Metrics That Matter™ in Leadership Development

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KnowledgeAdvisors

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Overview

- Introductions

- Trends in Measuring Leadership Development

- How Ninth House Uses MTM

- Key Findings from 15 Client Implementations

- Select Customer Stories

- Best Practices & Recommendations

- Questions & Answers

Ninth House

- Focus:
  Leadership Development

- Unique Approach:
  Great content in a blended package
  for more effective results, faster and
  less expensive than traditional training.

- Tailored Business Solutions:
  High Potential & New Manager Development
  Creating More Adaptive Organizations
  Selecting and Retaining Key Talent

- Customers & Awards:
  Nearly 200 Fortune 1000 and Federal Organizations

Today's Speakers

Jami York

Director of Learning Services

Ninth House, Inc.

Since joining Ninth House in 1999, Jami has led the implementation of more than 40 online and blended leadership deployments.

Jami now serves as the Director of Learning Services and is responsible for the successful implementation and measurement of almost 200 Ninth House customers.

Jeff Snipes

CEO & Founder

Ninth House, Inc.

Named by both Gartner and Forbes as a leader in its industry, Ninth House offers organizations a highly effective yet scalable approach to leadership development.

Jeff works closely with the leading HR and Training executives of several Fortune 500 organizations to design effective, large scale leadership development systems.

Market Trends

- U.S. Organizations spend $9B a year on formal leadership development programs (ASTD/Training).

- Yet less than half (40%) have metrics in place to evaluate the overall effectiveness of their leadership development practices (NH).

- And only 55% monitor objective, quantifiable indicators of leadership effectiveness on an on-going basis (NH).

Source: "Leadership Development Practices of Top-Performing Organizations", Ninth House 2006

How Top Organizations Measure Leadership

	Current	Ideal
Talent Retention	31%	46%
Learner Satisfaction	19%	0%
Knowledge Retention	15%	0%
Financial Results	12%	46%
Employee Engagement	**8%**	**38%**
Organizational Culture	8%	12%
Customer Satisfaction	0%	12%

Source: "Leadership Development Practices of Top-Performing Organizations", Ninth House 2006

Our Approach to Blended Learning

BLENDED LEARNING

PLAN

Initiative-Specific Learning Strategy

Align Training & Business Goals

Implementation Strategy

LEARN

Self-Paced Interactive Learning

Engaging Format

High-Quality Content

APPLY

Community Discussion

Group Session in Virtual Classroom

Applying New Skills to Daily Environment

SUSTAIN

Full Library of Instant Advice Modules

Features 450+ Workplace Challenges

MEASURE

Assessing & Tracking Progress

Measuring Organizational Impact

Pre/Post Testing & 360 Degree Multi-raters

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Metrics That Matter™ at Ninth House

1. MTM is a standard component of all Ninth House pilots and a recommended best practice for all deployments.

2. Custom MTM surveys for self-paced online and blended learning experiences.

3. Ninth House administers MTM for our pilot clients.
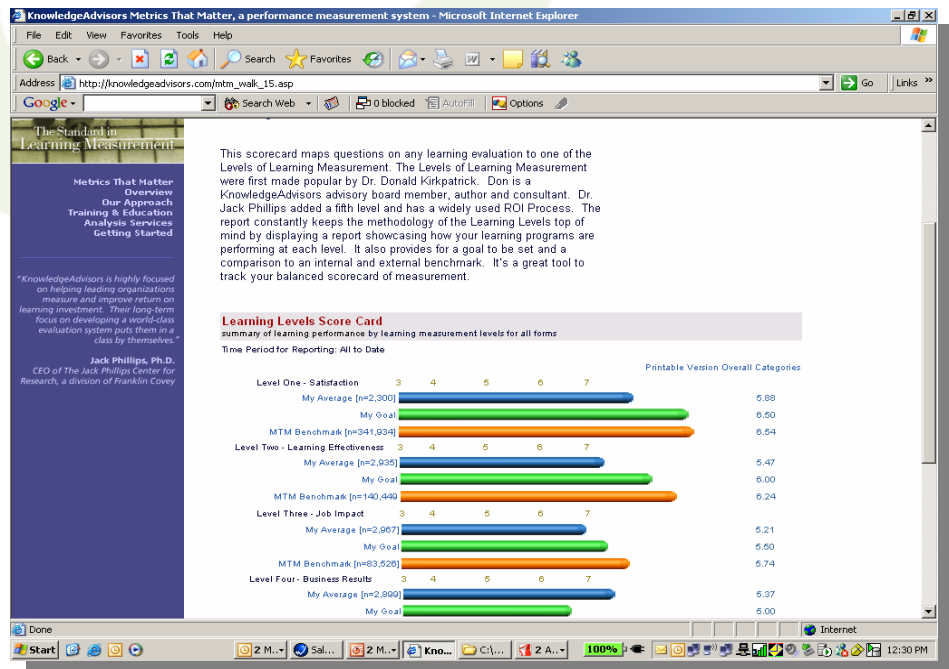
Metrics That Matter™ at Ninth House

4. MTM Post Event survey completed immediately following learning experience.

5. Quick Question and Human Capital ROI Scorecard are standard reports.

6. Creation of Executive Summary Report leveraging the End of Program Summary from MTM.
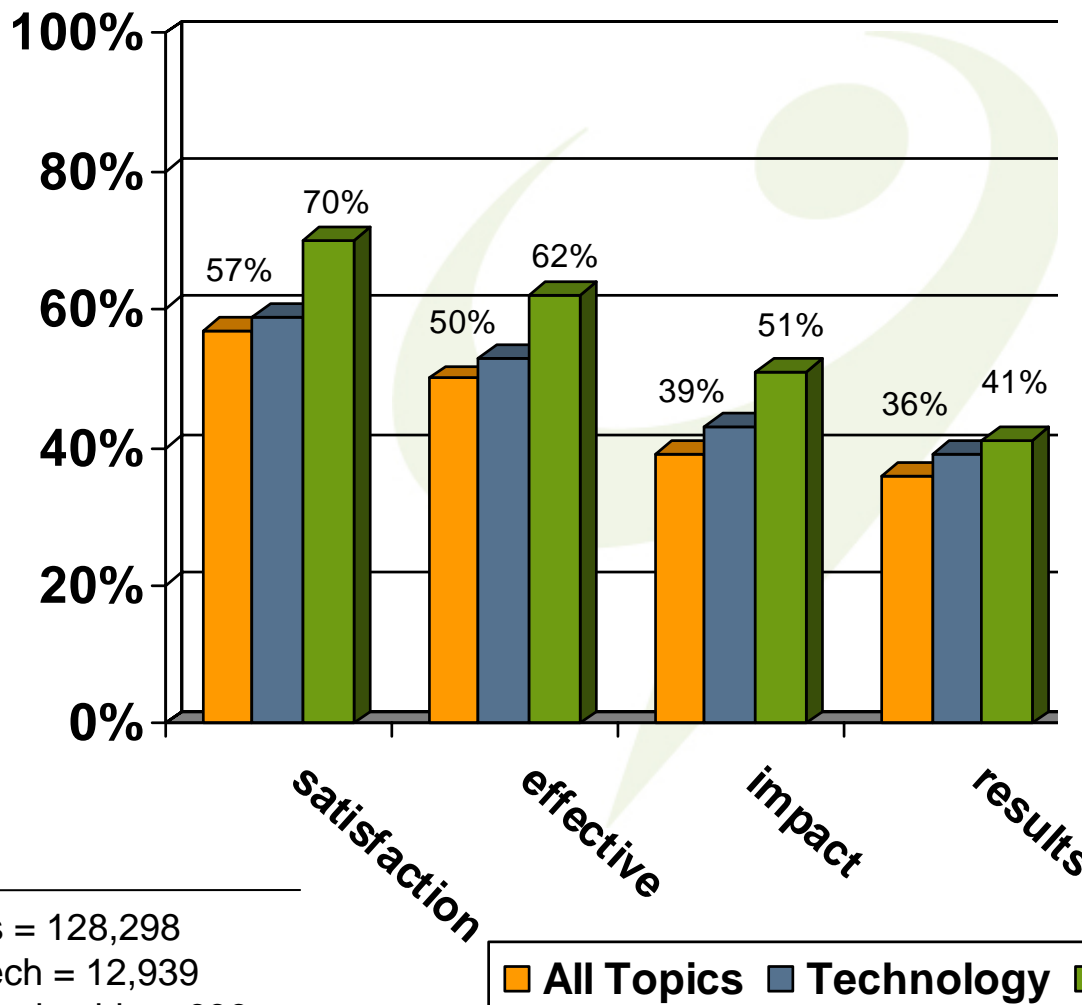
Key Findings across NH Clients

Based on MTM aggregate reports:

- 80% expect the program will significantly impact employee satisfaction (78% above average)

- 65% expect the program will significantly impact productivity (37% above average)

- 65% experienced significant knowledge and skill gains (25% above average)

- 70% were very satisfied with the overall program, content & delivery (20% above average)
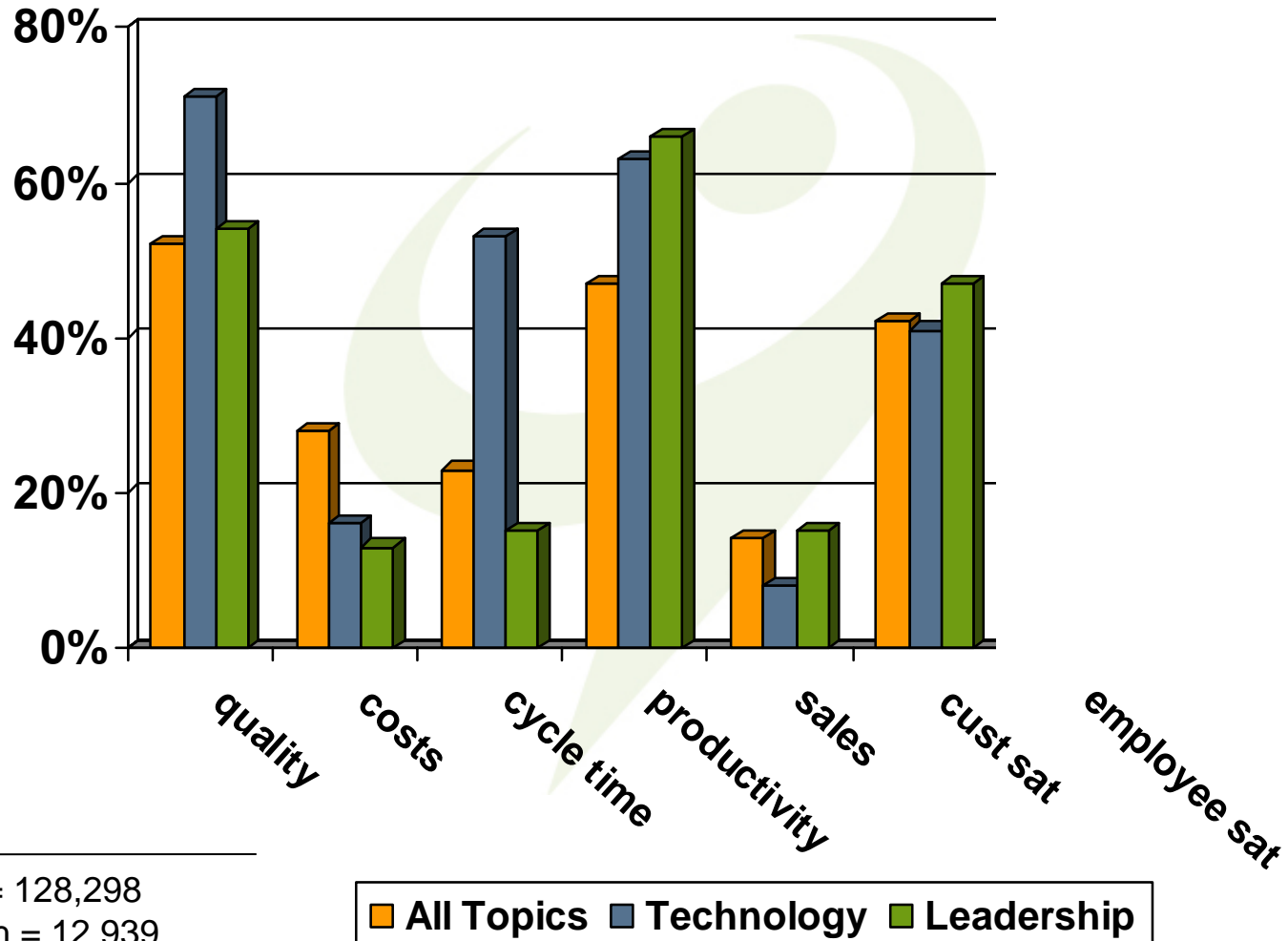
Online Learning (Leadership vs. All Other Topics)

Measurement Summary

All Topics = 128,298
Online Tech = 12,939
Online Leadership = 636

Legend: ■ All Topics ■ Technology ■ Leadership

Categories: satisfaction, effective, impact, results, cost: benefit

Values:
- satisfaction: 57%, 70%
- effective: 50%, 62%
- impact: 39%, 51%
- results: 36%, 41%

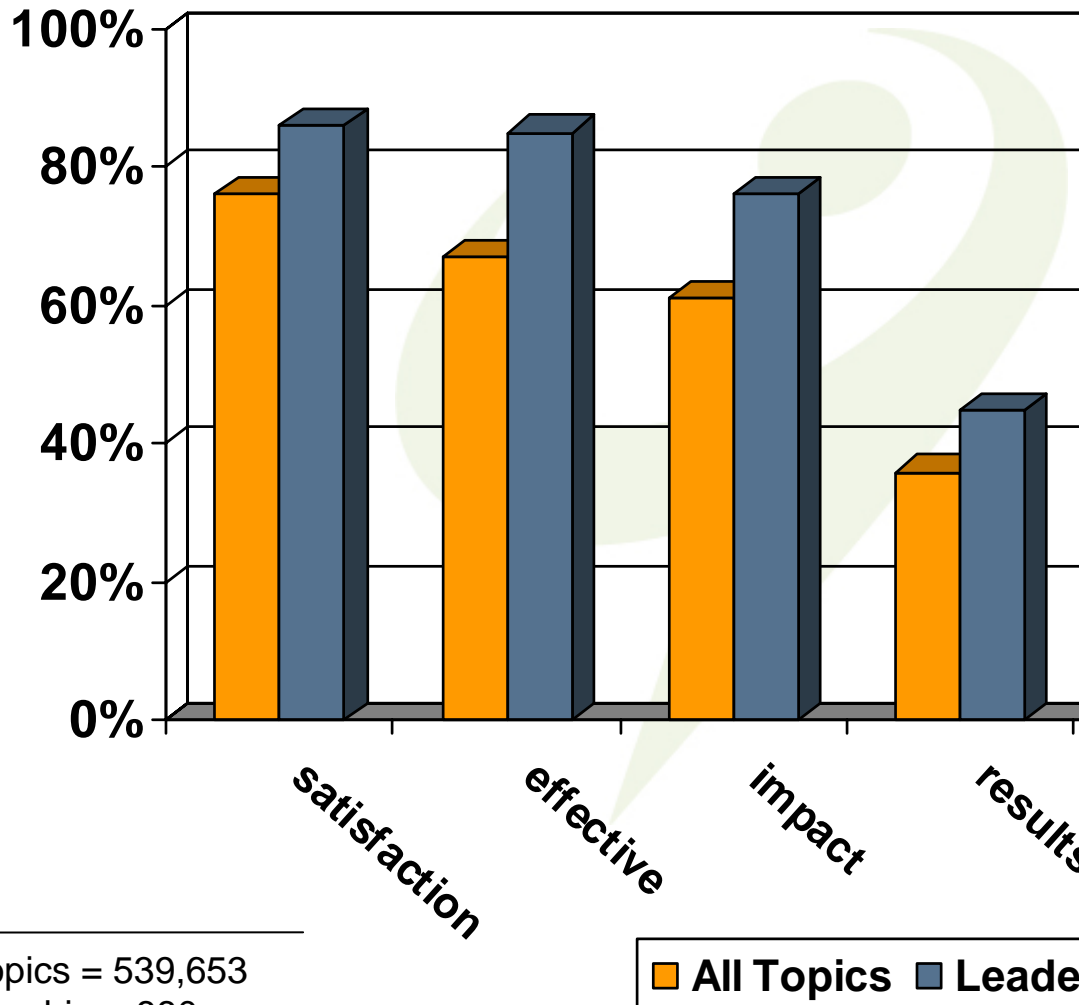# Online Learning (Leadership vs. All Other Topics)

Measurement of "Results"

All Topics = 128,298
Online Tech = 12,939
Online Leadership = 636

12

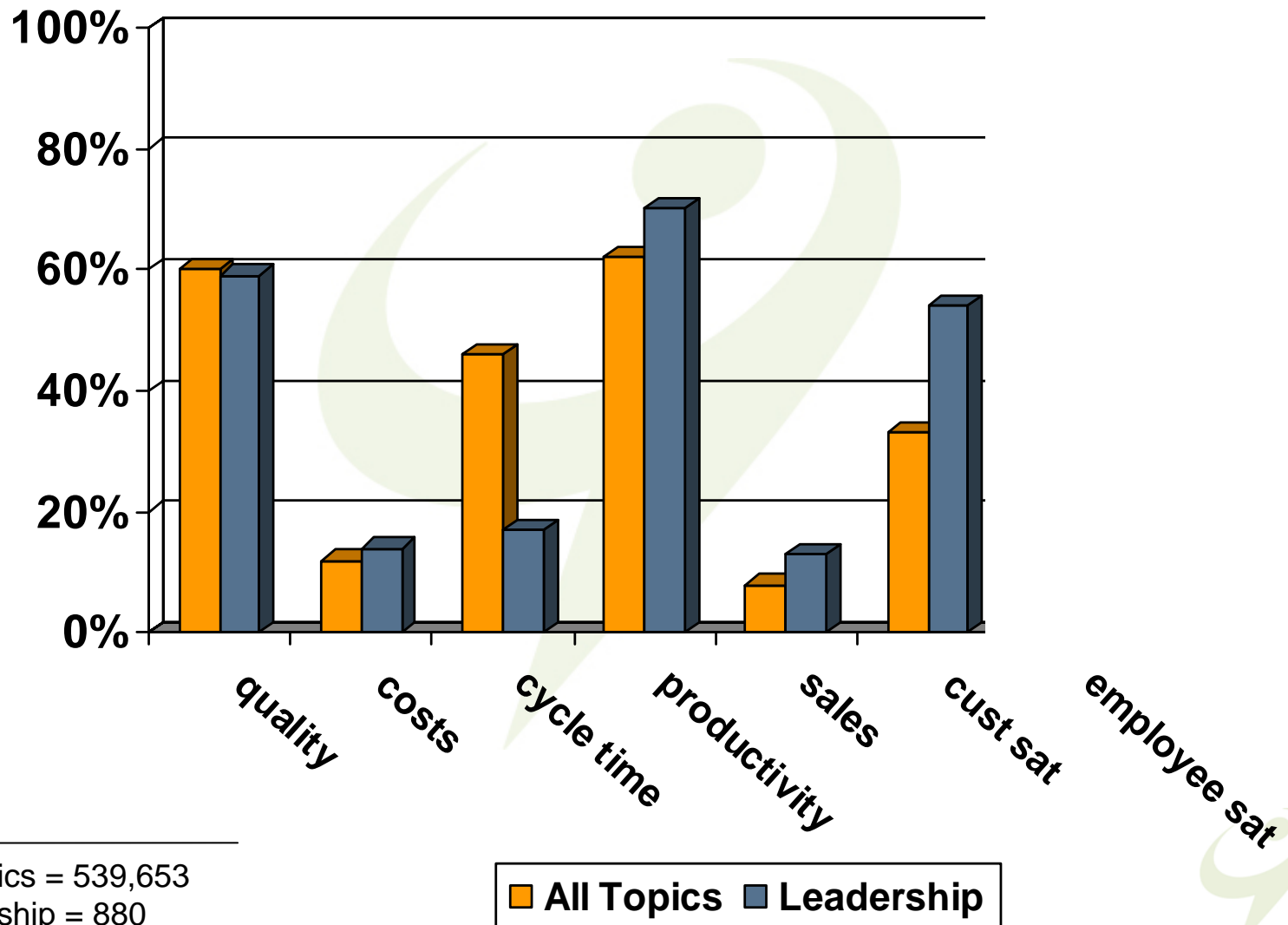# Instructor-Led Training (Leadership vs. Other Topics)

Measurement Summary

All ILT Topics = 539,653
ILT Leadership = 880
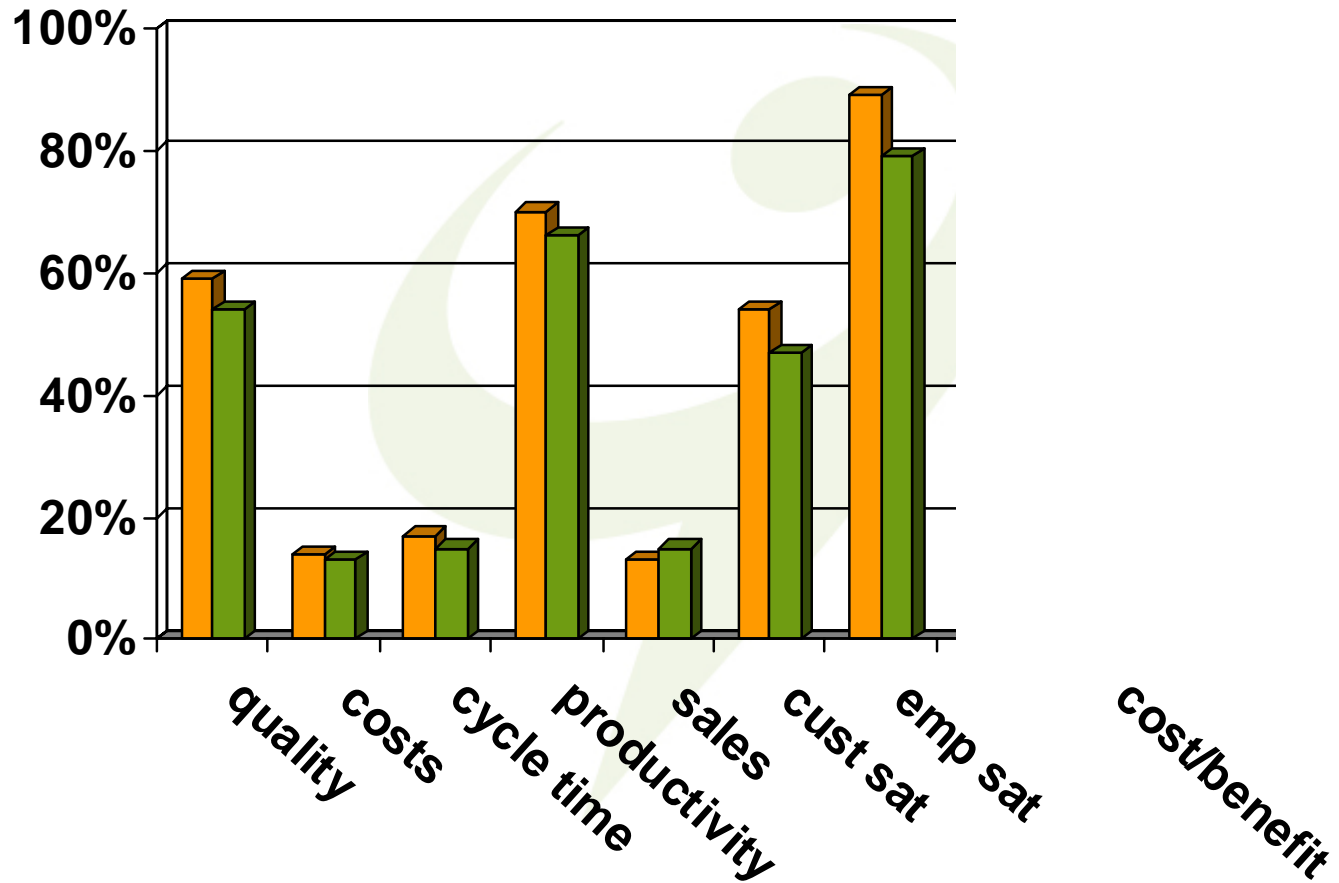
Instructor-Led Training (Leadership vs. Other Topics)

Measurement of "Results"

All ILT Topics = 539,653
ILT Leadership = 880

Legend: ■ All Topics ■ Leadership

Leadership Training (On-Line vs. Instructor-Led)

Measurement of "Results"

ILT Participants = 880
Online Participants = 636

Legend: ■ Instructor-Led ■ On-Line

Summary of Key Findings

1. Leadership Training scores better than the average of other training topics across all measurement categories...

    ... and it is more effective at improving **employee satisfaction.**

2. Leadership Training has a 60% greater **cost / benefit ratio** than the average of all other training programs.

3. Instructor-Led Leadership Training is slightly more effective than Online delivery alone (10%), but **Online Leadership Training** has a 300% greater cost / benefit ratio.

- Blended Leadership initiative with District Managers and Regional Managers across the country.

- Used a customized approach to measurement and found the following results:

  - ➢ 51% expect an increase in customer satisfaction

  - ➢ 73% expect an increase in employee satisfaction

  - ➢ 88% expect an increase in **employee retention**

  - ➢ 81% expect an increase in the **quality of the manager/employee relationship**

Client Stories: Ford Motor Co.

- **Positioned MTM as part of an integrated leadership development solution for Ford IT.**

- **MTM measures impact of the Ford IT initiatives involving the following NH courses:**

  - **Systems Thinking ("Forging Breakthroughs")**

  - **Diversity and Community Building ("Building Community")**

  - **Internal & External Partnering ("Partnering for Results")**

  - **Leadership & Management (Situational Leadership II)**

- **Key Findings:**

  - 70% expect the program will significantly impact increasing employee satisfaction

  - 61% expect the program will significantly impact increasing productivity

  - 74% were very satisfied with the overall program, content & delivery

  - 70% felt the training was a very worthwhile investment

During times of a challenging fiscal environment, this data enabled Ford to justify continued investment in people through Leadership Development.

Client Stories: United States Navy
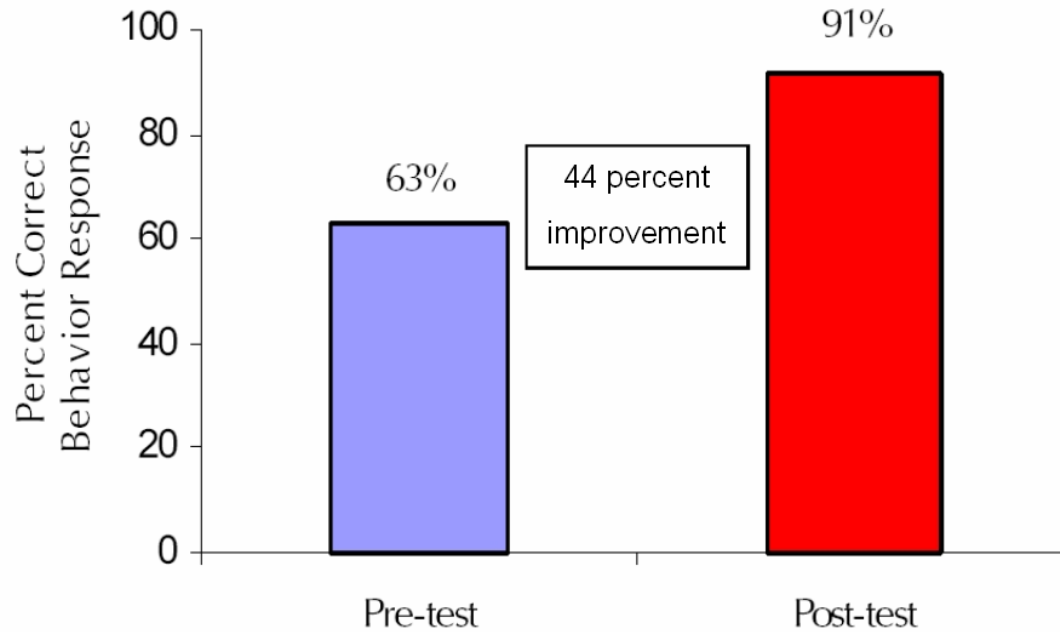
- 44% improvement in knowledge and retention of material

- 94% cost savings with online learning

- 90% saving in time required for course

- **Statistically significant improvement in on the job performance (3,500 multi-rater participants over 12 months)**

Best Practices & Recommendations

- Incorporate some measurement practices into all leadership development initiatives.

- Maintain a simple process/tool for gathering data. (i.e. One assessment for each blended initiative)

- Establish consistency in surveys so as to be able to leverage benchmarking capability of MTM.

- Continuously analyze the data being gathered, and learn from it to improve your offerings.

Measuring Employee Engagement

Organizations evaluating **Leadership Development** initiatives should customize their standard MTM "Results" metrics to include measuring impact on retention and employee engagement in more detail:

- ➤ Manager / Direct Report Relationship

- ➤ Recognition / Feeling Valued

- ➤ Opportunity for Learning & Growth

- ➤ Team Collaboration / Sense of Community

- ➤ Making an Impact

Q & A