

IMPROVING THE ODDS
THAT IMPROVEMENT
WILL HAPPEN

Toby Vitek, Ph.D.

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When you boil it down, the primary purpose of nearly every human resources development (HRD) initiative is to drive employee behavior change in some way. Popular HRD initiatives include training programs, developmental assessment centers, coaching and mentoring programs, multi-rater feedback processes, leadership development programs, and succession planning processes. Whether the stated intent of a development program is to change employee perceptions, improve skills, or increase knowledge in some way, the expected outcome is that participants will change their on-the-job behavior in some way as a result of the intervention. To this end, companies around the world spent an average of \$630 per employee on training efforts in 2000, and U.S. organizations predicted a 37% increase in training expenditures for 2001 (Van Buren, Erskine, ASTD, 2002).

But, for all of the money spent on employee development, the ability to accurately measure performance improvement as a result of development activities has remained elusive. This inability to quantify the return on development investments is one of the biggest obstacles to credibility and a seat at the strategic table for HR practitioners.

Although HR is always collecting evaluative data about development programs, the real issue is whether the information HR typically reports actually demonstrates a clear relationship with any bottom line results. The most commonly used criteria to evaluate the effectiveness of HRD programs include:

- Number of people who have gone through a given development program per quarter or year.
- Number of people who have created development plans.
- Amount of money spent per employee on development initiatives.
- Responses to employee surveys regarding development initiatives, either at the end of a particular program or as part of an annual organization-wide employee opinion survey.

While these metrics are useful for providing information about participation rates, compliance, and satisfaction with particular development activities, they provide no information about their ultimate goal—changed behavior on the job. To be taken seriously by their line counterparts and senior management, HR managers must be able to answer these critical questions: Are people changing? Are they changing in the desired ways? Are they changing the behaviors that are most important to the success of the organization? If they are not changing, why not? What are the barriers to change in the organization, and how can we remove them? What is the organization doing right that facilitates change?

Why Aren't We Doing a Better Job of Measuring Results?

This is not to suggest that HR is not concerned with finding the answers to these questions. Rather, there are a number of reasons why HRD practitioners traditionally do little quantitative evaluation, such as:

- *No news is good news.* We are afraid of what we will learn. Sometimes we know that the way we are implementing an HRD initiative is somewhat less than the ideal and that the outcomes will suffer as a result, but due to organizational, financial, or other constraints, we implement the program nonetheless.
- *It's complicated.* We think that it is too hard, or too expensive, or too time consuming to do good program measurement, so instead we use measures of convenience.
- *We can't influence the outcome.* We know that actual development and change are most likely to occur through daily developmental efforts and activities. We believe that what happens after people attend an HRD program is outside of our control, so we only measure what we can control.
- *We don't know how.* Sometimes we don't really know how to go about measuring behavior change, and there is little useful information out there to guide us, so we focus on development tools and events, rather than the process of development.
- *We underestimate the importance.* In many organizations, HR is still seen as a transactional service provider, rather than a strategic partner to the business. Sound measurement of the outcomes of HRD programs is critical to gaining credibility for HR within the organization and gaining the attention and confidence of our internal customers and senior management.

Laying the Foundation

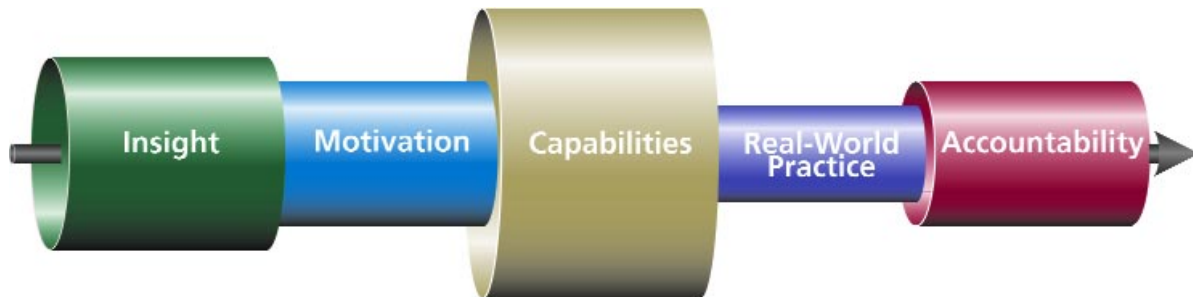
So, we need to do a better job of quantifying the results of HRD initiatives, but, however important, measurement isn't the first step. There are two key areas of focus necessary to create the conditions that will enable you to successfully drive development in your organization. The first has to do with understanding the conditions required for learning to occur in an organizational context, and the second focuses on the strategies for increasing support for development initiatives in the organization.

1. *The Development Pipeline*

For people to successfully change their behavior, certain basic conditions must first be met. PDI has identified five conditions necessary for development to occur. Taken collectively, these five conditions correspond to stages in what PDI calls the Development Pipeline® (See next page). The Pipeline is also a good tool for diagnosing why so many conventional HRD programs fail to make a significant difference in individual and business performance.

The Pipeline's first stage, *Insight*, identifies whether people know what to develop. People need insight regarding their own capabilities, what the organization needs from them, and how others view them. The second stage, *Motivation*, has to do with whether people are willing to invest the time and energy to change. The third stage, *Capabilities*, asks whether people know how to acquire the skills and knowledge they need. The fourth stage, *Real-World Practice*, covers the extent to which people have the opportunities to apply what they have learned at work, and reflect on those experiences to solidify learning. The fifth stage, *Accountability*, identifies whether people have internalized these new skills to improve performance and results.

PDI DEVELOPMENT PIPELINE[®]



For meaningful change to occur, development must flow smoothly through all five stages of the pipeline. If flow through any stage is constricted, development is hindered and measures must be taken to widen that section of the pipeline. Typically, organizations spend most of their efforts on building *Insight* through such HRD practices as developmental assessment centers and multi-rater feedback processes, and on building *Capabilities* through training, coaching, and mentoring programs. In contrast, *Motivation* is often assumed, and *Real World Practice* and *Accountability* are often constrained by a perceived lack of time, resources, and follow-up. Understanding how your organization facilitates or inhibits development relative to the Pipeline conditions is a critical first step to driving successful development.

2. Aligning HRD with Business Strategy

The second key area of focus involves aligning HRD practices with the organization's overall business strategy. This alignment is critical for getting line and senior management support for initiatives. To ensure your HRD programs are aligned, you need to:

- Make sure you are well versed in the organization's vision, business objectives, and strategies.
- Implement each HRD program for the right reasons. Be able to state the desired outcomes, and develop a business case that demonstrates how the initiative solves a problem or adds value.
- Challenge the fads. All too often the key reason for the implementation of an HRD program is that "others are doing it," whether those "others" are your competitors or your benchmark companies, or someone in senior management decides that the company needs to have a specific program, and so it lands on your to do list.
- Link the HRD program to business goals and strategy. Customize off-the-shelf programs whenever possible and feasible to make these links clear.
- Understand that people are different. Use more than one type of HRD initiative to cover each stage of the Development Pipeline, and offer them in the correct sequence (i.e., create insight first, then build new capabilities, then incorporate on-the-job opportunities for skills practice, etc.). Don't assume that creating insight alone will get the job done, or that everyone is motivated by the same things.

- Get support and buy-in at all levels of the organization, including line management, key stakeholders, senior management, etc. Your best efforts are doomed from the start if they are seen solely as an HR initiative.
- Create a culture that actively supports development. While development plans are important—people do need to articulate and set development goals—you want people to work the plan, not just file it away in a drawer. The process of learning should be the focus, not the tools and development events.
- Create an environment of trust and support. People are less likely to take development initiatives seriously or seek support from others in a low trust environment.
- Encourage people to enlist the help of others. Research shows that people who enlist the help of their bosses in pursuing development are more likely to successfully change their behavior. If employees get the message that their boss does not value development, then they are much less likely to pursue development. Alternately, encourage people to enlist the help of a coach, mentor, or other development partner.
- Start from the top down when implementing programs, whenever possible. This gives you a chance to leverage the positive experiences of senior management to help you sell initiatives at lower levels in the organization. It also gives you a chance to equip bosses with the both the motivation and the skills they need to support development.

Knowing the Score

Now that you have created the conditions to drive development in the organization, you need a way to accurately measure the impact of your HRD initiatives. The most valuable and powerful measurement you can provide is evidence that the investments made in HRD initiatives do, in fact, produce the desired outcome of behavior change. And if you find that they don't, identify what's getting in the way. PDI has developed a measurement tool, called Time2Change™, that does just that.

Time2Change provides feedback to the organization about whether they are getting a payoff from their development dollars. Time2Change can tell you if people are changing in the ways you wanted them to and how much. And, using the Development Pipeline as a context, Time2Change can point out aspects of your organization's culture that facilitate or inhibit development. In addition, people get personal, individual feedback on how much they have changed and what is getting in their way. Time2Change holds people accountable for development, and reinforces the development process.

The Time2Change Organizational Assessment Report (group report) provides an aggregate view of participant data. It answers questions for the organization such as: What behaviors did participants most frequently target for development? What behaviors were participants able to develop readily? What behaviors were most resistant to change? What aspects of the organization's culture inhibited or promoted development? Time2Change enables you to:

- Actually measure the success of each and every one of your HRD programs.
- Get better results from your HRD programs.
- Significantly increase the likelihood that people will change in the desired direction.

Time2Change is a research-based instrument that can help you measure the impact of development initiatives and identify how the organization can better support individuals in their development. It can provide important information for diagnosing potential pitfalls in development initiatives, improving development initiatives, and determining which initiatives have payoffs and which don't. This is the kind of quantitative measurement that can finally help HR practitioners build credibility within the organization. Finally, we can know the score—and broadcast it to others.

REFERENCES

Van Buren, Mark E., & Erskine, William. (2002) *State of the Industry: ASTD's Annual Review of Trends in Employer-Provided Training in the United States*. Alexandria, VA: ASTD.

CORPORATE HEADQUARTERS
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