

**MERCURI**  
international

**WHITEPAPER**

Justifying Learning & Development expense  
**Evaluating learning impact**



## EVALUATING LEARNING IMPACT

Learning and Development is a significant investment for many companies and, in the current economic climate, justifying this expense is becoming increasingly difficult. In the recent L&D annual survey by the Chartered Institute of Personnel Development (CIPD), it was highlighted that many organizations are struggling to evaluate the impact of L&D programmes on their business. This can result in what the survey also identified as 'capability gaps'. Mercuri International is working with its clients to overcome this issue with new and easy to use competence evaluation and benchmarking tool.

**“Benchmark  
current  
performance and  
compare against  
best in class  
performance”**

### Considerations:

- *How do you know your sales-force need the training you are planning?*
- *Are the competences you have defined business critical?*
- *Can you demonstrate an optimized training budget?*

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### WHAT IS COMPETENCE?

Competence can be described as a combination of a person's skills, knowledge and attitude. These are the abilities that enable individuals to be effective in carrying out tasks. Having accurate data on employees' competence can help HR and personal managers improve overall business management and maximize potential profitability.

When planning an L&D programme, managers want to know how they can be certain that the sales-force actually need the training they are planning. They also want to know the process to go through to create that certainty.

Ultimately, managers would love to know what makes the best people so successful and how to spread this excellence throughout the whole team.

To fully understand how each of these areas are impacting a business, a benchmark of current performance and, how this compares against 'best in class' performance, is required. A process is required to measure the effectiveness in key areas of the business, such as sales, management and customer facing teams. Having carried out this benchmark, the gap between best practice and your current performance needs to be identified and measured.

With this information, it is possible to measure the value of key improvements to the business, which in turn enables an accurate view of any return on investment. A focused plan for improvement, with this information to hand, ensures the training budget is optimized and will ensure all activities are aimed at meeting key, identified objectives.

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## HOW TO MAKE COMPETENCE ANALYSIS A SUCCESS

When embarking on a competence analysis programme, you should always begin with the end in mind. This means thinking about what you are trying to achieve and identifying the key drivers that you must accomplish to be successful.

The next key element is to make it applicable. Often, people can see what the competence process looks like but can't see how it applies to them.

**“You should take your company competence model and translate it to create meaningful statements that people can relate to specifically for their role.”**

Look at the job profiles and write the competence model to meet it. You will get better insights from people if they fully understand what it means to them.

You also need to keep it simple. Many sophisticated models use intellectual language that doesn't necessarily mean something to everyone. Keep terminology and processes simple and you will get better buy-in and then better output, which will help deliver something really valuable. If kept simple, people can easily understand what they are being asked to compare themselves against.

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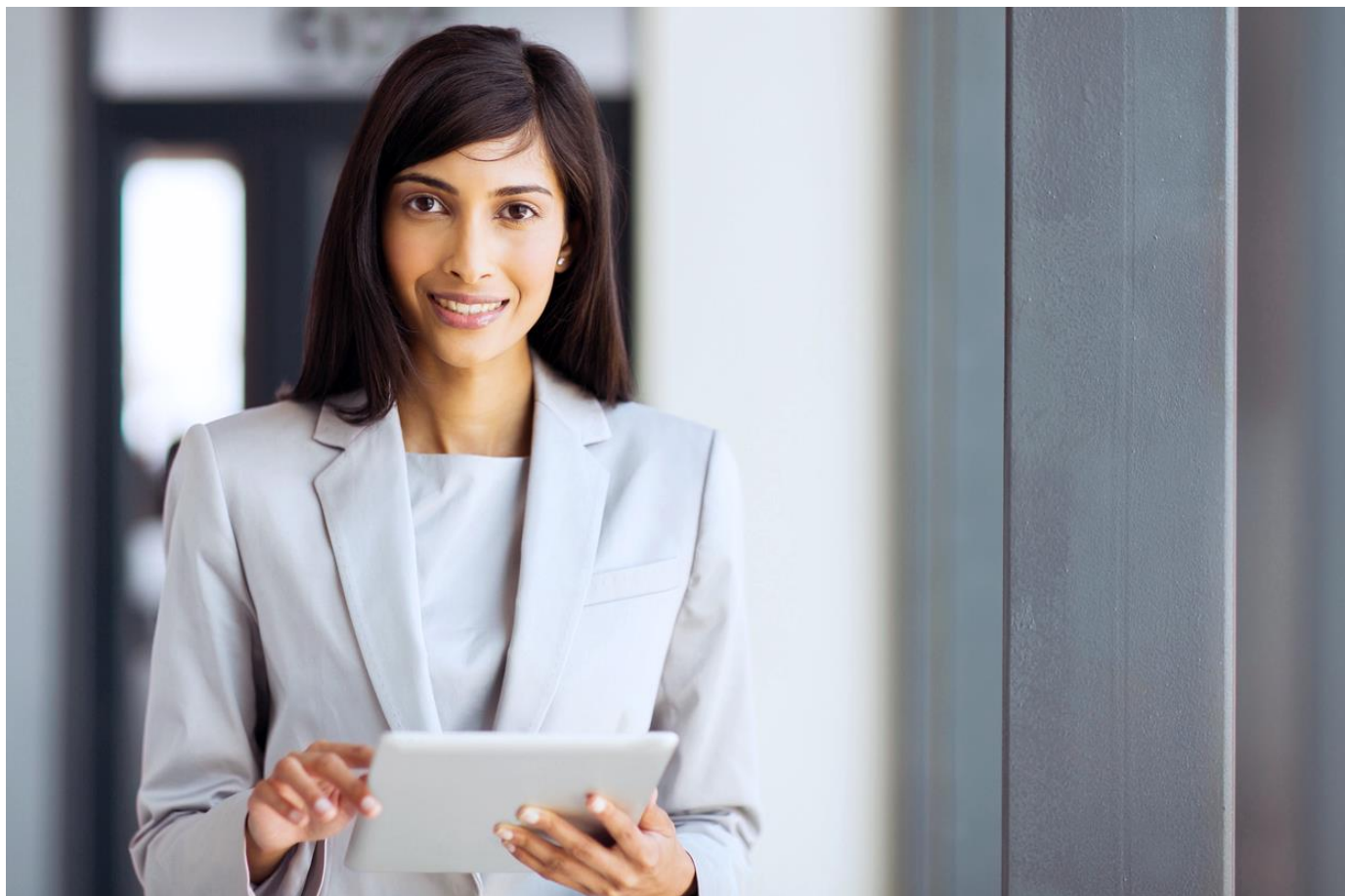
## AVOIDING THE PITFALLS

So often we can work really hard to get a system in place but don't take the time to work out what can go wrong. Key to this is communication. The process needs to be sold from the very highest point in the organization. The analysis will be much more meaningful and successful when there is a clear message from the top on what you are doing and why you are doing it.

Start with a message to everyone to explain why it is critical to the business and to each individual. This will generate better commitment and honesty in the process, with people engaged in the process.

Another area that challenges many companies is to demonstrate the benefit of carrying out a competence analysis. They tend to think about everything from the perspective of the business and what the business will get out of it. They don't consider that in order to do this successfully, they need to gain meaningful, honest information from individual people about how they feel they perform in different areas. It is critical to make sure you provide clear statements about what is in it for the employee, making it clear what they will achieve by going through the process and how it will benefit them in the short and long term.

**“Your team members need to understand it is a positive identification of opportunities for development otherwise the process simply doesn't work, because they will be uncomfortable about being honest about where their gaps are.”**



It is also important to avoid running the process at a time when annual appraisals are due. This can create some confusion for people because they may misinterpret the reason for doing it, which is to ensure you design the right training and development programme for them.

If your competence evaluation is done at the same time as the annual review, your team members might assume that if they mark themselves higher and don't identify gaps they may get a bigger bonus.

This all helps to engender trust, which is critical to success. You don't want people to misinterpret reasons for carrying out Competence Analysis and think there are any ulterior reasons, such as testing, or to create a stick to beat them with.

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## THE MERCURI SOLUTION

Mercuri International's consultants work with an organization's business leaders to define an overall strategy

for measuring and evaluating competence and the impact of L&D programmes. This information is combined with the results generated by the company's web-based Sales Evaluator to produce comprehensive insights, which highlights the key areas of focus for staff and managers.

The evaluation process incorporates online self-assessment, manager assessment and a facilitated validation meeting to discuss variations between the scores. Sales Evaluator provides a mechanism for defining the competences required to be a highly effective sales team. From this, Mercuri work with companies to assess their team against this benchmark.

The company also helps the L&D team to create the infrastructure to deliver:

- Training
- Coaching
- Learning interventions

These programmes maximise investment in L&D and drive the business towards its clear and identified objectives.