |
|-----------------------|---|
| <p><b>Outcome</b></p> | <p>An outcome goal is an assessment of the results of a program compared to its intended purpose.</p> <p><b>Characteristics:</b></p> <ul style="list-style-type: none"> <li>▪ Outcome goal attainment cannot be measured until a program (of fixed duration) is completed, or until a program (which is continuing indefinitely) has reached a point of maturity or steady state operations.</li> <li>▪ While the preferred measure, outcomes are difficult to measure on an annual basis. (For example, an outcome goal setting a target of “by 2005, collecting 94 percent of all income taxes annually owed” cannot be measured, as an outcome, until that year.) The measurement of incremental progress toward a specific outcome goal is sometimes referred to as an intermediate outcome. (Using the example above, a target of collecting 88 percent of taxes owed in 2002 might be characterized as an intermediate outcome.)</li> </ul> <p><b>Example:</b></p> <p>40 percent of welfare recipients receiving job training are employed 3 months after receiving job training.</p> |

| Indicator Type       | Description   |
|----------------------|---|
| <p><b>Output</b></p> | <p>An output goal sets a target level for the goods and services produced by a program or organization and provided to the public or to other programs or organizations. In GPRA, both outcome and output measures are set out as performance goals or performance indicators.</p> <p><b>Characteristics:</b></p> <ul style="list-style-type: none"> <li>▪ Output indicators include process measures (e.g., paperflow, consultation), attribute measures (e.g., timeliness, accuracy, customer satisfaction), and measures of efficiency or effectiveness.</li> <li>▪ Output may be measured either as the total quantity of a good or service produced, or may be limited to those goods or services with certain attributes (e.g., number of timely and accurate benefit payments).</li> <li>▪ All outputs can be measured annually or more frequently. The number of output measures will generally exceed the number of outcome measures.</li> </ul> <p><b>Example:</b></p> <p>Annually provide job training and job search assistance to 1 million welfare recipients within 2 months of their initial receipt of welfare assistance.</p> |

### Step 3: Integrate Training Into Strategic Plans

| Indicator Type       | Description   |
|----------------------|---|
| <p><b>Impact</b></p> | <p>Impact indicators measure the direct or indirect effects or consequences resulting from achieving program goals. An example of an impact is the comparison of actual program outcomes with estimates of the outcomes that would have occurred in the absence of the program.</p> <p><b>Characteristics:</b></p> <ul style="list-style-type: none"> <li>▪ Measuring program impact often is done by comparing program outcomes with estimates of the outcomes that would have occurred in the absence of the program.</li> <li>▪ One example of measuring direct impact is to compare the outcome for a randomly assigned group receiving a service with the outcome for a randomly assigned group not receiving the service.</li> <li>▪ If the impacts are central to the purpose of a program, these effects may be stated or included in the outcome measure itself.</li> <li>▪ Impacts can be indirect, and some impacts are often factored into cost-benefit analyses. An outcome goal might be to complete construction of a large dam; the impact of the completed dam might be reduced incidence of damaging floods, additional acreage converted to agricultural use, increased storage of clean water supplies, etc.</li> <li>▪ The measurement of impact is generally done through special comparison-type studies, and not simply by using data regularly collected through program information systems.</li> </ul> <p><b>Example:</b></p> <p>Job training increases the employment rate of welfare recipients from 30 percent (the employment level of comparable welfare recipients who did not receive job training) to 40 percent (the employment rate of those welfare recipients who did receive job training).</p> |

| Indicator Type      | Description  |
|---------------------|--|
| <p><b>Input</b></p> | <p>Input indicators are measures of what an agency or manager has available to implement the program or activity. Inputs can include: employees (FTE), funding, equipment or facilities, supplies on hand, goods or services received, work processes or rules. When calculating efficiency, input is defined as the resources used.</p> <p><b>Characteristics:</b></p> <ul style="list-style-type: none"> <li>▪ Inputs used to produce particular outputs may be identified through cost accounting. In a less detailed correlation, significant input costs can be associated with outputs by charging them to the appropriate program budget account.</li> <li>▪ Often, a physical or human resource base (e.g., land acreage, square footage of owned buildings, number of enrollees) at the start of the measurement period is characterized as an input.</li> </ul> <p><b>Example:</b></p> <p>Reduce by 10% the required annual appropriation.</p> |

### Step 3: Integrate Training Into Strategic Plans

**Tip: Following Best Practices**



The Government Accounting Office (GAO) reviewed agencies' GPRA performance measures and identified the following best practices. (Source: *Executive Guide: Effectively Implementing the Government Performance and Results Act* (06/01/96, GAO/GGD-96-118)).

| Best Practice                     | Description  |
|-----------------------------------|--|
| <p><b>Demonstrate Results</b></p> | <p><b>Performance measures should tell each organizational level how well it is achieving its goals.</b></p> <p>As simple as this principle may appear, it poses an especially difficult challenge for Federal managers, for whom the link between Federal efforts and desired outcomes is often difficult to establish and may not, in fact, be apparent for years.</p> <p>Research programs provide one example. So do many health and welfare programs that are delivered jointly with State and local governments and third-party service deliverers.</p> <p><b>Implications for Training Goals:</b> Whenever possible, training goals should measure the organizational results (outcomes) being achieved by the course graduates rather than be limited to measuring the training outputs. Given the challenges associated with demonstrating results, it is essential for training goals to build on the existing efforts being implemented for measuring performance. In addition, training goals may need to include input/output measures (e.g., numbers of people trained, resources used/saved, amount of skill transfer resulting, etc.) to augment the outcome or result indicators.</p> |

| Best Practice                          | Description   |
|--|---|
| <p><b>Limited to the Vital Few</b></p> | <p><b>The number of measures for each goal at a given organizational level should be limited to the vital few.</b></p> <p>Those vital few measures should cover the key performance dimensions that will enable an organization to assess accomplishments, make decisions, realign processes, and assign accountability.</p> <p>Organizations that seek to manage an excessive number of performance measures may risk creating a confusing excess of data that will obscure rather than clarify performance issues. Limiting the number of performance measures to the vital few at each organizational level will help ensure that the costs involved in collecting and analyzing the data do not become prohibitive.</p> <p><b>Implications for Training Goals:</b> An alternative to setting separate training goals is to add one or two training indicators to each performance goal.</p> |

### Step 3: Integrate Training Into Strategic Plans

Tip: Following Best Practices



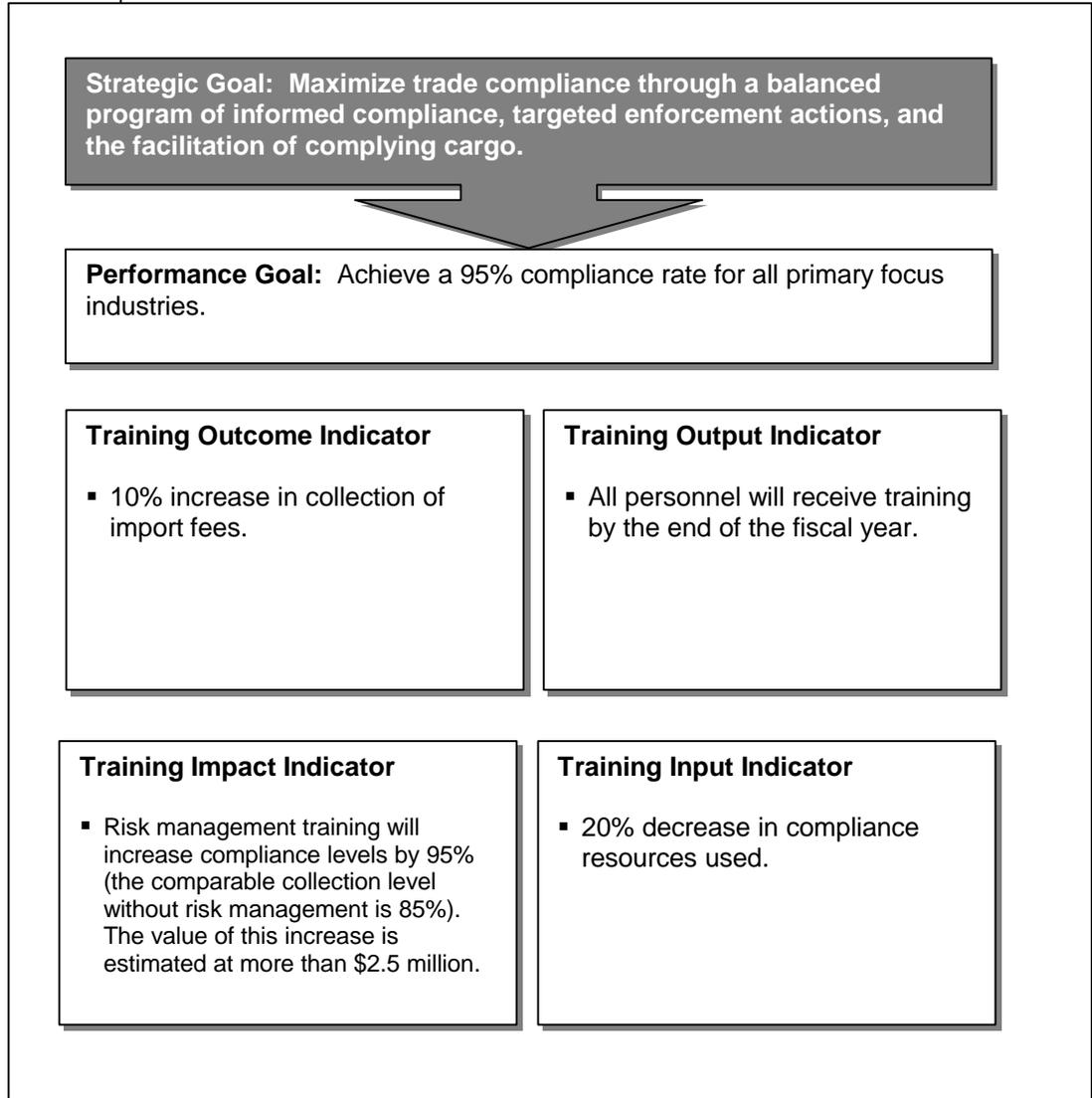
| Best Practice                       | Description   |
|-------------------------------------|---|
| <b>Link to Responsible Programs</b> | <p><b>Performance measures should be linked directly to the offices that have responsibility for making programs work.</b></p> <p>A clear connection between performance measures and program offices helps to both reinforce accountability and ensure that, in their day-to-day activities, managers keep in mind the outcomes their organization is striving to achieve.</p> <p>This connection at the program office helps to lay the groundwork for accountability as measures advance through the agency. By helping to lay the groundwork for accountability, a connection between performance measures and program offices also provides a basis for determining the appropriate degree of operational authority for various organizational levels. Managers must have the authority and flexibility for achieving the results for which they are to be held accountable.</p> <p><b>Implications for Training Goals:</b> Training programs that are designed to address the organization's strategic goals do not succeed without cooperation and shared accountability with the program offices. Collaboration is an essential ingredient for success.</p> |

### Step 3: Integrate Training Into Strategic Plans

#### Example



The following example illustrates the process of linking strategic goals to training indicators:



### Step 3: Integrate Training Into Strategic Plans

#### Tip: Developing an Action Plan



After training goals and performance measures are identified, you should develop an action plan for implementing and evaluating the training strategy or intervention that has been selected. You can use the Instructional Systems Design (ISD) model to help identify the tasks to be completed.

An action plan is a detailed description of the steps used to implement the selected training strategy. The action plan describes who performs each step and when the step is scheduled for completion. The resources necessary to carry out each task should also be specified in the plan.

Your action plan should include the following elements:

| Task                          | Responsibility            | Resources                                  | Schedule                         |
|-------------------------------|---------------------------|--|----------------------------------|
| 1. Conduct Front-End Analysis | Lead Instructional Design | 10 staff days<br>\$15,000 contract expense | Begin: 06-15-00<br>End: 07-15-00 |

After the plan is implemented, you should establish a tracking system to monitor its the plan execution and impact. For each scheduled milestone, compare the actual performance with the proposed performance level, and report the results.

For all variances in scheduled performance, ask the following questions:

#### Analyzing Action Plan Performance Variances

- How does the reported performance compare with previous performance?
- Is the performance/schedule variance likely to prevent goal achievement?
- Are external factors affecting performance? If so, what are these factors?
- Is the performance/schedule variance due to unrealistic initial projections/planning? If so, what adjustments should be made?
- What modifications should be made to the action plan?
- When will performance information be collected again?

## Step 3: Integrate Training Into Strategic Plans

### Suggested Resources



The resources listed below provide additional information relating to the process of incorporating training into the strategic plan.

#### Publications

Van Adelsberg, D. & Trolley, E.A. *Running Training Like a Business: Delivering Unmistakable Value*. San Francisco: Berrett-Koehler Publishers, Inc., 1999.

Publications available on the Government Performance and Results Act Multimedia Orientation and Toolkit <http://www.opm.gov/gpra>

U.S. Government Accounting Office. *Executive Guide: Effectively Implementing the Government Performance and Results Act* (06/01/96, GAO/GGD-96-118).

U.S. Office of Management and Budget. *Primer on Performance Measurement*, February 28, 1995.

#### Web Resources

<http://www.npr.gov>

This web site describes the **National Partnership for Reinventing Government**, and provides an extensive selection of GPRA documents, including primary reports, the final initiative, Presidential directives (the text of Executive Orders), Presidential memoranda, congressional action, and Government Accounting Office and Office of Management and Budget guidance.

<http://www.opm.gov/perform/articles/095.htm>

U.S. Office of Personnel Management, Workforce Performance Newsletter, ***Using a Balanced Scorecard Approach to Measure Performance***.

Traditionally, many Federal agencies have measured their organizational performance by focusing on internal or process performance, looking at factors such as the number of full-time equivalents allotted, the number of programs controlled by the agency, or the size of the budget. In contrast, private-sector businesses usually focus on the financial measures of their bottom line. Alone, neither of these approaches provides the full perspective of an organization's performance. This article explains that by balancing internal and process measures with results and financial measures, managers get a more complete picture of their organization's performance.

<http://www.opm.gov/perform/articles/1999/pdf10.htm>

U.S. Office of Personnel Management, Performance Management Practitioner Series, ***A Handbook for Measuring Employee Performance: Aligning Employee Performance Plans with Organizational Goals***

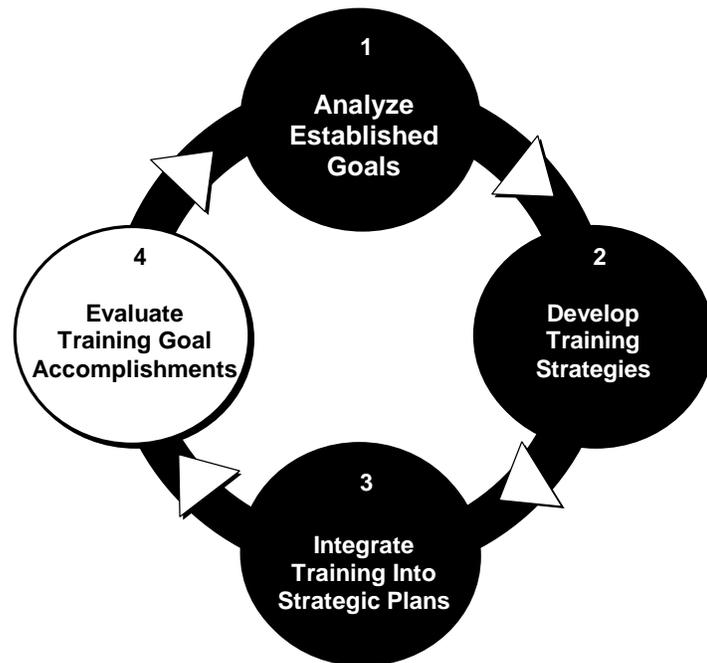
This handbook describes a method for developing employee performance plans that are aligned with and support organizational goals using an eight-step process.



The key competitive difference [for agencies] in the 21<sup>st</sup> century will be people. All agencies need to take stock of their employees and assess future workforce needs.

David Walker, Comptroller General  
National Academy of Public Administrators Conference  
As reported in *Federal Times* (September 1999)

## Step 4: Evaluate Training Goal Accomplishments



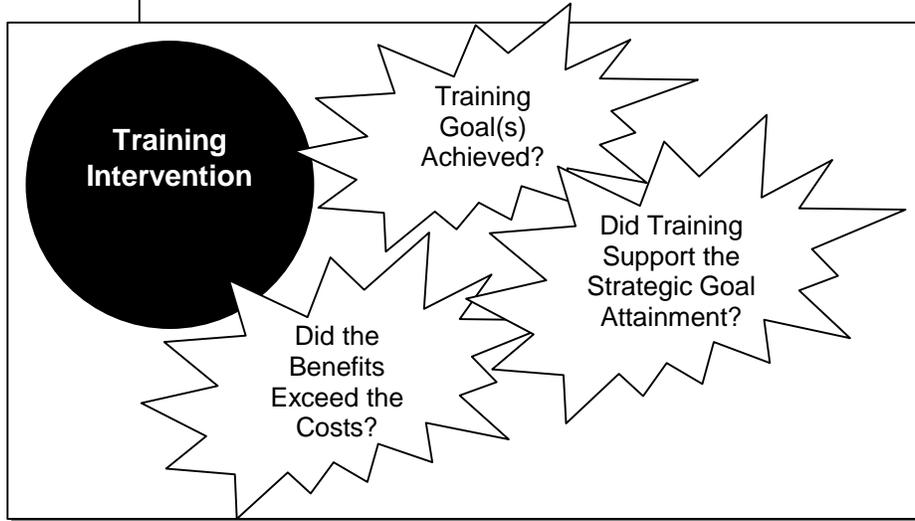


## Step 4: Evaluate Training Goal Accomplishments

### Introduction

When training is successful it supports the organization's attainment of its strategic goals. Training begins as a response to a need or opportunity in an organization. Evaluating training results brings training full circle to ensure that it is addressing the needs, problems, or opportunities it was originally intended to serve.

In specific, evaluating training goal accomplishments involves determining what outcomes or results have been gained by the organization and whether, considering the costs of training, that gain was worth the expense.



Evaluating training helps decision makers manage scarce resources. When decision makers know the training's contribution to the organization, they can:

- Identify those training programs that should receive funding.
- Justify increased expenditures on training.

When decision makers are unsure how training contributes to the agency's mission, they may find it difficult to justify training expenditures and may have to allocate limited training resources based on a "best guess" approach.

### The Process



Suggested activities for completing this step include:

1. Assess training goal achievement.
2. Determine the cost of training.
3. Establish the worth of training.
4. Compare the benefits to the costs.
5. Assess results.

## Step 4: Evaluate Training Goal Accomplishments

**Tip: Assessing Training Goal Achievement**



The starting point for your evaluation is to assess if the training goals were attained. If your training goals included performance indicators (see Step 3), then the process involves collecting data. The following table summarizes the different types of data collection methods.

| Method  | Advantages   | Disadvantages  |
|---|--|--|
| <b>Interview</b>                                      | <ul style="list-style-type: none"> <li>▪ Provides for more subtle and indepth information than other data collection methods.</li> <li>▪ Permits flexibility to probe ambiguous questions and responses.</li> <li>▪ Can verify other sources of information.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Requires complex interviewing skills.</li> <li>▪ Involves the time of both the interviewer and the interviewee to complete.</li> <li>▪ Involves considerable cost.</li> <li>▪ Results frequently in hard-to-quantify information.</li> </ul>  |
| <b>Survey</b>   | <ul style="list-style-type: none"> <li>▪ Is easy to administer.</li> <li>▪ Enables results to be processed quickly and at relatively low cost.</li> <li>▪ Permits easy quantification and generalization of results due to standardized instrument.</li> <li>▪ Gives respondents more time to think about answers.</li> <li>▪ Assures anonymity of responses.</li> </ul> | <ul style="list-style-type: none"> <li>▪ Results frequently in individual differences in interpretation of items and scales.</li> <li>▪ Can result in information of questionable validity.</li> <li>▪ Is inflexible because the respondent must answer the questions asked.</li> <li>▪ Nonresponders may bias the end results.</li> </ul> |
| <b>Analyze Work Samples/<br/>Performance Sampling</b> | <ul style="list-style-type: none"> <li>▪ Provides direct data on the performers' actual work outputs.</li> <li>▪ Is unobtrusive; analysis occurs without interrupting the work setting or routine.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Can be costly and time consuming.</li> <li>▪ Requires analyst to understand the work area well enough to judge the samples.</li> </ul>  |
| <b>Review Existing Monitoring and Reporting Data</b>  | <ul style="list-style-type: none"> <li>▪ Provides direct data on outputs and inputs.</li> <li>▪ Is an extremely cost-effective means of collecting detailed information.</li> </ul>  | <ul style="list-style-type: none"> <li>▪ Existing data may not be measuring the same types of indicators included in the training goals.</li> <li>▪ Validity and reliability of the data reporting systems may be insufficient.</li> </ul>   |

## Step 4: Evaluate Training Goal Accomplishments

**Tip: Determining the Cost of Training**



There has been a growing demand for accountability of training costs within the Federal Government in recent years. Decision makers realize how large the investment—both monetary and nonmonetary—in training and development has become, and they need to be assured of the value of training. They want to know which training programs work, and at what cost.

To determine the cost of training requires that you identify all of the expenses associated with designing, developing, implementing, and evaluating the training program. After you determine the types of expenses that apply to your program, you can then calculate costs.

The most common types of training costs are listed below. Note that this list is not exhaustive, and you may have unique costs not mentioned below.

| Training Costs                                    | Description   |
|---|---|
| <b>Training Attendance Costs</b>                  | Attendance costs are the expenditures associated with: <ul style="list-style-type: none"> <li>▪ Participant's time spent in training</li> <li>▪ Travel and per diem costs</li> <li>▪ Lost productivity or cost of replacing the individual while in training</li> </ul> |
| <b>Instructor Costs</b>                           | Instructor costs are the expenditures associated with: <ul style="list-style-type: none"> <li>▪ Instructor's time spent in training</li> <li>▪ Travel and per diem costs</li> <li>▪ Lost productivity or cost of replacing the individual while in training</li> </ul>  |
| <b>Instructional Development Personnel Costs</b>  | Instructional development personnel costs are the personnel expenditures during the design and development of the training materials.   |
| <b>Additional Instructional Development Costs</b> | Additional instructional development costs are the nonpersonnel resources used during the design and development of the training materials.   |
| <b>Facility, Material, &amp; Equipment Costs</b>  | Facility, material, and equipment costs include direct costs associated with the delivery of the training.  |

Detailed worksheets for calculating training costs can be found in the OPM publication titled *Establishing the Value of Training: Resource Guide (HRDG-023)*, March 1994.

## Step 4: Evaluate Training Goal Accomplishments

**Tip: Establishing the Worth of Training**



You can establish the worth of the training by converting the change in the performance indicator into a dollar value representing its worth. Next, you should convert the change in benefits into a dollar amount. If this step is not completed, you may find it impossible to compare costs and benefits. By not converting the benefit to a dollar value, you would be comparing "apples to oranges." Therefore, if you cannot establish an "objective" cost figure for the benefits, you should use a "subjective value."

Some benefits are easy to convert into dollar amounts. For example, if there was a reduction in inputs, you can simply subtract the amount of overtime spent before training from the amount of overtime spent after training.

However, some benefits are more difficult to convert to dollar amounts. The following method establishes a "subjective" measure of the worth resulting from improved quality. This method assumes that the agency does not get full value unless personnel are performing at a high quality level. In addition, the assessment of "quality" is based on a subjective, 1-to-10 rating. You should only use this method when you cannot determine a more objective measure of improved quality.

| Subjective Method for Establishing the Worth of Improved Performance Quality        |  |           |
|---|--|-----------|
| Step  | Calculation  | Example   |
| 1. Determine the employee's annual compensation (salary plus benefits).             |  | \$ 50,000 |
| 2. Determine percentage of job being trained.                                       |  | 20%       |
| 3. Multiply annual compensation by percentage of job being trained.                 | annual compensation (line 1)<br>times<br>% of job being trained (line 2)         | \$ 10,000 |
| 4. On a 1-to-10 scale, rate performance quality level BEFORE training.              | 1 = Low Quality<br>5 = Moderate Quality<br>10 = High Quality                     | 3         |
| 5. Multiply the BEFORE rating by 10 to determine the quality percentage.            | quality rating (line 4)<br>times<br>10   | 30%       |
| 6. Multiply the dollars spent on that portion of the job by the quality.            | Dollars spent on portion of job (line 3)<br>times<br>quality percentage (line 5) | \$ 3,000  |
| 7. On a 1-to-10 scale, rate quality level AFTER training.                           | 1 = Low Quality<br>5 = Moderate Quality<br>10 = High Quality                     | 8         |
| 8. Multiply the AFTER quality rating by 10 to determine the new quality percentage. | quality rating (line 7)<br>times<br>10   | 80%       |
| 9. Multiply the dollars spent on that portion of the job by the quality percentage. | dollars spent on portion of job (line 3)<br>times<br>quality percentage (line 8) | \$ 8,000  |
| 10. Determine the difference between BEFORE and AFTER worth.                        | value of AFTER (line 9)<br>minus<br>value of BEFORE (line 6)                     | \$ 5,000  |

## Step 4: Evaluate Training Goal Accomplishments

### Tip: Comparing Costs and Benefits



You can use the following calculation to compare training costs and benefits:

|                                     |   |                  |
|-------------------------------------|---|------------------|
| ▪ Benefits per person               | = | \$ 7,000         |
| ▪ Cost of training per person       | - | \$ 3,000         |
| ▪ Return per person                 | = | \$ 4,000         |
| ▪ Times number of people trained    | × | 100              |
| ▪ <b>Total Return on Investment</b> | = | <b>\$400,000</b> |

Depending on how you established the worth of your benefits, your return-on-investment amounts or ratios may only show the savings accrued during the first year. You may want to project the continued benefits to be derived from the training over time before calculating your return-on-investment ratio.

### Tip: Assessing Results



It is admirable to get a return-on-investment from a training effort. However, not all training will result in a return-on-investment. And, even if the training saved \$100,000, it is important to link how those savings enhanced the organization's ability to achieve its mission.

Therefore, you should ask key stakeholders:

What contributions do you think training made to the organization's ability to reach its strategic and performance goals?

What dollar value would you place on training's contribution in helping the agency accomplish its goals?

Returning to an earlier example . . .

**If import compliance is increased to 95% and \$2.5 million additional fees are collected . . .**

**Then what was training's contribution in helping realize this increase in performance?**

## Step 4: Evaluate Training Goal Accomplishments

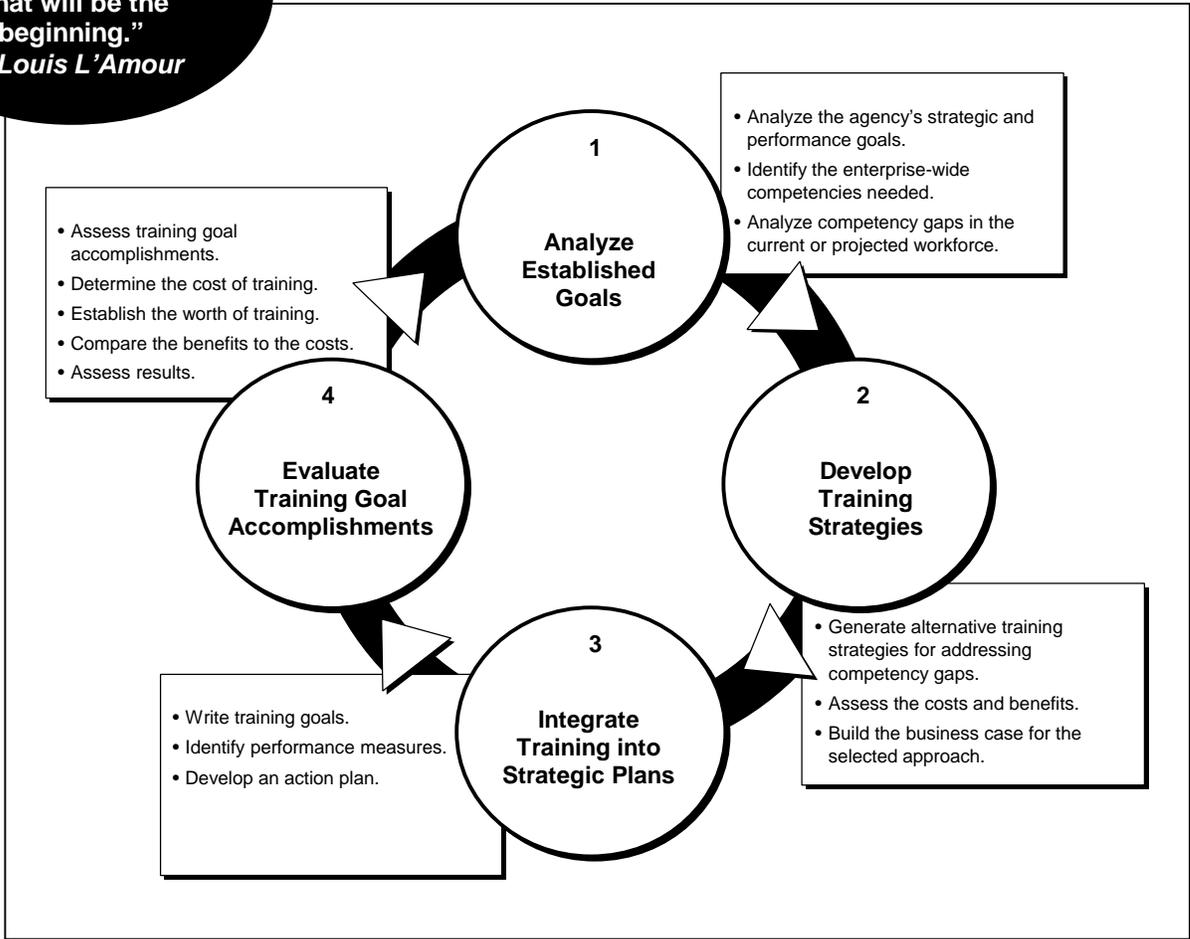
**Tip: Coming Full Circle**



Your evaluation findings are not just historical records of what was accomplished. The information you collect during the evaluation process is used to help revise and update your agency's strategic and performance plans.

As illustrated in the model shown below, planning training strategically is a cyclical process.

**“There will come a time when you think everything is finished. That will be the beginning.”  
— Louis L'Amour**



## Step 4: Evaluate Training Goal Accomplishments

### Suggested Resources



The resources listed below provide additional information relating to training evaluation process. Following is a small sample of the numerous resources available.

#### Publications

Kirkpatrick, D.L. *Evaluating Training Programs: The Four Levels* (2<sup>nd</sup> Edition), Englewood, CO: Berrett-Koehler Publishers, 1998.

Wholey J.S., Hatry H.P., & Newcomer K.E., eds. *Handbook of Practical Program Evaluation*. San Francisco: Jossey-Bass Publishers, 1994.

U.S. Office of Personnel Management, *Establishing the Value of Training: Resource Guide (HRDG-023)*, March 1994.

#### Web Resources

<http://www.ehr.nsf.gov/EHR/REC/pubs/NSF97-153/start.htm>

This link provides access to a National Science Foundation (NSF) publication titled ***User-Friendly Handbook for Mixed Method Evaluations***. The assumption guiding this handbook is that a strong case can be made for using an approach that combines quantitative and qualitative elements in program evaluations. Although the focus of this handbook is on evaluating NSF projects for funded projects, the information directly applies to designing and conducting training outcome evaluations.

<http://www.gao.gov>

The **U.S. General Accounting Office** (GAO) web site lists select GAO Policy and Guidance Materials, including such guides as:

- *Designing Evaluations*. PEMD-10.1.4. May 1991.
- *Content Analysis: A Methodology for Structuring and Analyzing Written Material*. PEMD-10.3.1. September 1, 1996.
- *Prospective Evaluation Methods: The Prospective Evaluation Synthesis*. PEMD-10.1.10. November 1990.
- *Quantitative Data Analysis: An Introduction*. PEMD-10.1.11. June 1992.
- *Using Structured Interviewing Techniques*. PEMD-10.1.5. July 1991.

<http://www.ed.uiuc.edu/sped/tri/evalwkshp.htm>

An online transcript of a workshop titled ***Planning and Constructing Performance-Based Evaluations*** conducted by Joseph S. Wholey and John A. McLaughlin. This workshop directly links performance-based evaluations to GPRA requirements.

[http://www.astd.org/CMS/templates/template\\_1.html?articleid=11016](http://www.astd.org/CMS/templates/template_1.html?articleid=11016)

This link contains an article titled *Was It the Training?* by Jack J. Phillips.





**Glossary**



|  |  |
|--|--|
| <b>Abilities</b>   | Attitudes, characteristics, or attributes that a person needs to possess to perform a job task.  |
| <b>Benchmark</b>   | Comparative standard for evaluating accomplishments against known exemplars of excellence. A benchmark is a targeted goal that is beyond current capabilities, but for which the organization is striving.   |
| <b>Business Case</b>   | A method for projecting and documenting the benefits to be gained as a result of investing resources in a training intervention.   |
| <b>Chief Financial Officers (CFO) Act of 1990</b>            | The CFO Act was designed to remedy decades of serious neglect in Federal financial management operations and reporting. It provided for chief financial officers in the 24 largest Federal departments and agencies, which together account for about 98 percent of the Government's gross budget authority. In 1994, Congress followed up on the CFO Act with the Government Management Reform Act of 1994. The latter extended to all 24 CFO Act agencies the requirement, beginning with fiscal year 1996, to prepare and have audited financial statements for their entire operations.  |
| <b>Competency</b>  | A behavior or set of behaviors that describes excellent performance in a particular work context (e.g., job, role or group of jobs, function, or whole organization). Competencies can help ensure that individual and team performance aligns with the organization's mission and strategic directions.   |
| <b>Effectiveness</b>   | Effectiveness refers to the level of achievement of program goals and the results intended (as defined in strategic plans and in legislation). (Examples: "percentage of trainees employed 1 year after completing job training"; "percentage of compliance in filing tax returns"; "percentage of reduction in recreational boating accidents.")  |
| <b>Efficiency</b>  | Efficiency is the ratio of inputs to outputs; traditionally expressed as the amount of input (total costs) per unit of output, sometimes referred to as unit costs. (Example: "cost per transaction")  |
| <b>Focus Group</b>   | A facilitator-led group of 6 to 12 participants convened in order to gather information about training needs and/or the impact of training.  |
| <b>Government Performance and Results Act (GPRA) of 1993</b> | The Government Performance and Results Act (GPRA) is the primary legislative framework through which agencies will be required to set strategic goals, measure performance, and report on the degree to which goals were met.  |
| <b>Impact Measure (Indicator)</b>                            | A measure of the direct or indirect effects or consequences resulting from achieving program goals. An example of an impact is the comparison of actual program outcomes with estimates of the outcomes that would have occurred in the absence of the program. Measuring program impact often is done by comparing program outcomes with estimates of the outcomes that would have occurred in the absence of the program. If the impacts are central to the purpose of a program, these effects may be stated or included in the outcome measures themselves. The measurement of impact is generally done through special comparison-type studies, and not simply by using data regularly collected through program information systems. |

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| <b>Indicator</b>                          | See Performance Indicator.  |
| <b>Inputs</b>                             | The resources used in producing an output or outcome. They are usually expressed as amount of dollars or amount of employee time (such as hours or FTE). The amount of inputs is not the amount of incoming workload that all programs have in one form or another. For example, the number of cases that come into a program is not an input as the term is defined. The amount of inputs, together with the amount of outputs, is used to calculate productivity and efficiency.  |
| <b>Input Measure (Indicator)</b>          | Measures of what an agency or manager has available to carry out the program or activity; i.e., achieve an outcome or output. These measures can include employees (FTE), funding, equipment or facilities, supplies on hand, goods or services received, work processes or rules. When calculating efficiency, input is defined as the resources used. Inputs used to produce particular outputs may be identified through cost accounting. In a less detailed correlation, significant input costs can be associated with outputs by charging them to the appropriate program budget account. |
| <b>Instructional Systems Design (ISD)</b> | A systems approach to analyzing, designing, developing, implementing, and evaluating training. Each phase of the ISD process provides information that feeds directly into the next phase.  |
| <b>Instructor Costs</b>                   | Instructor costs are the expenditures associated with instructor's time spent in training, travel to the training site, and lost productivity or cost of replacing the individual while in training.  |
| <b>Kirkpatrick's Evaluation Model</b>     | A four-level model of training evaluation that allows the measurement of different training outcomes including participant reactions, learning, on-the-job behaviors, and organizational results.   |
| <b>Knowledge</b>                          | The facts, concepts, and principles needed to perform a job task.   |
| <b>Needs Analysis</b>                     | A methodological process of collecting and analyzing information to determine specific gaps in performance or the lack of information necessary to do a job. (Also referred to as needs assessment or front-end analysis.)  |
| <b>Outcomes</b>                           | The results of a program activity compared to its intended purpose. Quality, customer satisfaction and effectiveness indicators may all be used to measure outcomes. It may sometimes be useful to distinguish "intermediate outcomes" from "end outcomes," especially when end outcomes cannot be determined for 2 or more years into the future. Programs may have indicators for each of these categories.   |
| <b>Outcomes – End</b>                     | End outcomes are the desired and (ultimate) results that are hoped to be achieved by the program activities. These results are directly related to the agency's mission. (Examples: illnesses prevented; clients whose status improved; reduced crime; clean air or clean water.)   |

**Outcomes – Intermediate**

Intermediate outcomes are those results that are expected to lead to the ends desired, but are not themselves "ends." In many programs, a progression or sequence of outcomes usually occurs. For example, an environmental protection program aimed at returning inland lakes to clean condition will likely involve a sequence of measurable outcomes. These outcomes include, in order: passage of State and local laws or technical assistance to businesses ("number of State and local programs that passed such laws or that provided such technical assistance"); businesses then take advantage of the technical assistance ("number of businesses that requested and received technical assistance from the program"); those businesses changed their behavior ("number of assisted businesses that took steps to reduce their hazardous waste"); hazardous waste material flowing into lakes was reduced ("amount of hazardous waste released by the particular industry"); water quality improves ("pollutant counts"); the condition of living resources in the receiving waters, such as fish and mammals, improves; and finally, citizens are able to use the waters for recreation and business purposes ("number of days of restricted fishing"). Only the last two outcomes should be considered as end outcomes.

**Outcome Measure (Indicator)**

An assessment of the results, effects, or impact of a program activity compared to its intended purpose. Outcome measurement cannot be done until the results expected from a program or activity have been defined. As such, an outcome is a statement of basic expectations, often grounded in a statute, directive, or other document. Outcome measurement also cannot be done until a program (of fixed duration) is completed or until a program (which is continuing indefinitely) has reached a point of maturity or steady state operations. While the preferred measure, outcomes are often not susceptible to annual measurement. Also, managers are more likely to manage primarily against outputs rather than outcomes. The measurement of incremental progress toward a specific outcome goal is sometimes referred to as an intermediate outcome.

**Outputs**

The products and services produced by a program or process and delivered to customers. Outputs result from internal activity or effort. Contrary to normal usage, GPRA uses the term "output" to cover both process and output. The amount of outputs, together with the amount of inputs, is used to calculate productivity and efficiency. Quality is another output indicator.

**Output Measure (Indicator)**

A tabulation, calculation, or recording of activity or effort that can be expressed in a quantitative or qualitative manner. The GPRA definition of output measure is very broad, covering all performance measures except input, outcome, or impact measures. Thus it covers output, per se, as well as other measures. Strictly defined, output is the goods and services produced by a program or organization and provided to the public or to the other programs or organizations. Other measures include process measures (e.g., paperflow, consultation), attribute measures (e.g., timeliness, accuracy, customer satisfaction), and measures of efficiency or effectiveness. Output may be measured either as the total quantity of goods or services produced, or may be limited to those goods or services with certain attributes (e.g., number of timely and accurate benefit payments). Some output measures are developed and used independent of any outcome measure. All outputs can be measured annually or more frequently. The number of output measures will generally exceed the number of outcome measures.

**Performance**

The accomplishment of actions that transform inputs (through a process) to outputs and outcomes. Inputs, process, outputs, and outcomes can therefore be considered the "performance continuum," that is, the progression of performance actions.



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| <b>Performance Goal</b>        | A target level of performance expressed as a tangible, measurable objective, against which actual achievements can be compared, indicating a goal expressed as a quantitative standard, value, or role. Thus, these are the targets set by the program for specific reporting periods. A performance goal is a statement composed of two components: an indicator and a target. For example: "to increase the immunization rates for 2-year olds by 40 percent by 2001," includes the indicator <i>immunization rates</i> and the target <i>to increase rates by 40 percent by 2001</i> . GPRA requires annual goals for each indicator, but goals can be set for shorter periods (e.g., quarterly) for internal management purposes. |
| <b>Performance Indicator</b>   | A particular value or characteristic used to measure outputs or outcomes. Indicators are signs that point to success or failure in performance and answer the question: "How will we know when we have been successful?" They refer to what specifically is to be measured for each aspect of performance; i.e., the specific numerical measurements that are to be made, such as the "number of customer complaints." Performance indicators are usually expressed in numbers or percentage form. The denominator used to form the percentage (or ratio) usually includes such things as cost, time, total universe size, or a historical record (e.g., compared to last year).  |
| <b>Performance Measurement</b> | Performance measurement refers to measuring the performance of a program, a function, or a process. The term "performance" covers the work an organization(s) performs in converting inputs to outputs to outcomes.   |
| <b>Performance Plans</b>       | GPRA requires agencies to develop and maintain performance plans. Performance plans are submitted annually. The performance plan describes: the relationship to the strategic plan; the performance goals and indicators (for each Program Activity in the budget); operational processes, skills, and technology; the people, capital, information, or other resources needed to meet goals; and the means to be used to verify and validate measured values.  |
| <b>Process</b>                 | The activities and tasks that add value to inputs to create outputs and outcomes.   |
| <b>Productivity</b>            | Productivity is the ratio of outputs to inputs, traditionally expressed as the amount of outputs per number of employees or amount of employee time. When factors other than direct labor are included in the input, the inputs are expressed in cost terms and a more comprehensive productivity rating is achieved. Example: "number of transactions per FTE or number of transactions per total costs." Productivity is also the ratio of outcomes to inputs; e.g., number of persons employed after training per unit of input (either labor hours or expenditure of funds); amount of dollars collected per unit of input.   |
| <b>Program</b>                 | Grouping of activities directly supporting a major function of an agency.   |
| <b>Program Activity</b>        | A specific activity or project as listed in the program and financing schedules of the annual budget of the United States Government.   |

**Program Evaluation**

An assessment, through objective measurement and systematic analysis, of the results, impact, or effects of a program or policy—the manner and extent to which Federal programs achieve intended objectives. Program evaluations also are frequently used for measurement of "unintended" results, good or bad, which were not explicitly included in the original statement of objectives or foreseen in the implementation design. Evaluation can, therefore, serve to validate or find error in the basic purposes and premises that underlay a program or policy.

**Program Performance Reports**

GRPA requires agencies to submit an annual program performance report. This report presents a comparison of goals with agency's achievements, an explanation where goals were not met, and plans for meeting any unmet goals.

**Quality**

Quality refers to timeliness, accuracy, and conformance to requirements. Quality requirements may be used to measure several aspects of performance, such as outputs, process, intermediate outcomes, and in some cases, end outcomes. (Examples: "number or percentage of products delivered on time"; "cycle time of process"; "percentage of work corrected or cost of nonquality"; "number or percentage of products completed accurately"; "number or percentage of products conforming to requirements.")

**Return-on-Investment**

A comparison of the costs of training to the savings or other financial benefits derived as a result of training.

**Stakeholders**

Organizations, groups, or outside managers with a vested interest in the efficiency of the operations or the success of the organization in delivering effective outputs and maintaining the viability of a program.

**Strategic Plan**

GPRA requires agencies to develop and maintain strategic plans covering a 5-year period. The plan is updated every 3 years. The elements included in the strategic plan are: the agency's mission, general goals and objectives, the means and strategies to achieve goals and objectives (processes, skills, technologies, various resources), the relationship between performance goals in the performance plan and general goals and objectives in the strategic plan, the key factors that can affect achievement, and the program evaluations to be used and schedule of evaluations.

**Target Population**

The group of people for whom a training program is intended, usually defined in terms of age, background, and ability. (Also referred to as target audience.)

**Task**

A unit of work activity or operation that forms a significant part of a job function/duty (i.e., a major component of a job). A task constitutes a logical and necessary step in a performance, and usually has a logical beginning and end. A subset of a job.

**Training Attendance Costs**

Attendance costs are the expenditures associated with participant's time spent in training, travel to the training site, and lost productivity or cost of replacing the individual while in training.

**Training Evaluation**

The process used to measure the demonstrated ability of individuals and units to accomplish specific training objectives.



**Training Methods**

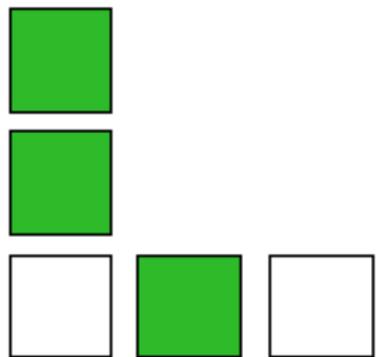
Any of the many instructional approaches or combinations of approaches to achieve learning such as classroom presentations, technology-based lessons, case-study exercises, etc.

**Training Objective**

A clearly communicated statement of the desired changes in the target population's skills, knowledge, or abilities. A training objective often includes a description of the "activity" to be demonstrated, the "conditions" under which the activity will be performed, and the "standards" for judging if the activity has been performed at the desired level.







OWR-35 July 2000