



AVALNET

Presentation of a business case from Bulgaria (1)

Market Trend

Why doing the project?

Market Trend Ltd. is a small company, based in the capital of Bulgaria – Sofia, and working in the fields of marketing and advertisement, also editing a magazine for education abroad. Market Trend plans to expand its activities by starting a new service to their clients: web-based advertising. This process had been outsourced before the decision for expanding.

Market Trend's management realizes that the availability of well-trained personnel is crucial for the success of the new service. For financing the training course, the managers have developed an application to the PHARE "Human Resources Development" for financing the training. The project was approved, so the training was 75% financed by the PHARE program, and 25% co-financing from Market Trend.

What would the training be?

The training covers five persons from the currently employed staff, who will be trained in web-design, and ten unemployed to be trained in graphic design and web-design. Five of the unemployed will be employed in the company after the training.

How was the training done?

The trainees attended courses in "Graphic design", "Web-design" and "Introduction in computer animation". The training duration was 300 hours (for each of the two groups). The training was done in three modules of theoretical training (100 hours) and practical training (200 hours). The training was done by external instructors from AdminSoft – a software development and training company in the area of IT.

If successful training, what would the implications be?

If the trained leaders had acquired the new knowledge, the company should be able to expand its services, thus increasing the number of sales and attracting new customers. Employers will also increase their income.

Results of training

ROI evaluation was offered as a part of the training for the group of the employed, covering ROI levels: 1 to 4.

Level 5 calculation was assumed as non-applicable, as the training focuses a new for the company production process and there is no reliable data for comparison. For the same reason, only single elements for ROI measurement were applied for the training of the unemployed.

Training need analysis

ROI Training need analysis were evaluated through questionnaires for the employer and the employees. The standard ROI TNA questionnaire used as a basis and adapted towards the company needs. Some ROI level 3 oriented questions were added: what the trainees expect to happen after the training, do they expect that the training will change their everyday working routines, in which area

Results from the training need analysis:



- The employer answered the questionnaire very close to the aims, written in the project.
- Most of the answers of the employees showed expectations for raising their personal professional skills and were not focused on their working routines.
- In individual conversations, the employees shared, that the ROI 3-focused questions helped them a lot to realize the goals of the training and made their performance during the training more focused towards the final result.

ROI Level 1 & 2 Results

For measuring ROI Level 1, standard ROI questionnaires used. No significant divergence from the average results were obtained.

ROI Level 2 was measured by written test and practical project. All trainees passed successfully the tests and received Certificates from the training organisation according to the Bulgarian National regulations.

ROI Level 3: Behaviour

Evaluation on level three was done by standard ROI questionnaires used as a basis, and some questions were added focusing the implementation of the new service (web-based advertisement).

The measurement one month after training did not present very reliable results, because the company had not yet started the new service. Participants assessed some improvements of their general graphic design skills.

The measurement two months after the training showed better results, but the participants shared that they needed additional time for re-enforcing their new skills.

ROI Level 4: Impact

Evaluation on level four was done by standard ROI questionnaires. Some questions were skipped as the focused business is a new service.

The measurement three months after training from employers side showed high satisfaction in the performance of the employees. The employer identified also new training gaps for further improvement.

The measurement three months after training from employees side showed approximately high results (75 – 80%) in the implementation of the new skills and the team collaboration (even in the cases where the new skills are not applied directly for the new service).

Conclusions

Using ROI as approach, concept, philosophy, methodology: no matter which levels are covered, the ROI approach helps a lot to focus the training on the business needs, to motivate the trainees and to support better business results.

ROI –based training needs to be combined with relevant business actions from the company management in order to make direct links between the training, the changed working processes in the company and the expected changes in the behavior of the employees.

ROI helps for self-assessment and self-monitoring of the job performance of the workers.