

Research for Unicon

Produced by Ashridge
May 2005



EXECUTIVE EDUCATION: EVALUATING THE RETURN ON INVESTMENT

BRINGING THE CLIENT VOICE INTO THE DEBATE



Acknowledgements

I should like to express my thanks to everyone who responded to this survey. The people interviewed gave generously of their time and all those we spoke with were keen to help the business school community better understand their perspective on evaluation, and to share their experience with others.

I would also like to thank Mike Hofstetler from the Johnson Graduate School of Management at Cornell University and my colleagues from across Ashridge who provided valuable input, especially those on the research steering group – Fiona Dent, Chris Gribben, Viki Holton, Carole Osterweil, Mark Pegg, Kai Peters and Andrew Wilson. Particular thanks are also due to Judy Curd and Eileen Mullins for their help in analysing the data and producing this report.

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May 2005

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EXECUTIVE SUMMARY

Introduction

This survey explores the perceptions of business school users in relation to the evaluation of executive education. The study was undertaken by Ashridge on behalf of UNICON. Ashridge proposed the study in response to UNICON's request for proposals for research in the areas of ROI – Return on Investment in executive education.

Ashridge's proposal was for a questionnaire-based survey to bring the client voice into the ROI debate. It was prompted by a growing sense that much of the work that was being done in the area of ROI and evaluation more generally was being carried out without a clear link to the needs of business school clients.

Methodology

The research was conducted using a questionnaire distributed during December 2004. The questionnaire design was informed by the results of a detailed literature search and review carried out during August and September 2004 and a number of interviews and discussion groups.

A steering group reviewed all of the data from the interviews and discussions and agreed parameters and key inquiry areas for the survey. Two questionnaires were designed. One was for people working in HRD, learning and training functions (the people who tend to be in regular contact with business schools). The second was for 'sponsors' – the people who need to be persuaded to devote resources to executive education activities.

The questionnaire included questions about current practice with regard to evaluating executive education. It also asked respondents to indicate the extent to which they agreed with various statements about evaluation. The statements were designed to cover key dimensions of evaluation, such as purpose, style and focus, as well as trying to gain further understanding as to the pressures driving increased attention to evaluation and ROI.

Responses

In total 270 responses were received, a 3.4% response rate. 156 responses were to the HRD questionnaire, 114 to the 'sponsor' questionnaire. The majority of respondents were based in the UK, though many of these indicated they work for global companies. The remainder were based in continental Europe, with Germany and Sweden having the highest representation.

Key Findings

Evaluation today

Very little evaluation of organisational results or ‘financial ROI’

Our findings in relation to the levels at which respondents currently evaluate executive education suggest that only a small minority of organisations regularly evaluate other than at the level of participant reactions. While 86% regularly evaluate at this level, only 11% report regularly evaluating impact at the organisational level, and only 3% regularly assess the financial ROI of executive education.

Methods used

A very wide range of evaluation methods is used, but the ‘happy sheet’ is still by far the most commonly used, reported as being used by 89% of respondents. Around two-thirds of respondents also interview participants post-programme, and just under half interview participants’ line managers.

Satisfaction with current approaches to evaluation

While 85% of HRD respondents believe that evaluation will become more important over the next three years, around half of both HRD people and sponsors are satisfied with their current approach to evaluating executive education. Almost three-quarters of clients were satisfied with the way their business school supports them in evaluation.

Who is responsible for evaluation?

Only just over a quarter of HRD respondents agreed that “Evaluation is the client organisation’s responsibility, not the business school’s”.

Evaluation tomorrow

Pressure for change

85% of HRD respondents believe that evaluation will become more important over the next three years. Pressure seems to be generally due to an increasing expectation that the worth of activities needs to be demonstrated. 88% of HRD respondents and 69% of sponsors agreed that “HR professionals will have to get better at proving the worth of executive education in the future.” Around two-thirds of both HRD people and sponsors agreed that “Other functions have proved that ‘intangible’ benefits can be measured, so that same should be true of executive education.”

One source of pressure seemed to affect the public sector more significantly than the private sector. 41% of public sector HRD respondents agreed that “Evaluation is becoming more important because purchasing professionals are playing a bigger role in our organisation.” The equivalent figure in the private sector was only 29%.

Methods people plan to use in the future

When asked what evaluation methods they plan to use in future, top of the list is “Financial value of business changes implemented post-programme”, mentioned by 44% of respondents. A similar number plan to measure the financial impact of projects implemented during or after a programme. However, when asked what methods they do *not* plan to use, these methods also appear in the top 5, with almost as many people resolved not to use them.

Role and nature of evaluation

Some statements showed a high level of agreement among respondents. For example, over 90% of HRD and sponsors agreed that “Evaluation needs to look at the organisation’s climate for learning transfer, as well as the programme itself”. Similarly, there was a high level of agreement that “Evaluation will only be effective when it is built in from the start of a development initiative”.

However, other statements exposed significant differences of opinion. One example which has real implications for the way that business schools respond to their clients is the range of responses to the statement “It is often not possible to calculate objective measures of the return on investment in executive education”. While 43% of HRD respondents agreed with this, 30% disagreed. Among sponsors, there was a similar range of views – though, interestingly, the proportions were almost reversed, with 35% agreeing and 43% disagreeing.

A more strongly worded statement of the difficulty of calculating financial ROI exposed a clear difference between the sectors in terms of beliefs about how worthwhile it is to try. In response to the statement “Calculating the financial return on investment in executive education is so difficult it is rarely worth doing”, almost twice as many people in the private sector agreed (26%) as in the public sector (14%).

One statement in particular highlighted a potentially very significant difference between HRD and sponsors. 44% of sponsors agreed with the statement “If there is clear evidence that individuals have benefited from a programme, that is enough to prove a positive return on investment”, compared with 32% of HRD respondents.

Future research

Another notable difference between HRD and sponsors is in the areas in which they would like to see business schools carrying out research in the future. The questionnaire gave a choice of three areas into which research could be carried out – one of which was developing methods to calculate financial ROI. While only 8% of sponsors chose this option, 27% of HRD respondents did so. A clear majority of sponsors (61%) said they would like business schools to focus research on “Understanding the factors in the organisational climate that influence how well participants can apply and transfer learning from executive programmes.”

Conclusions

It is clear that both HRD people and sponsors expect this issue to become more important in the foreseeable future. What the results of the survey underline is the need for a greater understanding of what clients mean when they talk about ‘ROI’.

The findings suggest that business schools need to be able to respond to different kinds of demand from different clients. Overall, the picture that emerges from the data is of a complex marketplace, in which there is a wide range of views and needs. There would appear to be an ‘ROI hard core’ who see the pursuit of what has been described as ‘the Holy Grail’ as worthwhile and necessary, and who in some cases are putting in effort to try to achieve their goal. However, there is also a significant section of organisations where there is a rather pragmatic approach and a more rounded view of what outcomes are needed from evaluation. For this group, ‘pure’ ROI is less interesting than developing a better understanding of how individuals have benefited from a programme and how they have been able or unable to apply learning at work.

The survey shows that in relation to evaluation, business schools are reasonably well regarded by clients at present. However, there does not appear to be any ‘ground’ between business schools and other providers of executive education. An opportunity exists for business schools to respond to the interest in this topic and develop an understanding of how to use evaluation in a way that meets the needs of clients and adds value to the work that we do.

1. METHODOLOGY

Purpose of the Work

Ashridge's original proposal to UNICON described the purpose of our proposed research as follows:

“Purpose

The purpose of the survey would be to elicit the views of clients (by which we mean both the purchasers of executive education and those who ultimately allocate budgets for executive education) on a range of issues relating to evaluation of and ROI assessment of executive education, including:

- Their past experiences of evaluation processes in relation to executive education
- Existing measures used for evaluation
- Their understanding of and feelings about the ROI concept in relation to executive development
- The factors driving demand for more attention to evaluation/ROI
- Comparisons of pressures to evaluate/justify spending on executive education versus other functions/investments, e.g. marketing, corporate social responsibility
- Any differences between assessing ROI on open and customised programmes
- Their preferences/ideals re evaluation: What do they need? What resources are they willing to commit? What use would they make of evaluation/ROI outcomes?
- Whom they see as holding responsibility for evaluation, and the part that business schools should play
- The extent to which they see evaluation as separate activity from, or an integral part of the executive development process
- How they see attitudes to ROI and executive development changing in the future.

It is our belief that a clearer understanding of these issues will help the UNICON business school community to develop processes and approaches that more effectively meet clients' needs and wants with regard to ROI and evaluation.”

The research was to be conducted through a questionnaire-based survey. In order to design the questionnaire we carried out a literature search and conducted interviews and discussion groups.

Literature Search

A detailed literature search and review was carried out during August and September 2004. In that period around 160 articles, books and papers were reviewed. We conducted an initial search using terms such as “ROI” and “Evaluation” in conjunction with many different ways of describing executive education (for example, “management development” and “leadership training”).

Our study of the literature confirmed our suspicion that the client community’s views on evaluation and measurement of ROI have been ignored. We could find no work that looked at the usefulness of evaluation from a client’s perspective. We found only one study that looked at clients’ practice with regard to evaluation of management development, as opposed to broader training, and this was a summary of an unpublished MBA dissertation (Lindquist).

More recent literature has been reviewed since the questionnaires were distributed. A summary of the literature review is in Chapter 2.

Interviews and Discussion Groups

Based on our findings from the literature, we devised protocols for interviews and discussion groups. The purpose of these events was to find out which areas within the whole field of ROI and evaluation were of most interest to business school users. We also wanted to be sure that the questionnaire represented the range of views and practices that exist among the business school user community. The people invited to take part were drawn from among current and past clients of Ashridge and a US school, and from contacts who are not clients. In total, 19 one-to-one interviews and two discussion groups were conducted during September and October. Details of our findings are provided in Chapter 3.

Questionnaire Design

Scoping the study

Data from the interviews and discussion groups was synthesised and presented to the steering group in October. This meeting of the group agreed parameters and key inquiry areas for the survey. The key influences on the decisions taken are outlined below.

Literature survey

Our study of the literature confirmed our suspicion that the client community’s views on evaluation and measurement of ROI have been ignored. We could find no work that looked at the usefulness of evaluation from a client’s perspective. We found only one study that looked at clients’ practice with regard to evaluation of management development, as opposed to broader training. We therefore felt that our plan to focus on clients’ and sponsors’ views was valid.

Open versus customised

We had originally envisaged using the survey to find out about differences in clients' views towards the evaluation of open versus customised programmes. However, during our interviews we found that there was virtually no interest in discussing open programmes. The prevailing view seemed to be that they represent a much smaller investment and that identification of need and selection of programme are the key considerations; post-programme evaluation is not regarded as a high priority. We therefore decided to focus the survey on evaluation and ROI measurement in relation to *customised* executive programmes. In the questionnaire, we defined "customised executive education" as "any programme designed and run for managers who all come from the same organisation".

Underlying assumption about the importance of ROI

The finding from our interviews and discussions that most surprised us was how little pressure there is within private sector client companies to prove the ROI of executive education. (The story in the public sector was rather different. Training and development professionals there feel under considerable pressure to demonstrate the value that has been achieved from spending on executive education.) As a result of this finding, we therefore slightly changed the emphasis of the survey. We still included questions seeking opinions on the role of ROI in evaluating executive education, but we did not have an underlying assumption that it is a 'hot topic' for all clients.

Role of business schools

Several interviewees mentioned that they felt business schools could make better use of the breadth of their client base in helping to develop an understanding of the impact of executive education. We therefore included a question on future research focus in order to obtain a broader view from the client community on what they would find helpful.

One fairly stark finding from our literature review was the lack of published work from executive education practitioners in business schools. This contrasted with the 'newer' entrants to the market, in particular executive coaching and occupational psychology, where there do seem to have been efforts to demonstrate the value of interventions. We also heard from some interviewees that they felt that business schools lagged behind other industries in the area of providing evidence of value added. We therefore felt that we should use the opportunity presented by the survey to test opinions of business schools in comparison with other providers to see if there is indeed a gap that we need to address.

Questionnaire design

A draft questionnaire was designed and developed during a further meeting of the steering group. The group decided that it was important to keep the questionnaire brief in order to encourage completion, so a significant time was spent deciding the most important areas to study.

Two versions of the questionnaire were then developed. One was for the people who are typically in regular contact with business schools – HRD professionals, learning specialists, training managers and directors. The second was for ‘sponsors’ – the people who need to be persuaded to devote resources to executive education activities. Our reason for distinguishing between the two groups was to see whether there were any differences in their views. We also wanted to be able to ask detailed questions about current evaluation practice that would not have been appropriate for the sponsor audience. Both versions of the final questionnaire are attached as Appendix A (HRD questionnaire) and Appendix B (sponsor questionnaire).

Questionnaire testing

In the first instance, the questionnaire was sent to people who had been interviewed. We asked them to comment on how easy they found it to complete and how interested they were in finding out the results. Initial feedback was largely very positive, and after minor amendments the sponsor version of the questionnaire was tested on a group of around 60 MBA alumni. This group was chosen because they represented a wide range of nationalities, ages and senior job roles. Their feedback resulted in some minor amendments to simplify the language used within the questionnaire.

Distribution

For the purposes of the survey, we divided recipients into two categories:

- ‘HRD’: Individuals with job titles that suggested roles in HR Development, Training and Learning.
- “Sponsors”: Meaning the people who need to be persuaded to devote resources to executive education activities. This group is much harder to define by job title (because working practices and reporting relationships will vary so much across different organisations), so we mailed a broad spectrum of individuals with job titles suggesting a senior corporate role.

We distributed 8,000 copies of the questionnaire as follows:

	Email	Paper
HRD	1,500	4,000
Sponsor	1,500	1,000

Distribution was limited to contacts within Europe. Our original intention had been to include a similar sized sample population from within the Americas. This would have enabled useful comparisons between the two regions. However, there were unforeseen difficulties in the US that meant we were unable to distribute to a sufficiently large sample. In the interests of producing results in time for the UNICON Spring Conference, we have continued with the European sample and hope that we will be able engage a US School to help us to replicate the study in the US in order to enable regional comparison.

Data Analysis

All the responses were fed into an SPSS spreadsheet, enabling cross-tabulation to explore the relationship between different types of response. Particular attention was paid to differences between responses from HRD and sponsors, and to any differences between sectors.

A meeting of the steering group reviewed the initial findings, and further analysis was undertaken to investigate areas of particular interest.

2. LITERATURE REVIEW

Purpose of the Review

Before beginning the survey design process, we wanted to be aware of any work that had previously been carried out in the area we planned to study, to ensure that our work was anchored in current understanding of ROI in relation to executive education, while also covering new ground. We also wanted to ensure that we were familiar with all of the concepts in use, so that our survey reflected latest thinking and best practice in the area of ROI and evaluation.

Process

A literature search was carried out, using broad search terms such as ‘evaluation of training’ and ‘ROI and training’, as well as more specific searches in relation to executive education, management development and leadership development. The initial search process produced around 80 articles, and we then followed up references from these, which seemed to be relevant to our work. In total, around 160 articles, papers, books and websites were examined during the initial review; subsequently around 40 further articles have been reviewed.

Results

Originality of our work

We found no studies that covered the ground we planned to cover in our survey. While there are a small number of studies (e.g. IRS, 2002; CIPD, 2003; Chevalier, 2004) that explore the extent to which organisations evaluate training, we found only one, which studied evaluation practice specifically in relation to management development (Lindquist).

More importantly, we found no work that attempted to ascertain what clients want or need from evaluation. In fact, in all of the work we reviewed, we only found one article (Morrow, 1997) that even mentioned the client’s reaction to the results of an evaluation.

We therefore concluded that the UNICON survey would add a new strand to the literature on ROI and evaluation by introducing the client’s perspective into the debate.

Dominance of Kirkpatrick

Donald Kirkpatrick’s model of the four levels of evaluation (1959) is by far the most commonly referenced source in the literature and has clearly been a major influence on the way that the whole subject is approached. Several variations on his model are proposed (e.g. Hamblin, 1974; Phillips, 1997). While these use different labels, and some emphasise the importance of evaluating the financial return on training investment, rather than Kirkpatrick’s more vague “results”, they add little to the original model’s focus on evaluation of outcomes from training.

Within the last five or so years, there has been growing criticism of the limitations of the Kirkpatrick model (for example, Holton, 1996). There are two main arguments against it. Firstly, it is really just a classification system, attaching labels to different types of outcome that can be evaluated, rather than a methodology for evaluation or a theory of learning. While this made a very valuable contribution to the development of consciousness of the need for evaluation, and provided a kind of ‘shorthand’ for different kinds of evaluation, critics argue that the four level model has resulted in an inappropriate focus on evaluating outcomes – at the expense of other potential foci for evaluation. There is also a belief that in creating a hierarchical model, Kirkpatrick and those who have built on his work have encouraged the development of assumptions about ‘the ultimate level’ which in turn has led to an over-emphasis on *proving* the value of training interventions, while neglecting other variables.

The other strand of criticism is of the thinking underpinning the model. Perhaps because it is so accessible and popular, there appears to have been little research into the validity of the Kirkpatrick model. Alliger (1989 and 1997) has conducted a meta-level analysis, in which he looked at studies that have attempted to evaluate at more than one of Kirkpatrick’s four levels. He was trying to ascertain whether the assumptions inherent in the model – each level being caused by the previous level, for instance – were borne out in practice. His conclusions suggest that the model, whilst usefully differentiating types of outcome, could be flawed. In particular he found no evidence for correlation between all of the different levels; in other words the idea of a natural progression from reactions-to-learning-to-application-to-results was not substantiated.

Despite the flaws inherent in the model, many studies take Kirkpatrick or a variation on it as their starting point, aiming to evaluate at each of the levels (e.g. Adams, 2002). Much of the literature positions level 4 (results in Kirkpatrick’s model) as the ultimate – if hard to attain – goal of evaluation (see for example Bramley, 1999; Graham, 2003), and there is a concentration of effort in finding ways of isolating the effects of training from other activities in order to prove causality (e.g. Olivero, 1997; Wang, 2002). We should also say that we used it as the starting point for our questionnaire for this research, because we wanted the questionnaire to be accessible and understood by people with very different levels of understanding of evaluation, and it does provide an easy ‘shorthand’ for looking at evaluation practice.

Evaluation Methods

The literature reviewed describes a wide range of methodologies, aiming to achieve different purposes. Easterby-Smith (1994) helpfully describes four purposes for evaluation – proving, improving, learning and controlling. Our reading of the literature suggests that it is the first two of these that dominate the current research agenda.

Proving value

The focus on evaluating outcomes that is central to the four level model is representative of schools of thought that see the purpose of evaluation as being to *prove* the value of training. Much of the recent literature focuses on this goal. There are several ‘scientific’ methodologies that seek to place a financial value on the outcomes of training. Utility analysis for example, (Morrow 1997), seeks to use statistical methods to isolate the effects of training on individual performance and attribute a financial value to them. While the methodology is complex and highly statistical, in order to reach an estimate of value, managers have to make subjective judgements about changes in individual performance and how they translate into financial benefits.

In a similar vein are approaches based on accounting principles (for example, Flamholtz, 2003). A human resource accounting approach seeks to compare the net present value of individuals who have been through training with that of people who have not been trained. Typically, factors such as retention rates and promotions before and after training are used to establish the NPV. Flamholtz’s study took place over a ten-year period, enabling actuarial data to be used. Where such long periods are not available, it is again necessary to use subjective judgement as to the likelihood of individuals fulfilling the predictions needed to achieve a higher NPV.

There are also methods that seek to bridge the financial ‘purity’ of accounting methods with the inherent complexity of organisations: Wang (2002), for example, develops a systems approach to calculate the ROI of HRD interventions. This aims to take the subjectivity out of evaluating the benefits of HRD interventions, and to recognise the full spectrum of economic benefits – not always monetary – that can arise from an HRD intervention. The methodology is extremely complex, involving a great deal of statistical analysis to assess the relative impact of different factors that are also in play alongside the intervention that is being evaluated. Wang’s aim is to “identify, isolate and measure the impact generated by the HRD subsystem on the output of the production system.” He also suggests that the methodology can be used to forecast the benefits of future training. Among the limitations that he acknowledges are the inadequacy of the approach in dealing with “a single programme intervention, such as a leadership development programme” and the need for a high level of skills in quantitative analysis.

Not all the studies that seek to prove the worth of training take such a statistically rigorous approach. Adams and Waddle (2002) look at a programme in which participants undertake a team project in the workplace. On the basis that one project alone delivered cost savings in excess of \$1 million, they claim that the programme had a positive ROI.

Improving impact

Where the intention is to *improve* the impact of future interventions, the focus for evaluation tends to be broader. More qualitative evaluation techniques are used and the focus sometimes extends beyond pure outcomes, also exploring the context for the intervention and factors in the organisation climate that influence learning transfer. The aim is to learn what works most effectively, in what circumstances and thereby develop ways of improving the effectiveness of interventions.

Longitudinal case studies and qualitative interviews (e.g. Martin, 2001) seem to produce rich data and may be particularly useful for looking at the wider context within which evaluation is being conducted. Martin's study explored the outcomes of a long-term programme for providing "education for all" at a hi-tech plant in Scotland. The study found that "group level learning" was a key factor in determining the extent to which learning was applied back at work. It concluded that the transfer of learning and innovation in the sense of applying learning to specific work problems resulted from informal communal processes.

Evaluative inquiry (Preskill, 1999 and Hannum, 2004) combines a data-based research approach with organisation development interventions and techniques to use evaluation as a tool for improving the effectiveness of interventions while also practising the principles of a learning organisation. The Centre for Creative Leadership has adopted this technique in their book *Evaluating the Impact of Leadership Development: A Professional Guide* (Hannum and Martineau, 2004). The authors advocate the use of multiple methodologies and an inquiry-oriented approach to use evaluation as a learning tool, enabling continuous review, reflection and improvement.

Some methodologies address both the 'prove' and 'improve' purposes. A presentation at the ASTD conference in 2004 (Brinkerhoff) described the use of the 'Success Case Method', which uses participants' estimates of financial benefits post-programme as a basis for starting to identify factors in the post-programme climate that influence the extent of those benefits. The method starts by trying to find the best results achieved by individuals after training, and then analyses factors in the training and performance environment to establish factors that influence training outcomes.

Enhancing learning

A third purpose for evaluation is to *enhance learning*. Methods such as the use of repeat 360° feedback engage programme alumni in a process of evaluation in a way that may increase the learning impact for the

individuals involved, even if that is not the primary purpose of the evaluation. Thach (2002) conducted a study seeking to establish the value of a process in which individuals had 360° feedback and 1:1 coaching. Her evaluation method was to administer a 'mini' 360°, comprising three questions related to the priority areas identified during the first 'round' of 360°, and three standard items designed to enable the construction of a 'leadership effectiveness index'. By conducting additional research with participants, Thach was also able to identify factors outside the coaching and 360° process that seemed to have influenced outcomes: for example, the amount of contact that individuals had with the people who had given them feedback seemed to have a direct bearing on how far they changed between the two administrations of feedback.

Applying ROI and evaluation methods to executive education

Only a tiny proportion of the literature on ROI and evaluation more broadly relates to executive education. The most convincing calculations of ROI relate to skills training, especially in the area of sales. With the exception of business schools' own PR materials, we found no studies of executive education that looked at the results of open-enrolment programmes, all the research appears to focus on customised programmes or broader in-company learning schemes.

At the more 'scientific' end of the spectrum, in those studies that do take executive education/management development as the subject, the programmes studied tend not to be typical of current trends in executive education. The time period over which such studies take place tends to be longer than the lifespan of many executive development initiatives. For example, Morrow's utility analysis study took place over a four-year period. Flamholtz's work using Human Resource Accounting methods drew on data from a programme that had been running for ten years. In an environment where executive programmes are increasingly being used as part of a wider strategic change initiative (when typically, all executives at a particular level will go through the programme within a concentrated period of time), there is rarely likely to be time to conduct such long-term studies.

Similarly, the most sophisticated statistical analyses of programme outcomes rely on relatively large participant populations. Again, this is not typical of executive education.

Even allowing for these difficulties, the results produced by the more statistically based approaches would appear to be of limited usefulness. For example, Morrow's utility analysis work showed that technical training had a far higher utility than management training (which in some cases showed negative utility), but it offered no clues as to how management training could be made more effective, or even why the perceived utility of management training was so low.

There are fewer problems with more qualitative research methods. Techniques such as self-assessment, 360° feedback and coaching-type interviews all sometimes play a part in executive education experiences anyway, so their adaptation for evaluation purposes is relatively straightforward. The learning that is produced by this kind of study is often quite powerful – showing the impact of line manager support on learning transfer, for example (Brinkerhoff). However, those who believe that the purpose of evaluation is to demonstrate whether the intervention provided a clear positive return for the time and money invested in it would argue that these approaches leave the central question unanswered and even when they do demonstrate clear benefits, they leave too much room for doubt with regard to causality.

Focus for evaluation

As we have seen, evaluation that is focused on ‘proving’ tends to have a very limited focus – programme outcomes. Where evaluation seeks to improve, the focus is usually somewhat broader, and explores factors in the post-programme environment. However, some authors would argue that this is still a very limited field of vision. Easterby-Smith, for example, suggests that there is a comprehensive set of factors *pre*-programme that could usefully be included in evaluation. For example, the context within which the programme is taking place: this would include the reasons for the programme, any major influences on morale within the organisation at the time the programme is launched. He also points to seemingly unimportant administrative factors and suggest that some of these may in fact have a considerable influence on learner motivation: for example, the process for nomination to a programme can either make people feel rewarded or punished.

Holton (1999) appears to have taken the broadest focus of all so far. Holton has been a critic of Kirkpatrick and he has developed a “comprehensive” model of the influences on training effectiveness, which aims to move the debate away from a concentration on outcomes, and into a broader exploration of all the factors that affect how well training works. Holton’s model aims to integrate previously unconnected theories of learning to create an understanding of “the learning transfer system”. The system comprises elements that relate to the individual learner (for example, motivation to learn, motivation to transfer learning, “expected utility”), elements related to the specific programme (content validity, for example) and elements related to the work environment (e.g. peer support, positive and negative outcomes for use of learning). So far, research with the model seems to have focused on validating relationships between the elements, but some researchers (e.g. Donovan, 2001) seem to believe that there is the potential for the model to be developed to have predictive use or as a diagnostic tool.

Who is working in the area?

Much of the literature that was reviewed was produced by academics within accounting or statistics departments. More recently, newer entrants to the executive development market – notably executive coaches and occupational psychologists – have been active in publishing evaluation studies. There also appears to be a growing ‘M&E industry’ – consultants who specialise in providing measurement and evaluation services to assess the ROI or impact of HRD interventions (Wang and Wang, 2005).

Business school practitioners are notably absent from the research-based literature. Where business schools are a little more active – though still lagging behind the consultancies – is in using the ROI debate for PR purposes. We did find a small number of examples of press coverage and newsletters and journals produced by schools that mentioned work on evaluation (e.g. Graham, 2003; Murray, 2003), but with the exception of Columbia’s study of its public senior executive program, these did not appear to be based in research.

Conclusions

Our belief that the wide-ranging debate about ROI had largely ignored the client perspective appears to be borne out. There also appears to have been really rather little attention paid to the specific problems of evaluation in relation to executive education – general training is the subject of most research. Moreover, a considerable proportion of the research that is being undertaken seems to be pursuing a goal – proof of causality – that seems unlikely to be attainable in relation to executive education, because of the particular characteristics of that kind of training, especially the relatively small numbers of people who go through such programmes and over quite short periods of time.

While the focus in recent years has broadened somewhat, there is still an overwhelming emphasis on measuring outcomes. Work in the field of wider influences on learning transfer seems still to be in its very early stages, and would appear to be some way away from producing an approach that can help organisations take decisions within a timescale that can have an impact on current programmes.

What is also evident from our review of the literature is that business schools are not publicly contributing to the development of new ideas and practice in this area.

A clearer understanding of clients’ assumptions and expectations – such as we hope to gain from the UNICON survey – could provide a useful platform upon which business schools can begin to develop workable and useful approaches to the question of demonstrating – and maximising – the value of investments in executive education.

3. SUMMARY OF INTERVIEW AND DISCUSSION GROUP FINDINGS

Process

Following completion of the literature review, an interview protocol for use with people representative of our target respondents — HRD and sponsors — was developed and approved by the steering group.

Clients and non-clients of Ashridge and a US school were invited to participate in the interviews. In total, 19 one-to-one interviews were carried out – approximately half face-to-face, and half telephone. Interviews typically lasted around 30-40 minutes.

In addition, two discussion groups were held. These covered the same core areas as the interviews, but were facilitated to encourage an exchange of views, to try to elicit as wide a range of views as possible.

Results

Current evaluation practice is limited and unsophisticated

Everyone we interviewed collects feedback from participants as to their reactions to the programme. Mostly this takes the form of open-ended questions or numeric ratings of:

- the expected usefulness of the programme
- the relevance of the programme
- the extent to which personal objectives were met
- perceived quality of individual lectures and/or faculty members.

This feedback is used mainly for quality control purposes and to make minor adjustments to programme content or staffing.

Only two of our interviewees *regularly* attempt to assess longer-term impact. In both cases they use participant interviews and questionnaires, and in one case the views of participants' line managers are also sought. Around one third of our interviewees make *occasional* attempts to look at longer-term impact, but none of them felt they had generated learning that could really act upon.

Private/public sector split

There was a clear division between the two sectors. Our private sector interviewees for the most part felt under little pressure to demonstrate more clearly the return on investment in executive education. For the vast majority, there was an element of 'faith': executive education is a valuable activity and provided we specify our needs clearly and choose good quality providers, there will be a positive return. For these people, the prime purpose of evaluation was to improve programmes, or improve the climate for transferring and applying learning from programmes.

Interviewees from the public sector felt under greater pressure to prove the value of spending on executive education. Whether the pressure was actual – in the form of external audits – or perceived (“We always have to remember that every penny we spend comes from taxpayers”), training and development professionals in public sector organisations felt that they had to be seen to be trying to assess the financial benefit of executive education expenditure.

Asked to look ahead over the next two to three years, around two-thirds of our private sector interviewees felt they would not come under any increased pressure to demonstrate the ROI of executive education. The other third had no clear evidence for increasing pressure, but they felt that they should be prepared *in case* senior management began to ask tougher questions.

Desire for more knowledge on longer term impact of customised executive education

Common to interviewees from all sectors was a sense of frustration that the longer term impact of education activities is so hard to quantify, particularly at the level of organisational benefits. Many interviewees expressed great confidence that their programmes were very beneficial for individual participants, but they were less clear how the organisation had benefited.

Awareness of and interest in evaluation methods

There was low awareness of the more ‘scientific/statistical’ methodologies. There was also low interest – when the methods were briefly described, most interviewees tended to dismiss them as being not applicable to their work.

Methodologies such as repeat 360° feedback and items in employee surveys were regarded more positively, and some interviewees were already planning to use these methods. (Given the emphasis at the UNICON 2004 Spring Conference on the Balanced Scorecard as a possible evaluation tool, we specifically tested this in our interviews. No-one had heard of the Balanced Scorecard being used in relation to evaluating executive education, but several people thought that it sounded an interesting idea.)

Perception of low interest from business schools

The majority of interviewees felt that business schools were only interested in immediate feedback on their programmes. Some felt that this was right, and that the client should take complete responsibility for any further evaluation. However, the majority felt that business schools could do more to support them in trying to establish longer-term impact and ways of improving programme effectiveness.

Desire for more research from business schools

Some interviewees expressed surprise that business schools did not make better use of their experience base to establish clear linkages between individual development and organisational benefits. There was also a sense that business schools could use the breadth of their client bases to conduct research that would lead to a better understanding of organisational climate factors that impact on learning transfer.

4. SURVEY RESPONSE PROFILE

Number of Responses

In total, 270 responses were received. The breakdown of these and the response rates is shown below:

Type	No. of responses	Response rate
HRD	156	2.8%
Sponsor	114	4.6%
Total	270	3.4%

Response Rate

The overall response rate is respectable compared with similar questionnaire based surveys, but it is slightly lower than we had hoped for – our ambition before starting our work, given the apparent high levels of interest in the subject, was to achieve a 5% response. We believe there are two factors leading to this lower than anticipated response.

First, our interviews during the design stage of the research found that a significant proportion of clients and sponsors saw ROI as a not very useful concept in relation to executive education: for them, executive education was an ‘act of faith’, and would almost inevitably lead to positive value. It may be that while for some people, the whole question of ROI and evaluation is of intense interest – hence the coverage in publications and the sense among business schools that it is a key issue to address – for others it may be something of an irrelevance.

Second, our original proposal was to look at evaluation in relation to both open access and customised programmes. However, our findings from the interviews and discussion groups led us to conclude that there was almost no interest in looking at evaluation in relation to open access programmes and so we focused the questionnaires on customised programmes. Because fewer organisations use customised programmes, it is likely that this reduced the proportion of the sample for which the questionnaire seemed relevant.

The client questionnaire asked respondents to indicate whether they felt that over the next three years evaluation would become more or less important or stay the same. 85% said that it would become more important. This suggests that the survey is indeed covering important ground and that we have attracted responses from those who have the greatest interest in the subject.

Sector Representation

Overall, the breakdown between private, public and voluntary/non-profit sector respondents is around 70/25/5, which fits reasonably well with patterns of spending on business school programmes. We are therefore satisfied that we have a representative sample in terms of sectors. For the purposes of detailed analysis within this report, where we differentiate between the sectors, we look only at the public and private sector, as our voluntary sector numbers are too small to draw meaningful conclusions.

Geographic Representation

The response profile is heavily biased towards Europe, and in particular the UK. Of the 270 total responses, around 75% of respondents are based in the UK (though many work for global companies). Of the remaining respondents, all but two are from Continental Europe, with the highest number of responses coming from Germany and Sweden.

While the bias towards UK respondents is higher than we would have liked, we believe that the overall spread of responses is sufficient to enable us to draw conclusions that will apply beyond the UK.

Organisation Size

There was a fairly even spread of organisation size represented among respondents. We analysed all relevant questions to see if organisation size seemed to affect responses, and we found no links that suggested that size of organisation affected views of evaluation.

Job Titles

There was a very wide variety of job titles among respondents to the HRD questionnaire. Over half have the word 'development' in their title, the majority appear to be in HR, training & development, or learning management roles – most are managers or senior managers, with around a third being director level, or 'head of'.

Among respondents to the sponsor questionnaire, the two largest groups are CEOs and Managing Directors/General Managers/Company Secretaries – these two groups account for over two-thirds of responses. The remainder of responses come from a wide variety of job titles, the majority are directors.

Usage of Business Schools

Among our HRD respondents, 96% had run some kind of customised executive programmes within the last three years. 62% had run a programme with a business school. 81% had used a specialist training and development consultancy. The vast majority of respondents had used several different types of provider. Among sponsors, business school usage was lower, at only 30%, but 54% had used other external providers to run customised programmes, and 62% had run in-house programmes.

5. SURVEY FINDINGS

Overview of this Chapter

In this chapter we set out the key findings from the questionnaire survey. We have clustered the findings into seven headings:

- Is ROI important?
- What are people doing? Current practice in evaluating customised executive education
- How satisfied are people with what they are currently doing and with what their business school is doing?
- What is driving the increase in attention on ROI?
- Who is responsible for evaluation?
- How and what to evaluate?
- What outputs do people want from evaluation?

Where there is very little difference between the way that sponsors have responded and the way HRD people have responded, we simply show an amalgamated response. Similarly, if there is no real difference between responses from the private and public sectors, we show the combined response.

Is ROI Important?

“Looking forward over the next three years, how do you think attitudes towards evaluating the impact of executive education will change in your organisation?”	
It will become more important	85%
I don't think there will be any change	15%
It will become less important	0%

Table 1: Changing importance of evaluation

This question was asked in the HRD questionnaire only. The reasons given for the increase in importance suggest that the issue has not been high on organisations' agenda until recently and that attention may be being drawn to this area because of increasing levels of spending on executive education.

“There appears to be a growing interest in the amount of money spent on external executive education and questions about ROI. This eventually will drive an evaluation approach to identify ‘payback’.”

(Programme Development Manager, based in UK)

“We are significantly increasing the level of investment in executive education and therefore evaluating the value of our investment is going to become more important.”

(Leadership Development Director, based in UK)

Some of the increase in interest appears to arise from a broader drive towards improved effectiveness.

“I feel the indications are that we need this element of organisational improvement as one intrinsic part of the whole game to build effectiveness, at both the individual and organisational levels.”

(European Learning Manager, based in UK)

“This is an area that has not been developed in our business. It will be high on our agenda next year as part of our Organisational and Personal Development Strategy.”

(Organisation Development Director, based in UK)

There are also indications that the increase in scrutiny of executive education is part of a growing awareness of its importance in delivering strategy.

“Executive education is increasingly important for change management – which we need to improve upon. If we are to succeed in the new modernising environment, it is critical that learning is useful and applied. Already there is growing interest in measurement of outcomes of ‘corporatised’ initiatives.”

(Learning and Development Manager, UK public sector)

“Particularly as the need is to ensure robust succession plans are in place. Today it is recognised that training and development is required to form part of the ‘benefits package’ needed to attract, retain and motivate this talent pool.”

(Personnel Development Manager, based in UK)

General pressure to justify spending was a factor for several respondents.

“Business will no longer be willing to accept woolly reports and trainings attendance, and should be demanding HRD professionals to provide ROI, links to business goals, specific transference of learning and impact of training.”

(Talent Development Manager, based in UK)

What Are People Doing? Current Practice in Evaluating Customised Executive Education

Levels of evaluation

Despite the anticipated increase in importance of evaluation and ROI, the vast majority of organisations appear to be doing relatively little so far. We used the Phillips variation on Kirkpatrick's model to ask HRD respondents at which levels they currently evaluate executive education – regularly, occasionally or never. We defined the five levels as:

1. Participants' **reactions**: immediate post-programme
2. Acquisition of **learning** by participants
3. **Application** of new skills or behaviours by participants
4. **Results** at organisational level
5. Financial **ROI**.

We defined evaluation very broadly as “any activity that tries to assess the value or impact gained from customised executive education”.

As far as we can tell, this is the first survey ever to focus purely on executive education, but the results are consistent with similar studies of more general training – a lot happens at the first level (participant reactions), and there is a marked decline after that.

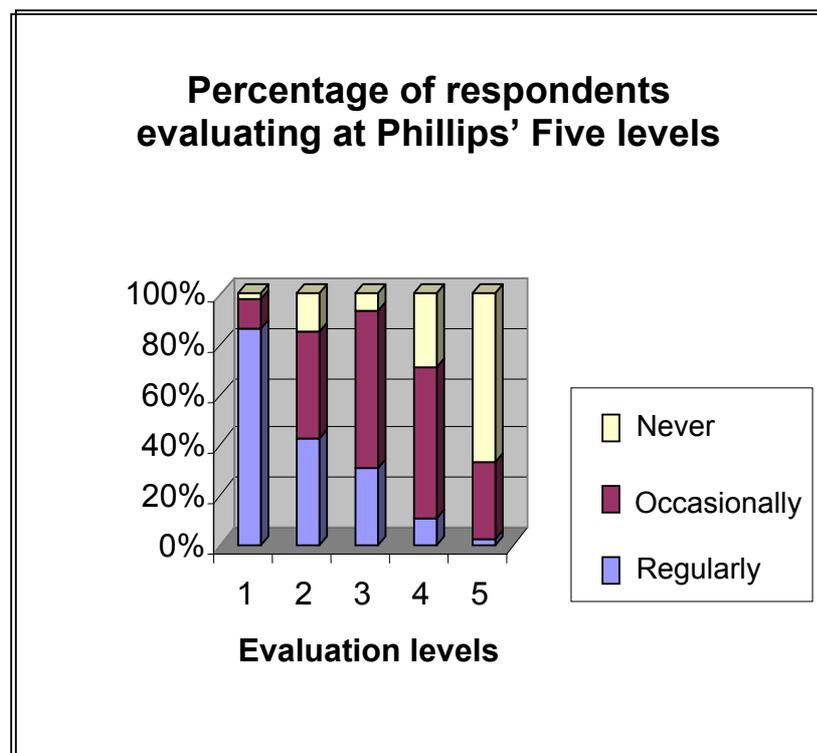


Chart 1

As can be seen from Chart 1 above, while 86% regularly evaluate at level 1, only a tiny minority are regularly evaluating at levels 4 or 5 (11% and 3% respectively).

At levels 1-3 there were no real differences between the private and public sectors, but the public sector appear to be trying harder to assess results at the organisational level – only 20% of public sector respondents never evaluate at level 4, compared with 35% in the private sector.

Evaluation methods and techniques

The survey also asked what methods, tools and techniques are used in evaluating customised executive education. ‘Happy sheets’ – forms collecting participants’ reactions during or immediately after training – are sometimes maligned in the literature, but they are by far the most commonly used evaluation method, used by 89% of our HRD respondents. The only other method that was used by over half of respondents was post-programme follow-up interviews with participants, used by 65% of respondents.

Method	Have used and will use again %
Happy sheets – participant feedback during or immediately after the programme	89
Follow-up interviews with participants some time after the programme	65
Specific questions in employee surveys	44
Follow-up interviews with participants’ line managers some time after the programme	43
Repeat 360° feedback	37
Career tracking (e.g. monitoring promotions)	34
Participants’ self-assessment of competency changes	32
Automated online reaction questionnaires	29
Data on numbers of participants who leave the organisation	22
Questionnaires or interviews relating to the learning transfer climate within the organisation	21
Specific questions in customer surveys	14
Financial value of learning projects implemented	11
Financial value of business changes implemented post-programme	10

Table 2: Evaluation methods currently used

The low levels of usage of financial measures bear out the picture shown in Chart 1 of very little activity at what Phillips calls “level 5 – financial ROI”.

However, we also asked people whether they plan to use any of these methods in the future. As Table 3 below shows, top of the list is ‘Financial value of business changes implemented post-programme’.

Method	Plan to use %
Financial value of business changes implemented post-programme	44
Participants’ self-assessment of competency changes	41
Financial value of learning projects implemented	40
Follow-up interviews with participants’ line managers some time after the programme	38
Questionnaires or interviews relating to the learning transfer climate within the organisation	33

Table 3: Evaluation methods respondents plan to use (top 5)

We also wanted to find out whether there were any evaluation methods that respondents did not plan to use. Interestingly, the top 5 for ‘no plans to use’ overlaps considerably with the ‘plan to use’ – Table 4 below compares the two.

Method	No plans to use %	Plan to use %
Specific questions in customer surveys	57	20
Data on numbers of participants who leave the organisation	47	18
Financial value of learning projects implemented	40	40
Questionnaires or interviews relating to the learning transfer climate within the organisation	37	33
Financial value of business changes implemented post-programme	37	44

Table 4: Evaluation methods respondents do not plan to use (top 5)

This overlap provides an initial indication, borne out by responses to later questions, that there are two distinct segments within the users of customised executive education. There is a group who believe in and want to work with financially based evaluation measures (though they may not yet be putting this desire into practice). There is another group who find financial measures less compelling – later on we shall look at attitudes to the notion of financial ROI in more detail.

How Satisfied Are People With Current Practice?

Satisfaction with own practice

We asked both sponsors and HRD people the question:

“How satisfied are you with your organisation’s current approach to evaluating customised executive education?”		
	HRD %	Sponsor %
Very satisfied	6	14
Reasonably satisfied	49	43
Somewhat dissatisfied	32	39
Very dissatisfied	13	4

Table 5: Levels of satisfaction with organisation’s current approach to evaluation

As Table 5 above shows, within both the HRD people and the sponsors, over half are satisfied. (Though it should be noted that 17% of sponsors ticked the ‘don’t know enough to comment’ box: they have been excluded from the data below.)

While responses among HRD people were very similar across the public and private sectors, there was a difference between the public and private sectors among sponsors. Satisfaction was lower among public sector sponsors. While 61% of private sector sponsors were Very or Reasonably Satisfied, the equivalent figure for public sector sponsors was only 50%.

We explored the relationship between current practice and levels of satisfaction. There does appear to be a relationship between the level at which people are evaluating and how satisfied they feel, as shown in Chart 2 below.

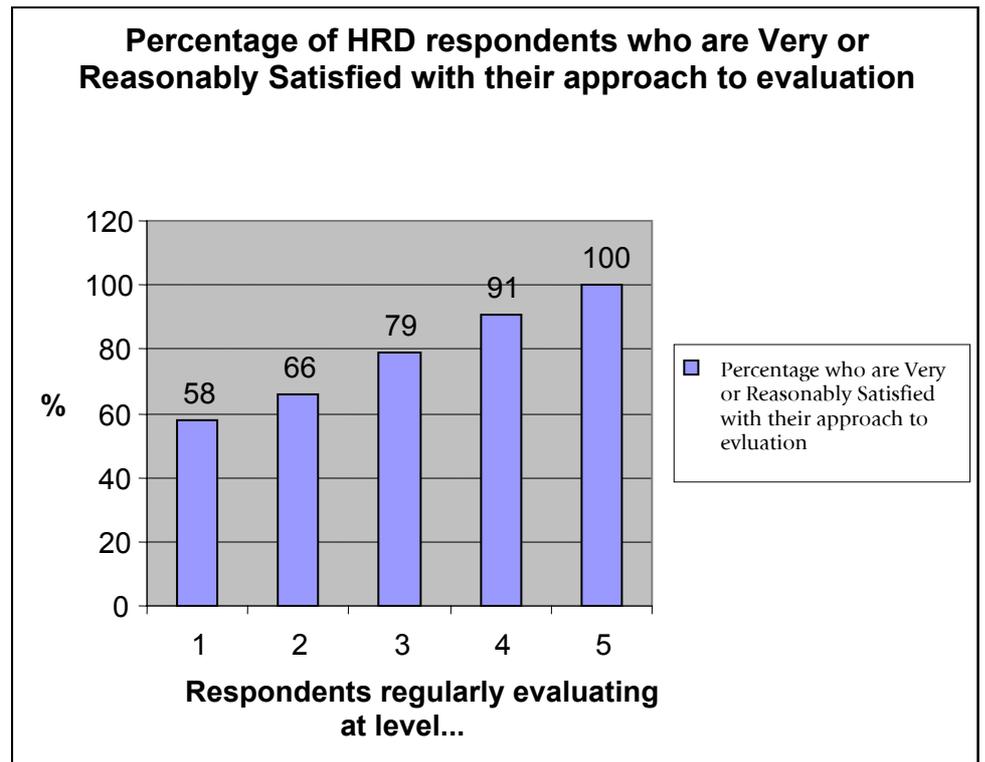


Chart 2: Link between satisfaction and levels of evaluation

This indicates that the more effort HRD people put into evaluation, the happier they tend to be with their approach. It would be interesting to explore further whether this is because they feel less vulnerable to ‘difficult’ questions from elsewhere in their organisations, or whether the additional levels of evaluation are producing useful data.

The nature of many of the comments made in open responses to the question of satisfaction with current approach is interesting. Taken *en masse*, the overall sense that emerges from the responses is of a profession poised to start doing things differently. Several people begin their answers with “We need to...”. In many cases, people have just begun the process of change or they are about to start.

“We are currently developing a new training evaluation approach (on 3 levels) which we intend to apply to customised executive education.”

(Group Manager, Training & Development, based in Belgium)

“We have just started with a very systematic evaluation system. It is too early to rate our satisfaction with it.”

(Head of Global Executive Programs, based in Germany)

“We mainly focus evaluation on participants. We are trying to address this by a questionnaire to CE sponsors.”

(OD facilitator, based in UK)

“Most effort has traditionally been the completion and collection of ‘happy sheets’. This is about to change.”
(Head of Learning & Development, based in UK)

Satisfaction with business schools

HRD respondents who had used a business school for customised executive education were asked:

“How satisfied have you been with your business school’s support for you in evaluating executive education?”	
Very satisfied	23%
Reasonably satisfied	49%
Somewhat dissatisfied	8%
Very dissatisfied	3%
It varies considerably from school to school	17%

Table 6: Satisfaction with business schools

This is an encouraging set of responses for business schools – showing almost three-quarters of clients satisfied with the support they get. We do not know how many of the respondents have experience of more than one business school, so we cannot calculate whether the 17% who say that support varies considerably from school to school represents a high proportion of multi-school users.

We wanted to compare perceptions of business schools with other providers of customised executive education:

“If you use different providers for customised executive education, how do non-business school providers compare to business schools in terms of support for evaluation?”	
Business schools are better	14%
Non-business schools are better	11%
There is no difference	18%
There is too much variation to generalise	56%

Table 7: Comparison of business schools and non-business schools

Here the variability point is much clearer, with over half of respondents unable to favour one type of provider. Among those who have perceived a difference, it is fairly finely balanced, with business schools having only a very slight edge over their non-business school competitors. Some of the open responses illustrate respondents’ differing experiences:

“Business schools are more attuned to the need for putting numbers down to the programmes and understand the financial input and the impact on the organisation’s part.”

(Management Training and Corporate University, based in Germany)

“Some of the larger business schools disengage when the programme is underway and evaluation, due, even when further programmes are in the offing.”

(OD facilitator, based in UK)

One respondent suggested that non-business school providers might have a commercial incentive to take evaluation more seriously:

“Most non-business school providers use more extended/detailed evaluation as an ‘added value’ service and a means to extend the commercial commitment.”

(Manager, Strategic Human Resources, based in Norway)

What Is Driving The Increased Attention To ROI?

A clear goal for the survey was to increase our understanding of the pressures that are leading to a greater focus on ROI and evaluation in relation to executive education. To this end, we devised a series of statements and asked respondents to indicate whether they agreed, disagreed, or neither agreed nor disagreed with them. This enabled us to test opinions on a wide range of issues while keeping the questionnaire compact and quick to complete.

Executive education matters

One positive driver for evaluation might simply be that it is important. Our survey seems to bear this out. The table below shows HRD and Sponsor responses to the statement:

“Executive education forms such an important part of strategic change initiatives it is vital to evaluate it.”		
	HRD	Sponsors
Agree	85	75
Neither	12	19
Disagree	3	6

Table 8

In both groups there is a clear majority in agreement. Sponsors are slightly more likely to be unsure or disagree: we cannot tell whether it is the importance of executive education, or the need to evaluate it that is at issue.

HR function under pressure

We wanted to test the extent to which HR professionals feel themselves to be under pressure against sponsors' perceptions of the pressure that exists for the HR and training and development functions. There were three statements designed to explore this:

"HR professionals will have to get better at proving the worth of executive education in the future."		
	HRD	Sponsors
Agree	88	69
Neither	10	21
Disagree	2	10

Table 9

As this table shows, HRD people clearly feel that they will be increasingly expected to prove the worth of executive education. Two-thirds of sponsors agree with this, but it is interesting to note that there is more doubt or dissent among sponsors than there is among HRD respondents. Of course, several sponsors within the same organisation may hold different views, and it only takes one sponsor to apply pressure for the statement to be true.

"Other functions have proved that 'intangible' benefits can be measured, so the same should be true of executive education."		
	HRD	Sponsors
Agree	64	66
Neither	30	25
Disagree	6	9

Table 10

The two groups are closer on this statement, with a majority agreeing. Around a quarter of the HRD people who agreed with the previous statement seem to have switched to 'Neither agree nor disagree' for this statement. One explanation for this might be that HRD people are less aware of the extent to which other functions have managed to value 'intangibles'.

“My organisation recognises training and development expenditure as essential and so it does not expect detailed justification of expenditure.”

	HRD	Sponsors
Agree	25	22
Neither	26	16
Disagree	50	62

Table 11

The differences between the two groups here perhaps suggest an element of wishful thinking on the part of the HRD people: almost two-thirds of sponsors disagreed with this ‘sacred cow’ view of training and development, compared with only half of HRD people.

Overall, the responses to these three statements (Tables 9, 10, 11) suggest that pressure to prove the value of executive education exists already and may be growing. However, the picture is far from black and white, and there may be a significant minority of organisations who are more prepared to take the value of executive education as an ‘act of faith’.

Increased influence of purchasing professionals

One possible source of pressure for more rigorous demonstration of ROI is the presence of purchasing or procurement professionals in the buying and contracting process for executive education. As the table below shows, we found marked differences between the sectors. Overall, around a third of organisations report purchasing professional playing a bigger role, but within that figure, the public sector seems to be more affected by this trend than the private sector.

**“Evaluation is becoming more important because purchasing professionals are playing a bigger role in our organisation.”
(HRD respondents)**

	Public sector	Private sector
Agree	41	29
Neither	41	26
Disagree	18	45

Table 12

Who is evaluation for?

We wanted to find out who was interested in evaluation within organisations. Was most evaluation being driven by questions from the top?

“Who in your organisation is the ‘customer’ for data from the evaluation of executive education? In other words, who wants to know the results of evaluation?”	
Head of HR	79%
Training and development team	71%
Line managers of programme participants	50%
CEO	42%
All board members	37%
Finance director	8%
Purchasing department	3%

Table 13

While it may come as a pleasant surprise to see such a high proportion of CEOs reported as receiving evaluation data, perhaps the most striking finding is the dominance of the HR and T&D function. Looking into the detail of responses, we find that 21% of respondents do not share data at all outside HR/T&D. It seems a sizeable proportion of evaluation work is essentially undertaken mainly or exclusively for ‘internal’ purposes. Some of our open responses suggest that HRD professionals are not happy with this situation:

“I have indicated the current state. Desired state is actually board level, which is part of the process to engage these guys in training.”

(Manager, Training & Development, Western Europe Region)

Who Is Responsible For Evaluation?

“Evaluation is the client organisation’s responsibility, not the business school’s.”		
	HRD	Sponsors
Agree	28	37
Neither	26	29
Disagree	46	34

Table 14

We included this statement to see whether there was agreement between sponsors and HRD people as to where responsibility lies for evaluation. The responses suggest that sponsors are much more ready to accept that responsibility lies with their own organisation, rather than the business school (perhaps because it will be their HR colleagues undertaking the work!). It is interesting to note, though, the relatively high levels of disagreement with the statement – 46% for HRD and 34% for sponsors.

Disagreement suggests a belief that business schools are responsible for evaluation (this is the most obvious interpretation at least: ‘Disagree’ might suggest a belief in a partnership approach, or in third party evaluation, but the ‘Neither’ option would seem a more natural response for those views). If this interpretation is correct, and almost half of HRD people believe business schools should be responsible for evaluation, then it is surprising to see such high levels of satisfaction with business schools at present (Table 6). It may be that these responses reflect the ‘future tense’ that we noted in response to questions about current practice and satisfaction levels – “Currently we just use happy sheets. This is about to change.” If that is indeed the case, if business schools are doing a good enough job for today’s needs, which is mostly about happy sheets, but things are going to be different tomorrow, then there is a challenge ahead for business schools to respond to this level of expectation about their responsibilities.

Among HRD respondents, there was some difference between the public and private sectors in relation to this question. As Table 15 below shows, public sector clients were more likely to see business schools as being responsible for evaluation.

“Evaluation is the client organisations’ responsibility, not the business school’s.” (HRD respondents)		
	Public sector	Private sector
Agree	26	28
Neither	22	31
Disagree	52	41

Table 15

This suggests that business schools that undertake a lot of their work within the public sector may be in for a more demanding time than those who refuse to bid for public sector contracts.

How And What Should We Evaluate?

Style of evaluation

Given that so much of the literature on evaluation and ROI is devoted to excluding extraneous variables and proving causality, we wanted to test whether business school users were equally convinced of the need for ‘scientific rigour’.

“It is important that evaluation is scientifically rigorous.”		
	HRD	Sponsors
Agree	38	45
Neither	38	32
Disagree	23	23

Table 16

Sponsors are more likely to agree than HRD respondents. This may reflect the higher awareness among HRD people of the difficulties of a ‘scientific’ approach to evaluating executive education. What is perhaps most interesting is the degree of doubt or dissent with regard to scientific evaluation – in both groups, over half of respondents chose the middle option or disagreed.

When to evaluate

“Evaluation will only be effective if it is built in from the very start of a development initiative.”

This emerged as one of our least disputed statements, attracting a very high level of agreement. Over 85% of both sponsors and HRD respondents agreed. What is interesting to note is the contrast between the extent of agreement with this statement and the relative rarity in our experience of this happening in practice. Some of the open responses refer to this failure to address evaluation at the outset of work on a programme:

“We need to find a way to build proper evaluation of learning as applied back on the job. As regards the ROI, we did not set quantifiable objectives for our programme (unfortunately) and so we are not in a position to do such a calculation.”
(Head of Corporate HR, based in UK).

What should we evaluate?

One legacy of the influence of Kirkpatrick is an intense focus on evaluating *programmes*. It is only recently that researchers appear to have paid attention to the organisational context in which learning is taking place, or factors connected with the participants themselves. We wanted to find out if business school users were similarly focused on programmes rather than context.

“Evaluation needs to look at the organisations’ climate for learning transfer as well as the programme itself.”

We were surprised to find that this statement attracted even more agreement. Over 90% of HRD respondents agreed, and 94% of sponsors agreed. Our results in relation to current practice suggest that 21% of organisations evaluate climate for learning transfer (Table 2). This is somewhat higher than our own experience suggests, but even so, there is a big gap here between opinion and practice.

What Outputs Do People Want From Evaluation?

Our first question in this area was around the purpose of evaluation. The literature shows a divide between evaluation designed to *prove* value, and evaluation designed to *improve* programmes or processes. We wanted to find out where business school users stood on this question.

“When evaluating, it is more important to learn how things can be improved than to try to justify expenditure.”

	HRD	Sponsors
Agree	67	63
Neither	18	24
Disagree	16	13

Table 17

In both groups, a clear majority agree with the statement. Among the HRD respondents, there is some difference between the public and private sectors, with more in the public sector unsure about improvement as the primary purpose of evaluation.

	Public sector HRD	Private sector HRD
Agree	57	69
Neither	29	13
Disagree	14	17

Table 18

We also looked at the relationship between responses to this statement and respondents' current practice in evaluation. The proportion of people disagreeing with the idea of improvement as the purpose of evaluation rises as the level at which they regularly evaluate rises: 27% of those who regularly evaluate at level 4 disagree (compared with 16% overall), and 50% of those who regularly evaluate at level 5 disagree: some people do seem to practise what they preach.

Is financial ROI the ultimate goal?

So much of the literature takes the line that evaluation is some kind of quest, where the ultimate goal is a clear answer about financial ROI that we decided to try to test business school users' views on this. We wanted to avoid constructing a question to which the only answer could be 'yes', so we came up with two statements designed to test commitment to seeking financial ROI and belief in objective measures in regard to executive education.

“Calculating the financial return on investment in executive education is so difficult it is rarely worth doing.”

	HRD	Sponsors
Agree	23	27
Neither	33	25
Disagree	44	48

Table 19

The two groups are strikingly similar in their views. In both cases, almost half disagree – they are not prepared to write off the 'quest' for ROI. It is interesting, however, to note the size of the 'Neithers' – this is an issue where people really aren't clear. Some open responses illuminate the kind of dilemma organisations are facing:

“Qualitative information regularly provides us with evaluation perspectives that allow us to validate the education. Providing this quantitatively, whilst useful, may not give us high levels of additional data for the investment required.”

(Employee Development Advisor, based in UK)

“ROI is very problematic to measure, and we need to balance the cost of measuring, reality/validity of the measure.”

(Manager, Training & Development, Western Europe)

Our interviews had suggested that people in the public sector feel under more pressure to try to determine financial ROI. The survey backs this up: as Table 20 below shows, only around half as many public sector HRD professionals (14%) as private (26%) agree with the statement, suggesting that very few in the public sector are prepared to abandon the quest for ROI.

“Calculating the financial return on investment in executive education is so difficult it is rarely worth doing.”		
	Public sector HRD	Private sector HRD
Agree	14	26
Neither	43	29
Disagree	43	44

Table 20

Our second statement along these lines was worded less provocatively, and was designed to get a sense of the opinions of business school users with regard to the *possibility* of objectively measuring ROI:

“It is often not possible to calculate objective measures of the ROI in executive education.”		
	HRD	Sponsors
Agree	43	35
Neither	27	22
Disagree	30	43

Table 21

There is an interesting difference here between HRD people and sponsors. Sponsors are more likely to disagree than agree – in other words, sponsors tend to think that it *is* possible to calculate objective measures of ROI. HRD people are more likely to agree than to disagree – more of them believe that it is *not* possible. This may be a consequence of HR professional being more aware of the complexity of measurement in the HRD arena, or it may be a consequence of different meanings being placed on ‘ROI’.

What do we mean by ‘return on investment’?

“If there is clear evidence that individual participants have benefited from a programme, that is enough to prove a positive return on investment.”		
	HRD	Sponsors
Agree	32	44
Neither	27	27
Disagree	41	28

Table 22

This is a very interesting result. Sponsors are more likely than HRD people to accept evidence of individual benefits as sufficient proof of positive ROI. Almost half would be satisfied with this, compared with just under a third of HRD professionals. (In the public sector, HRD respondents were even less likely to find individual benefits sufficient – only 23% agreed.) This raises the intriguing possibility that people might mean many different things when they talk about ROI.

Our interview findings had raised this as a possibility, so within the sponsor questionnaire, we specifically asked people what they looked for from executive education:

“Which of the following most closely matches the kind of return on investment you seek from customised executive programmes?”	
I want individual leaders in the organisation to perform more effectively	45%
I want the organisation to be in better shape to deliver our strategy	43%
I want a clear financial benefit, where gains from the programme exceed the costs	8%

Table 23

This set of responses helps to make sense of the high degree of agreement with the suggestion that evidence of individuals benefiting proves positive ROI. If almost half of sponsors most hope for improvements at the individual level, then this kind of evaluation evidence will indeed meet their needs. This highlights one of the important downsides of the Kirkpatrick model – with its emphasis on ‘reaching’ the top levels, the levels that explore individual learning and application of learning can be neglected in favour of trying to ‘achieve the ultimate level’.

The size of the group choosing individual results (45%) is much larger than one would expect given the emphasis on ‘pure’ ROI within most of the literature and in the “M&E industry”. It also reinforces the concept of multiple interpretations of ROI.

What should the business schools be researching?

Given the near absence of a ‘business school voice’ in the literature, we used the opportunity of the survey to ask both HRD respondents and sponsors where they would like business schools to focus their future evaluation research.

“Below is a list of areas in which business schools could carry out research. Which one would be the most useful for your organisation?”		
	HRD	Sponsor
Understanding the factors in the organisational climate that influence how well participants can apply and transfer their learning from programmes	38	61
Establishing generic causal links between the development of individuals’ competencies and organisational performance	35	30
Developing methodologies to try to calculate the financial ROI of specific executive education activities	27	8

Table 24

This supports the findings of the previous two statements (Tables 22 and 23), with sponsors being much more clearly interested in improving the extent to which individuals are able to use what they have learned on programmes. While this is the most popular choice for HRD respondents too, they are far more evenly split, with 27% opting for the financial ROI choice. (Among public sector HRD respondents, this rises to 37%, equal top choice with learning transfer climate). The sceptical view of this would be that HRD people would naturally be more interested in research that might help them secure their budgets more easily. More seriously, it points again to a need for further exploration of what we mean when we talk about return on investment.

6. CONCLUSIONS

This research has produced some surprising results. Our motivation for carrying out the work was to carry out a ‘reality check’ – to bring into the whole debate about ROI and evaluation what seemed to us to be the most important voice of all, the client.

Our belief that business school users’ views had been under-represented in the discussions so far proved to be true. The story that emerges as told by clients is different from what one would imagine from reading the academic or ‘trade’ literature, which often portrays evaluation as being a little like mountaineering – only really worth doing at the highest levels.

The responses to this survey suggest that the way our clients evaluate executive education is on the brink of change. Compared with the approaches described by academics and advocated by ‘measurement and evaluation’ specialists, current practice is really rather unsophisticated (Chart 1, Table 2). Over half of our respondents are reasonably happy with their current practice (Table 5). However, there are also considerable aspirations for the future, a desire to understand better the returns gained from executive education.

Poised for change?

Many of our respondents report that they are about to start working in new ways. Many of them say they plan to use financially-oriented methodologies that are used by only a tiny minority of people at present (Tables 2 and 3). It would be fascinating to be able to turn back the clock to, say, 2000, or even 1995 and conduct this survey retrospectively and see whether there would have been this same sense of “We haven’t done much so far, but we are just about to change all that” throughout the past decade. Has this been a ‘verge-of-a-breakthrough’ subject for some time, or are we really about to witness a revolution in the way that the contribution of executive education is measured and valued?

A market in at least two segments

The survey has illuminated differences that exist between clients. This research suggests that different people view the ROI question very differently. There would appear to be a segment within our market that views the assessment of the financial ROI from executive education as a difficult, but ultimately achievable and worthwhile goal (Tables 19, 20, 21). Some of the people within this group have made a start on trying to find ways of assessing ROI, but our research suggests that many still feel ‘stuck’. This group could well be those that Wang and Wang (2005) describe when they talk of “HRD M&E [is] an emerging market with swelling demands but inadequate supplies”.

However, there would also appear to be a segment that takes a view that is more concerned with ensuring that there are clear benefits at the individual level and that the organisation is able to support individuals in applying and transferring what they have learned (Table 23 and 24).

There do appear to be sector differences in these segments. The public sector appears to feel under more pressure and therefore be more drawn towards the 'proving' goal of evaluation, while more people in the private sector feel doubtful about the usefulness or attainability of the 'ultimate' level of evaluation. However, both segments are present in both sectors, so we need to be wary of making assumptions about either.

Pressure for change?

The most popular 'technology' for evaluation, the 'happy sheet' is one that has been in use for decades, and the limitations of which have been known for almost as long. It is no wonder that we and our clients inside organisations feel under pressure to come up with something new. Our survey has shown that HR professionals clearly feel that pressure to justify the costs of executive education is going to increase. By asking people representative of the 'sponsors' of executive education for their views, we have been able to show that the HR people are right to feel under pressure, but that it might be a different kind of pressure from what they imagine (Tables 9, 10, 11).

The Kirkpatrick model has dominated thinking for so long that there is an almost unquestioning belief that evaluation has to aim for the highest levels. Yet when we directly ask whether proof of individual benefits – the lower levels in Kirkpatrick – proves ROI sponsors are more likely to agree than disagree (Table 22). Most interestingly, they are more inclined to agree than are their HR colleagues. Sponsors are more likely to express what they want from customised executive education in terms of changes in individual performance than they are organisational terms (Table 23). When we look at what research could be carried out in the future, sponsors are also much less oriented towards financial ROI than the HRD professionals are: sponsors are more interested in understanding what happens inside their own organisation that influences how well executives can use their learning (Table 24).

A need for a new dialogue?

Our survey would seem then to suggest that sponsors tend to view evaluation in broader, more individually-focused terms than HRD people do. It could be that HRD people tend to favour approaches that would conclusively prove the value of their activities, and that sponsors are naturally less influenced by this self-preservation motive. It could also be the case though that there has been miscommunication between sponsors and HRD people. In an era in which attention is focused on squeezing maximum value from all expenditure, it may be that any questions from line management about the impact or return from

executive education have been interpreted as calls for proof of financial gain. This would be understandable, given that any sponsor requests are likely to have been filtered through the assumptions inherent in the one evaluation model – Kirkpatrick – that all HRD people will have absorbed as they went through their professional development, and which they might very successfully have applied to other types of training.

There may be a parallel for the way that business schools and their HRD clients have communicated too. Like the HRD professionals, we too would have much to gain from a ‘proof’ of our value. However, in the same way that HRD people may have been trying to ‘over-deliver’ to sponsors, perhaps business schools can already offer more to their clients without having to ‘crack’ the impenetrable problem of ROI.

In particular, there is perhaps a role for business schools in working with their clients to understand more fully what their organisations want from customised executive education. Even where it is ‘an act of faith’ there are benefits to be gained from a closer dialogue between the HRD function and senior line managers to establish expectations more clearly. There is also a need for a better understanding of clients’ expectations of business schools in relation to evaluation – while there does not seem to be a problem of dissatisfied customers at present (Tables 6 and 7), the proportion of HRD people believing that evaluation is the business school’s responsibility rather than the client’s, suggests this is an area that could prove more challenging for business schools in the future (Table 15).

Where next?

This survey has undoubtedly made a start on understanding the client perspective, and it does indeed help us to look at the question of ROI in a new light. We believe that there would be real value in replicating the study with similar groups in the Americas, and perhaps also to seek better representation of people based in Continental Europe.

The survey has given us a tantalising glimpse of different ways in which people define ‘ROI’. Further research to refine this understanding and begin to explore ways in which these different definitions might be operationalised for evaluation purposes could be extremely useful.

Most importantly, and most strikingly given the emphasis that has been placed to date on *measurement*, there is a clear appetite for research that will help to develop an understanding of how to *maximise* return on investment – what happens inside our client organisations that impacts on how well what the business school has done is used and applied back where it counts, in the workplace.

These findings seem to be consistent with other views being expressed at the Spring 2005 Conference where this research was presented. The clear message from those clients who were present was that business schools need to get closer to their clients and be willing to engage in

broad partnerships, and develop deeper relationships. If this could be achieved, then business schools would be in an excellent position to work with clients to make progress on two of the key areas highlighted by this survey. Closer relationships with clients would open up more opportunities for business schools to encourage the kind of conversations within organisations that would help close the gap that seems to exist between HRD people and sponsors in terms of the kind of return they want from executive education. And a willingness to engage in true partnership would enable business schools to work with clients in new ways to help them create the kind of climate in which they can obtain the best possible value from their investment in executive education.

APPENDIX A — HRD QUESTIONNAIRE

HOW DO WE KNOW IF EXECUTIVE EDUCATION MAKES ANY DIFFERENCE?

For the purposes of this survey:

- Customised executive education refers to any programme designed and run for managers who all come from the same organisation.
- Evaluation refers to any activity that tries to assess the value or impact gained from customised executive education.

(A) Your organisation's approach to evaluating the impact of executive education

Q1 Please indicate how often your organisation carries out different levels of evaluation of customised executive education.

	Regularly	Occasionally	Never
Participants' reactions : immediate post-programme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Acquisition of learning by participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Application of new skills or behaviours by participants	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Results at organisational level	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial ROI (Return on Investment)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Q2 How satisfied are you with your current approach to evaluating customised executive education? *(Please tick one)*

Very satisfied Reasonably satisfied . Somewhat dissatisfied Very dissatisfied

Any additional information you can provide to explain your answer would be very helpful

Q3 Who in your organisation is the "customer" for data from the evaluation of customised executive education? In other words, who wants to know the results of evaluation? *(Please tick all that apply)*

CEO Training and development team
 Finance director Purchasing or procurement specialists
 All board members The line managers of programme participants
 Head of HR Other

If other, please specify

Q4 Looking forward over the next three years, how do you think attitudes towards evaluating the impact of executive education will change in your organisation? *(Please tick one)*

It will become more important .. I don't think there will be any change It will become less important....

Any additional information you can provide to explain your answer would be very helpful

Q5 Listed below are some tools, techniques and data sources that can be used in evaluating customised executive education. Please indicate those you have used or plan to use.

	<i>Have used and will use again</i>	<i>Plan to use in the future</i>	<i>Have used but will not use again</i>	<i>No plans to use</i>
"Happy sheets" - participant feedback during or immediately after the programme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Automated online reaction questionnaires	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Follow-up interviews or questionnaires with participants some time after the programme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Follow up questionnaires or interviews with participants' line managers some time after the programme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Repeat 360 feedback	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Participants' self-assessment of competency changes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data on numbers of programme participants who leave the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Career tracking, (e.g. monitoring promotions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Specific questions in employee surveys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Specific questions in customer surveys	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial value of learning projects implemented	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial value of business changes implemented post-programme	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Questionnaires or interviews relating to the learning transfer climate within the organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>If other, please specify</i>				

(B) Your views on business schools and evaluation

Q6 Below is a list of areas in which business schools could carry out research. Which one would be the most useful for your organisation? *(Please tick one box only)*

	<i>Most useful</i>
Establishing generic causal links between the development of individuals' competencies and organisational performance	<input type="checkbox"/>
Developing methodologies to try to calculate the financial ROI of specific executive education activities	<input type="checkbox"/>
Understanding the factors in the organisational climate that influence how well participants can apply and transfer learning from executive programmes	<input type="checkbox"/>
Other	<input type="checkbox"/>
<i>If other, please specify</i>	

Q7 Over the past three years, what kind of providers have you used for customised executive education? *(Please tick all that apply)*

<i>Business School(s)</i>	<input type="checkbox"/>	<i>In-house trainers or corporate university</i>	<input type="checkbox"/>
<i>Specialist training and development consultancy(s)</i>	<input type="checkbox"/>	<i>Management consultancy</i>	<input type="checkbox"/>
<i>Occupational psychology consultancy(s)</i>	<input type="checkbox"/>	<i>We have not run customised programmes in the last three years (Please go to Q10)</i>	<input type="checkbox"/>
<i>Own programmes using faculty from different business schools</i>	<input type="checkbox"/>		

Q8 If you have used a business school(s) for customised executive education, how satisfied have you been with their support for you in evaluating executive education? *(Please tick one)*

Somewhat dissatisfied Very dissatisfied..... It varies considerably from school to school

Not applicable, I do not use business schools.....

Any additional information you can provide to explain your answer would be very helpful

Q9 If you use different providers for customised executive education, how do non-business school providers compare to business schools in terms of support for evaluation? *(Please tick one)*

Business schools are better..... There is no difference between them Not applicable.....

Non-business school providers are better There is too much variation to generalise

Any additional information you can provide to explain your answer would be very helpful

(C) Your opinions about evaluating the impact of customised executive education

Q10 Please indicate the extent to which you agree or disagree with the following statements about evaluating the impact of customised executive education. *(Please tick one box for each statement)*

	Agree	Neither agree nor disagree	Disagree
It is important that evaluation is scientifically rigorous	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation is the client organisation's responsibility, not the business school's	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation will only be effective if it is built in from the very start of a development initiative	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HR professionals will have to get better at proving the worth of executive education in the future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
When evaluating, it is more important to learn how things can be improved than to try to justify expenditure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Calculating the financial return on investment in executive education is so difficult that it is rarely worth doing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Executive education forms such an important part of strategic change initiatives, it is vital to evaluate its effectiveness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation needs to look at the organisation's climate for learning transfer as well as the programme itself	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation is becoming more important because purchasing professionals are playing a bigger role within our organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other functions have proved that 'intangible' benefits can be measured, so the same should be true for executive education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If there is clear evidence that individual participants have benefited from a programme, this is enough to prove a positive return on investment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
My organisation recognises training and development is essential and so it does not expect detailed justification of expenditure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No worthwhile evaluation of executive education can take place until participants have been back at work for at least a few weeks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No worthwhile evaluation of <i>leadership</i> development can take place until participants have been back at work for at least a year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
It is often not possible to calculate objective measures of the return on investment in executive education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(D) About you

- Q11** Please tell us in which country you are based for your work _____
- Q12** What is your job title? _____
- Q13** In which sector is your organisation?
Public/Government *Private* *Voluntary/Non-profit*.....
- Q14** How many people are employed in your organisation?
Under 500 *1,001-5,000* *10,001-50,000*
501-1,000 *5,001-10,000* *Over 50,000*
- Q15** Would you be interested in taking part in further research in this area? Yes.... No.....
- Q16** Would you like a copy of the summary results of the survey? Yes.... No.....

All responses will be treated in confidence. If you have answered "yes" to further involvement in the research or wish to register for a summary of the results, please attach your business card or provide contact details below (Name, Organisation, Email and Telephone).

Please return your questionnaire by Wednesday 22 December

If this questionnaire has become separated from the return envelope, please send it to:

ROI Research
c/o Eileen Mullins
Ashridge Centre for Business and Society
Berkhamsted, Hertfordshire, HP4 1NS
United Kingdom

APPENDIX B — SPONSOR QUESTIONNAIRE

How do we know if executive education makes any difference?

For the purposes of this survey:

- Customised executive education refers to any programme designed and run for managers who all come from the same organisation.
- Evaluation refers to any activity that tries to assess the value or impact gained from customised executive education.

(A) Customised executive education programmes in your organisation

Q1 Looking back over the past three years, has your organisation used customised executive education programmes?
(Please tick all that apply)

- Yes, we have run a programme(s) with a business school(s).....
- Yes, we have used other external providers to run a programme(s)
- Yes, we run an in-house programme(s)
- No, we have run no programmes (please go to Question 4)
- Don't know (please go to Question 4)

Q2 How satisfied are you with the way your organisation currently evaluates the return on investment of these programmes?
(Please tick one)

- Very satisfied Somewhat dissatisfied I don't know enough about it to comment
- Reasonably satisfied Very dissatisfied

Any additional information you can provide to explain your answer would be very helpful

Q3 Which of the following most closely matches the kind of return on investment you seek from customised executive programmes?
(Please tick one)

- I want the organisation to be in better shape to deliver our strategy
- I want individual leaders in the organisation to be better able to perform effectively
- I want a clear financial benefit, where the monetary gains attributable to the programme exceed the costs of the programme
- Other

If other, please specify

Any additional information you can provide to explain your answer would be very helpful

(B) Your opinions about evaluating the impact of customised executive education

Q4 Please indicate the extent to which you agree or disagree with the following statements about evaluating the impact of customised executive education (Please tick one box for each statement)

	Agree	Neither agree nor disagree	Disagree
It is important that evaluation is scientifically rigorous	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation is the client organisation's responsibility, not the business school's.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation will only be effective if it is built in from the very start of a development initiative	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
HR professionals will have to get better at proving the worth of executive education in the future	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
When evaluating, it is more important to learn how things can be improved than try to justify expenditure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Calculating the financial return on investment in executive education is so difficult that it is rarely worth doing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Executive education forms such an important part of strategic change initiatives, it is vital to evaluate its effectiveness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation needs to look at the organisation's climate for learning transfer as well as the programme itself	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Evaluation is becoming more important because purchasing professionals are playing a bigger role within our organisation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other functions have proved that 'intangible' benefits can be measured, so the same should be true for executive education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
If there is clear evidence that individual participants have benefited from a programme, this is enough to prove a positive return on investment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Training and development is essential and so I do not expect detailed justification of expenditure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No worthwhile evaluation of executive education can take place until participants have been back at work for at least a few weeks	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
No worthwhile evaluation of <i>leadership</i> development can take place until participants have been back at work for at least a year	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
It is often not possible to calculate objective measures of the return on investment in executive education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

(C) Your views on business schools and evaluation

Q5 Below is a list of areas in which business schools could carry out research. Which one would be most useful for your organisation? (Please tick one)

	Most useful
Establishing generic causal links between the development of individuals' competencies and organisational performance	<input type="checkbox"/>
Developing methodologies to try to calculate the financial ROI of specific executive education activities	<input type="checkbox"/>
Understand the factors in the organisational climate that influence how well participants can apply and transfer learning from executive programmes.	<input type="checkbox"/>
Other	<input type="checkbox"/>
<i>If other, please specify</i>	

(D) About you

- Q6** Please tell us in which country you are based for your work _____
- Q7** What is your job title? _____
- Q8** In which industry sector is your organisation?
 Public/Government Private..... Voluntary/Non-profit.....
- Q9** How many people are employed in your organisation?
 Under 500 1,001-5,000..... 10,001 - 50,000.....
 501-1,000..... 5,001 - 10,000 Over 50,000.....
- Q10** Would you be interested in taking part in further research in this area?
 Yes..... No.....
- Q11** Would you like a copy of the summary results of the survey?
 Yes..... No.....

All responses will be treated in confidence. If you have answered "yes" to further involvement in the research or wish to register for a summary of the results, please attach your business card or provide contact details below: (Name, Organisation, E-mail and Telephone)

Please return your questionnaire by Wednesday 22 December

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 United Kingdom

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