
MEASURING TRAINING AND COACHING – AN OPPORTUNITY AND A THREAT

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SUMMARY

This White Paper originated from the idea that we want to improve our service by helping our clients better measure the value they receive from our coaching. To do this we needed to establish a view of current practice and likely future best practice in the measurement of coaching.

In our opinion, HR leaders who are able to measure effectively the impact of their programmes are in a stronger position to offer better value to their stakeholders, through better programme selection, monitoring, and development. They are also in a stronger position to lead and negotiate with their providers.

New methodologies, such as Kirkpatrick Business Partnership Model(SM), the Success Case Method (SCM) and the Net Promoter® System, coupled with new technologies, such as CoachingCloud's online coaching platform are all opportunities to improve measurement.

However, effective measurement can be really hard to implement because many of the required levers are outside the control of HR; and because developing a robust measurement system requires active buy-in from all the relevant stakeholders, some of whom may have conflicting agendas.

In many ways, improving the measurement of training and coaching has all the challenges of a classic change management programme.

The current position is that most HR leaders are only just starting their journey to the next stage of measurement.

The following paper gives more detail and sets out the direction that we will take to address the challenges raised. If you are interested in joining in this work, or have strong views on the subject either way, you are warmly invited to get in touch.

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1.0 INTRODUCTION

During a previous study in 2010/2011, we spoke to 40 HR Directors. Eighty per cent of the sample had had their training budgets reduced to concentrate on training in basic skills and training to ensure that legal requirements were met. There was a minimum of activity on people development. This group measured investment, used 'happy sheets', but didn't have any detailed ROI measurement on their training.

Twenty per cent of the sample worked for companies that had fully bought-into the idea that developing people was a worthwhile endeavour, and they weren't under any pressure to improve how they measured programmes. The majority were at early stages of moving from 'happy sheets' to ROI of their training and coaching. This sample tended to be in consulting, law, and advertising as opposed to more traditional businesses.

Our view is that 'happy sheets' have a place in the measurement process, but aren't a measure of ROI. It can be argued that they only measure the 'learning event' which is the least important part of the learning process.

A study by the University of Phoenix in 2004 showed that the learning event itself only counts for twenty four per cent of the effectiveness of any intervention. Twenty six per cent is due to what happens before the event and fifty per cent comes from how the learning is followed up. Despite this, eighty five per cent of learning investment is put into the learning event, with significantly less investment in parts that produce the highest return: the design and follow up.

We were aware that new measurement methodologies and new technologies are significantly changing how training and coaching can be evaluated.

As a coaching provider working with an international online coaching and mentoring platform, we want to offer our customers the best ways of adding value to their stakeholders. This short paper on best practice is to share what we have learned with those HR professionals who generously gave their time to be interviewed. It will also be of interest to current and future customers. It gives a snapshot view of the current ways used to measure training and coaching programmes: what's being done now, what could be done, and the steps and challenges to get there.

2.0 WHO IS THIS PAPER FOR?

There are 3 specific customer types for this White Paper:

1) HR DIRECTORS AND SENIOR LEARNING AND DEVELOPMENT PROFESSIONALS

This paper has been written in part to thank the people who agreed to be interviewed and to give them an opportunity to agree or disagree with the findings so far, or to add any further thoughts.

2) THE DIRECTORS OF COACHINGCLOUD

CoachingCloud is an online platform to enable coaching and mentoring. This paper summarises the issues around measurement that need to be considered to ensure flexibility in reporting within CoachingCloud to account for personal / organisational preferences for the different measurement approaches. A cloud platform has significant advantages over many traditional in-house systems both as an enabler for coaching and as technology support in the measurement of programmes.

3) PERSONAL INTEREST

We run coaching programmes, so there is a personal interest in these results to help members of the Executive and Business Coaching Network (EBCN). The more we understand how to create value from coaching programmes the more effective we will be as coaches.

3.0 METHODOLOGY

The research had three main sections: interviews with HR leaders and learning partners, a review of the best methodologies available, and brainstorming sessions with other training experts.

3.1 INTERVIEWS

Following on from a complementary project in 2011/2012, we spoke to 50 HR Directors and 10 HR Partners in 2012/2013, who took part in 20-25 minute telephone interviews. The sample was based on large and medium sized companies across a wide range of business types. We agreed that no individual comments would be quoted in this report. We have only reported our summative findings.

3.2 LITERATURE SEARCH

The second phase of the project involved identifying and studying the three methods of measuring training. These are the Kirkpatrick Business Partnership Model(SM), the Success Case Method (SCM) for measuring training and the Net Promoter® System for measuring customer and employee satisfaction. Each system gives important and different distinctions for measuring coaching.

We also reviewed Marshall Goldsmith's approach to 360 degree feedback as it was mentioned in the interviews and we believe it is relevant to the investigation.

3.3 BRAINSTORMING SESSIONS

A number of top coaches and consultants then brainstormed the results to identify what we considered to be the key findings.

4.0 RESULTS

4.1 INTERVIEWS

The interviews were wide ranging discussions, with a number of core questions included. The main four questions, and their responses, are detailed below.

PLEASE RATE THE IMPORTANCE OF MEASUREMENT ON A SCALE OF 0 (LOW) TO 10 (HIGH).

The responses range from a low of 4 to a high of 9, with the average being 7. There were actually two responses of 10, but they were from HR directors who had recently moved to more operational roles, so they were excluded from this analysis.

The follow-up question 'What's the reason for your answer?' consistently drew the response that some training is difficult to measure, but still beneficial.

ON A SCALE FROM 0 (LOW) TO 10 (HIGH) PLEASE RATE IF YOU'RE EXPECTING TO SIGNIFICANTLY IMPROVE YOUR APPROACH OVER THE NEXT 18 MONTHS.

The responses range from 2 to 8, with an average of 4, indicating that the participants did not feel they wanted, or were able, to improve the way they measured training.

WHAT METHODOLOGIES DO YOU USE TO MEASURE TRAINING AND COACHING?

Fifty-three respondents were using their own approach to measurement. Eight had been significantly influenced by one or more proprietary models, with five mentions of the original Kirkpatrick approach, three mentions of Kirkpatrick's Business Partner Method, two mentions of Brinkerhoff's case study method and one mention of Marshall Goldsmith's 360 degree approach.

WHAT ELEMENTS ARE NEEDED TO MEASURE AN L&D INTERVENTION?

There were a number of suggestions made in response to this question. The most frequent responses were:

- Training outcomes to tie into business objectives.
- Potential ROI established at the start of the programme.
- Stakeholders agree to the training outcomes, measurement approach, and investment required (money, time, effort) up-front.
- Stakeholder acceptance that training and coaching is an integral part of performance improvement and that the most important lessons may come from initiatives that don't work first time.
- Different categories of intervention are handled differently, each of the following has different measurement priorities:
 - must-have training, e.g. safety, compliance;
 - individual personal development, e.g. to retain key people;
 - Performance improvement initiatives.
- Education of 1st and 2nd line managers as to the levers of improving performance and how to get value from training and coaching initiatives.
- Collect feedback from participants, their managers, and where possible relate this to organisational metrics.
- Appropriate technological help to collect and collate feedback.
- Measurement over the time of a programme.
- Measure both the logical and emotional responses from delegates
- Keep it simple.

4.2 LITERATURE SEARCH

Each of the methodologies we looked at has a lot to offer, in this report we have highlighted the elements that are most relevant. While we believe that most organisations will benefit from an approach that works specifically for them, a number of the following elements are likely to apply.

KIRKPATRICK BUSINESS PARTNERSHIP MODEL (SM)

The approach builds on Donald Kirkpatrick's original four levels of measurement of training.

The training and coaching intervention is a small, but important, part of the value improvement process, therefore the name 'Business Partnership Model'. Training and coaching initiatives will only provide full value when fully integrated into the whole business.

The main thrust of the approach is that the expected return (and the logic of reaching it) is agreed up-front with the stakeholders and the training is measured against this. The end measure is a Return on Expectation (ROE) rather than a true ROI.

The programme is then measured using Kirkpatrick's four levels: Reaction, Learning, Application and Achieving Targeted Outcomes.

SUCCESS CASE METHOD (SCM)

The Brinkerhoff approach builds upon the Kirkpatrick approach, but in some ways it is simpler and has a stronger focus on Return on Investment (ROI).

The expected return and measurement approach is agreed up-front with stakeholders. Training and coaching delegates agree to complete a qualitative questionnaire at an appropriate time after the intervention. This divides participants into three groups. Those that:

- 1) Did not use learning
- 2) Used some learning but got no results, or gave up
- 3) Those that benefited from the intervention.

A sample of from each of the above groups is then interviewed to determine:

- When the training works what value is achieved?
- How frequently, and at what rate, does it work this well?
- When it works, why? What factors help or hinder the results?
- What is the value lost by the training and coaching not working?
- What is the case for making it work better?

- What would it take to make it work better, would such efforts be worthwhile?

Not only can an overall rate of return be statistically calculated, but other complementary performance improvement initiatives can also be identified at the same time. As part of the interviews actual evidence is looked for to justify any claims.

This approach focuses on achieving the business outcome, rather than specifically the training and coaching initiative. Some of the results may be uncomfortable for those involved. For example, the results may indicate that the training wasn't successful because managers in effect sabotaged the training because they weren't prepared to let go of previous methodologies.

It's worth noting that you may still get a very satisfactory rate of return even though a small proportion of the delegates apply the training. For example, in a sales training, if only 5 per cent of the delegates benefit, but each increase their revenues by twenty per cent, the programme is likely to pay for itself.

NET PROMOTER® SYSTEM FOR MEASURING CUSTOMER AND EMPLOYEE SATISFACTION

This uses lessons from measuring customer feedback and employee satisfaction. To get meaningful feedback, questions must be easy to understand, be short and quick to complete, and contain a logical and emotional element. Most traditional means of capturing customer satisfaction have significant drawbacks.

The ultimate question in the context of customer service is 'How likely is it that you would recommend us to a friend?' Where the answer is between 0 (unlikely) and 10 (likely), with a possible second question: 'What is the primary reason for your score?' The results are split into promoters, passives, and detractors. The final score is articulated as the %promoters - %detractors.

The system also introduces the concept of 'bad profits'. Where a company is making a significant proportion of profits from charges that upset customers, it is highly unlikely that the company will accept an accurate system of measuring customer satisfaction

Similarly while this system is easy in concept, implementing it in such a way that drives improvement in customer service can be difficult. To succeed:

- 1) CEO and board sponsorship is needed.
- 2) The feedback must be used to improve business processes.
- 3) Implementation needs to be taken as a medium to long term initiative rather than a short term quick fix.

This is basically a top-down approach. If more granular detail is needed it's important that this is carried out separately.

MARSHALL GOLDSMITH'S 360 FEEDBACK

This is an approach to helping clients receive accurate and useful feedback from their stakeholders. One of his question sets is as follows:

Does the executive in question (between 0 and 5):

- 1) Clearly communicate a vision?
- 2) Treat people with respect?
- 3) Solicit contrary opinions?
- 4) Encourage other people's ideas?
- 5) Listen to other people in meetings?

The questions are simple and transparent, which means, as with the NetPromoter[®] approach, the clients in question must be genuinely interested in improving their performance and the process set up properly. The results can be very illuminating.

5.0 DISCUSSION

When the results of the interviews were discussed with a select group of coaches and trainers from the EBCN, a number of conclusions were drawn:

- Measurement of 1:1 coaching with senior managers wasn't perceived as an issue; in the main they were able to articulate the benefits they received. They were often both exceptionally busy and outspoken. They would only continue with a programme if they felt it beneficial.
- It was noted that a minority of business owners wanted to keep the fact that they were being coached as confidential. This was not seen as an issue, other than their case studies couldn't be used to demonstrate the benefit of coaching to others.
- Measuring company coaching programmes was considered as an issue. The real benefits of a programme were often lost in the claims and counterclaims between the various suppliers and stakeholders. The result was the programmes weren't being developed based on a flow of accurate feedback. The cost was being born by the individuals being coached.
- It was agreed that that a combination of the latest methodologies and platforms, such as CoachingCloud, would enable a significant improvement in the measurement of company

coaching programmes, and in doing so the development of the 'fit for purpose' of those programmes.

While the specific elements of any programme would depend on the particular situation of the client, it was agreed there were four key elements:

- a) Any programme would need to be designed alongside company and individual needs. Anticipated benefits should be included in the original business case and broken down to individual participants.
- b) Record the individual client's instant reaction directly after each session. This is particularly important in coaching. If the initial chemistry between coach and client isn't working at the start the intervention isn't likely to produce value overall. Create a 'traffic light' report using CoachingCloud so the programme owner and stakeholders can get an accurate view of progress at any time.
- c) Record the individual client's qualitative view of the value of the intervention, signed off by the individual's manager every three months (or as appropriate). Create a 'traffic light' report using CoachingCloud so the programme owner can get an accurate view of progress at any time.
- d) Interview selected clients from point (c) above to build up an evidence-based view of the overall return of the programme and how the results can be improved further.

Any change to the way coaching programmes are measured is in itself often a change programme involving a number of different stakeholders. We recommend starting either as part of a major company initiative, with all stakeholders bought-in, or else as a small programme where you can develop committed supporters.

In addition, further points for exploration came to light. Some of the low scores to the importance of measuring training were surprising, and prompted the further question: if it's not an HR responsibility to measure the impact of programmes (and we're not suggesting it is) whose responsibility is it? Either explicitly or implicitly the value of HR interventions will be made when it comes to allocating budgets. This is a topic that we shall explore in further work.

Disentangling training measurement from company politics is clearly another issue. A number of respondents responded with a version of, "*Everyone wants measurement provided it supports what we want to prove. When it doesn't we want to change the measurement, rather than improve the way we run the programme.*"

6.0 IMPLICATIONS AND RECOMMENDATIONS

The results bear out the suspicion that improved measurement of training and coaching programmes is a genuine challenge because many of the levers, including buy-in from stakeholders, the work required to provide input, systems, and the motivation not to game the results to suit another purpose, are outside the control of HR.

However, improved methodologies, systems, and an on-going need to improve results and the return from training and coaching will mean that successful HR Directors will always find ways to improve their approach to measurement.

6.1 RECOMMENDATIONS FOR HR DIRECTORS

To those that are looking for ways to significantly improve their measurement approach, we have four recommendations:

1) START EITHER BIG OR SMALL

Starting big involves building the improvement around a major company initiative which directly improves bottom-line results and where you can get CEO and stakeholder agreement to the need for and investment into improved measurement. Starting small involves choosing a low risk programme where you can win over the stakeholders individually and prove your approach step-by-step over time.

Big or small has its own advantages, be wary of implementing a new approach to a medium level programme, where major results are expected, but it is not quite important enough to attract CEO level buy-in and support.

2) CONSIDER IMPROVEMENTS TO MEASUREMENT AS A CHANGE PROGRAMME

Whether you choose to start big or small treat the project as you would any people change project and consider how best to involve and communicate with stakeholders, champions, colleagues and any others involved on an on-going basis.

3) CONSIDER THE BRINKERHOFF AND NET PROMOTER® APPROACHES

Elements from both can lead to a simple and effective means of measuring training and coaching. However, because they are simple and transparent they are likely to lead to genuine discussion about the value of training and coaching.

4) TECHNOLOGY AND SYSTEMS

You need appropriate systems. If you cannot source them internally consider using cloud systems such as CoachingCloud. CoachingCloud provides industry standard connectivity, not slanted by individual company culture or bias.

6.2 RECOMMENDATIONS FOR THE DIRECTORS OF COACHINGCLOUD

CoachingCloud is an on-line coaching and mentoring platform. It is already both an enabler for coaching and mentoring and a way to measure the results of coaching and mentoring activity.

It is suggested the following two additions are made:

- 1) Add a process where, say, every three months all coaching clients complete a screen with three questions. (These questions will be fine-tuned depending on the context):
 - a) Between 0 and 10 what value are you receiving from your coaching?
 - b) What is the reason for your answer?
 - c) How could the programme be improved?

Build into the process a way that the individual's manager could add a comment agreeing or otherwise.

Present the result on a traffic light screen report.

- 2) On the Mindlab part of the system, give advice as to how coaching clients could start measuring the value they're receiving from coaching and the challenges and advantages in doing so.

This gives the basic processes which can be used for further investigation.

6.3 RECOMMENDATIONS FOR EBCN AND OTHER COACHES

For 1:1 coaching the research emphasises the importance of helping clients clarify their real need and work out exactly what will make coaching useful. Then working with them as they move through the actions to achieve their goals. Where needed, coaches need to be available to help them articulate this as a financial return.

For the Director of the Executive and Business Coaching Network (EBCN) there are three points:

- 1) To offer coaching clients a simple methodology to enable them to measure the return on a coaching programme when required. We are developing our own four step methodology:
 - Recording the client's expectation of benefits before the start of the programme (from experience we know this will be developed through the programme).
 - Record the client's instant reaction, directly after each session, (if the client and coach relationship doesn't seem to be working, it needs immediate appraisal).
 - Record the client's qualitative view of the value of the coaching every three months (or as required) with their manager's sign off if appropriate.
 - Complete quantitative case studies of a sample of coaching clients, indicating return, blocks and improvements to the programme.

These can be built up to give a statistically valid return on investment.
- 2) Create an 'add on' service to help clients complete item the final point above.
- 3) To be adaptable to clients' specific measurement and feedback requirements.

7.0 NEXT ACTIONS

The research for this paper has answered many questions, and stimulated many more. We intend to move on to the next phase, which is a short research project with the directors of non-HR business functions on the potential value of coaching.

Alongside this, we need to identify any HR Directors that are interested in contributing to future phases of this project. Please get in touch if you would be able to work with us. The contact details are in the appendix.

On an individual basis we'd be delighted to showing you the CoachingCloud system and take you through two personal goal setting sessions.

8.0 APPENDIX

8.1 READING LIST

Training on Trial by James D. Kirkpatrick, Ph.D and Wendy Kayser Kirkpatrick.

Telling Training's Story by Robert O. Brinkerhoff.

The Ultimate Question 2.0 by Fred Reichheld.

What Got You Here Won't Get You There by Marshall Goldsmith.

8.2 USEFUL LINKS

COACHINGCLOUD, THE ONLINE COACHING AND MENTORING PLATFORM

www.coachingcloud.com

CoachingCloud is a powerful enabler for:

1. Coaching individuals
2. Setting up a coaching and mentoring community
3. Monitoring and Measuring a coaching programme

CoachingCloud makes Coaching & Mentoring more accessible, to more people, more of the time. It provides an online platform to monitor, manage, and improve the results of your in-house coaching and mentoring partnerships.

Those overseeing the Coaching / Mentoring programme can get a clear picture at any point in time of how it is progressing and when intervention is necessary with session feedback reports and an overview of shared session notes (there are also confidential notes between coach / mentor and client to maintain confidentiality where needed.)

Each coach / mentor has a secure online space with each client where they can look at and manage their one-to-one sessions and record session notes, keeping a professional record of each coaching / mentoring partnership. Conversational threads allow them to support and add value between sessions, helping to create a culture of coaching and a focus on improving performance.

For large organisations the coach / mentor and directory leads to significant savings in cost and time, automating the matching process according to the organisations specific criteria.

EXECUTIVE AND BUSINESS COACHING NETWORK (EBCN)

www.execcoach.net

The EBCN is a network of top executive coaches and mentors who work at the most senior levels, helping people achieve their goals and move to greater work and personal satisfaction. All EBCN coaches have significant business and organisational experience, over 100 hours coaching experience, EBCN and external accreditation, continual professional development, coaching supervision, professional indemnity insurance, and contribute to our expanding library of coaching case studies.

8.3 ABOUT MICHAEL BEALE

Michael Beale specialises in 1:1 NLP training and executive coaching. He also works with companies setting up coaching programmes. He runs monthly CoachingCloud Tribal Meetings in London Mayfair, and Milton Keynes and is working to establish best practice in setting up, running, and monitoring corporate coaching programmes.

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