

White Paper

Hard Measures For Soft Skills

Enabling World Class Customer Experience

***The value of quantifying hard
results from soft skills and
behavioural change training –
and how to approach it***

No one would open a new business, roll out a new product or even hire a new employee without knowing – not “thinking” or “guessing” but actually “knowing” – what they could legitimately expect to receive in return. Indeed, none of us would expect to ask for something without having a pretty accurate idea of what the provider could expect in return.

So *why*, when it comes to the training and development of people, are we not prepared for the inevitable response to our question of -

“Can I get some training for my inbound call advisers?”

Likely responses (from the line manager/ MD/ CEO or owner) include

“And what will the training do for the business/ bottom line/ shareholders?”

(or words to that effect).

Why are we so shocked that we automatically assume that we have “met resistance” to our training and development plans, mumble something like “I’m not sure; I’ll have a look into it....” and slide out from under the door, resolving to either a. find another route (the optimist) or b. resolve never to bother broaching it again (the pessimist.)

Understanding that **everything has a payback** – there’s no such thing as a free lunch – is the first step to understanding how to influence the decision-makers.

The second step lies in understanding what kind of payback is appropriate to the decision-maker; what is his/ her recognised form of measurement?

Often the decision-maker will come from a financial or operational background, and will make his/ her decisions based on commercial criteria. Sometimes, although not always, this may be tempered with some “softer” measures, but more often than not – at some stage of the proposal or decision-making process – the hard, commercial value of the development will be questioned. The UK HR press is currently awash with articles on the need for HR to develop a more “commercial approach”, so even taking the traditionally “soft” option of trying to gain approval through the HR “people/ welfare” route is likely to bring forth the same commercial, bottom-line-focused challenge.

Ultimately, any development activity should deliver a “value” to the organisation, and it is the measurement of this value (commercial or

otherwise) that forms the basis of any training or development evaluation.

Why measure?

Apart from justifying the cost or investment in a training project, there are a number of other important reasons why the impact of the development activity should be measured:

To :

- *Legitimise the activity* – Development activity must be treated consistently with other (measured) activities in order to support the legitimacy and credibility of the activity
- *Identify organisational capability* – Current and future capability/ training needs
- *Validate and benchmark* – The activity can be accurately and objectively assessed against other sources/ methods/ organisations’ development activity
- *Promote development activity* – Statistical and anecdotal evidence are invaluable in promoting development activity.

Hard measures – soft skills

“When you can measure what you are speaking about and express it in numbers, you know something about it; when you cannot measure it, when you cannot express it in numbers, your knowledge is of a meagre and unsatisfactory kind”.
Lord Kelvin (British Scientist).

Most development activities are derived from organisational development needs that support the achievement of specific strategy, and therefore it is likely that the development activity is required to address a specific behaviour or skills gap, the improvement of which is required to deliver an organisational objective.

Your first step should be an initial diagnostic process where you define your current state, and the future state (which supports organisational objectives) and identifies the transition between the two and the desired behaviours which will support that change. The diagnostics phase will also throw up any blockers to change in terms of process, people’s beliefs and values, (never underestimate these as blockers to change), motivation, current skill level, cultural issues etc, all which will affect the success of the desired change.

Once desired behaviours are identified and blockers to change are acknowledged and where necessary, steps being taken to deal with them, our approach is to ‘model’ these desired behaviours to the required knowledge and competence that supports and drives them. Accepting that demonstrated behaviours and skills are both derived from a starting point of knowledge, the development activity will focus on transferring both the knowledge (the ‘how to’) and the experience of those behaviours. This can be then internalised and applied by the individual and translated into the desired behaviours.

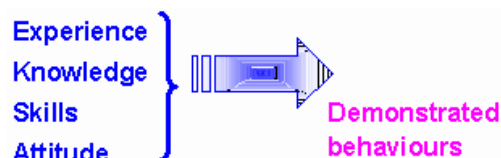
It is important to remember that behavioural change cannot take place without a change in the thought process, awareness or knowledge platform. The behaviour also has to be experienced by the individual, recognised consciously and learned at an unconscious level, through the experience,

The changed behaviour demonstrates that the transfer has taken place.

Think of it in this way:

You are trying to train your inbound call team to change their current behaviour and to ask a question like “how can I help you?” rather than ask ‘what’s your/the problem?’ . The call advisors battle with this behavioural change because as we know, ‘old habits die hard’. Prompt cards on the PC are not the best way to deliver change.

Behavioural change will start to happen when they have **EXPERIENCED** what the new behaviour is like for themselves and they **KNOW** why it is important to phrase the question in this way (open question that enables customer to give details; infers help and support; uses “I” and “you” to build rapport etc, uses “I” to let the customer you are going to ‘help’, the word ‘problem’ has a negative connotation, re-enforces the feelings the customer is having etc.) The experience here is key as behavioural change will only become more than ‘theory’ if an individual has been through the experience of the desired behaviour and can evaluate its benefits. It is the experience together with knowledge of the sound reasons and associated benefit, (more accurate info/ better rapport/ increased chance of first call resolution) that drives the behaviour, and, not vice versa..



Many organisations will claim that a change in behaviours cannot be measured, and indeed many training organisations are happy to perpetuate this myth, actively avoiding any attempt to measure the impact of behavioural or “soft skills” development activity.

How can you, (they would argue) measure the commercial impact of a more assertive call advisor/ a more cohesive approach to team-working/ improved communication or coaching skills?

The answer is that of course you CAN – and SHOULD - measure the impact of soft skills training - and calculate a commercial result that is directly attributable to the development activity. It’s not always easy, and will require time, patience, a good understanding of the business process and more than a bit of commercial savvy, but it’s ALWAYS worth the effort.

This is often where training comes into conflict with the commercial drivers of the organisation, as “east meets west” in terms of applying relevant “values” to the outcomes.

Once the diagnostics have been completed, and the desired behaviours identified and modelled, defining the measurement criteria to be used is the first step; being able to turn the measurements into quantifiable commercial results is the second, but IT CAN BE DONE.

Imagine going in to see your boss and making the following statement (inbound, order-processing call team scenario):

“I’d like to undertake some development activity for my call advisors to improve the first call resolution performance through the way in which they handle customer calls. I have identified the training activity requirements, and believe that it will deliver the following results:

- An increase in first call resolution rates
- A reduction in customer complaints
- An increase in customer satisfaction

I have obtained data from the marketing and finance teams that says–

18 minutes per day per call advisor. This equates to an overall time saving/ time available of 6 hours per day across the team and means that we can handle an additional 40 calls per day from this team. If we assume the current average call conversion rate of 45%, with an average order value of \$60.00 (and associated profit of \$15.00) this action alone would deliver an incremental daily profit of \$270. Multiply this by 260 operational trading days, and your annual profit gain would be an extra \$70,200 (Assuming that inbound traffic demand/ pattern can fill 100% of additional time available.)

- Based on previous trends, a 5% increase in customer satisfaction (and the linked decrease in customer complaints) will translate into an increase in customer retention of 2%, which equates to an extra 1200 regular customers. Based on an average customer spend of \$200 per annum, this will deliver an incremental profit of \$96,000 (calculation based on retention of customer=no selling cost).

Thus this programme, which will cost \$30,000, will deliver projected benefits of circa \$166k based on the achievement of the increases as demonstrated. Now, could I have your approval to proceed?"

Obviously, there are numerous variables to this scenario, and in reality you would probably put forward about half (or less!) of what you/ the consultants anticipated you'd achieve.

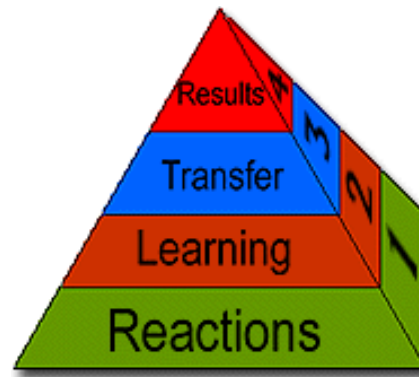
But wouldn't it be powerful to be able to apply such tangible "hard" measures to the traditional "soft" skills areas – to KNOW that you can deliver and be able to PROVE that you've achieved your objective?

Sounds pretty simple, but how is it done?

How to measure

The process – Many of us are aware of that assessing training effectiveness often entails using the four-level model developed by Donald Kirkpatrick in 1979.

According to this model, evaluation should always begin with level one, and then, as time and budget allows, should move sequentially through levels two, three, and four. Information from each prior level serves as a base for the next level's evaluation.



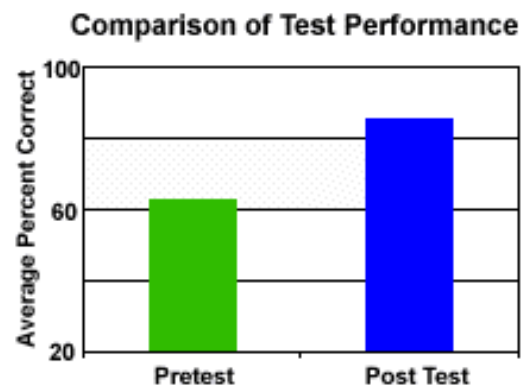
Thus, each successive level represents a more precise measure of the effectiveness of the training activity, but at the same time requires a more rigorous and time-consuming analysis

Level 1 Evaluation – Reactions

Just as the word implies, evaluation at this level measures how participants react to a development event and helps to provide a basis for continuous improvement of materials etc. This type of evaluation is typified by the ubiquitous "Happy Sheet" that attempts to gain answers to questions regarding the participants' perceptions: Did they like it? Was the material relevant to their work?

Level 2 Evaluation – Learning

Assessing at this level moves the evaluation beyond the learner satisfaction and attempts to assess the extent to which delegates have advanced their knowledge platform, awareness or attitude. Typical methods include formal and informal testing and self-assessment. The relevance of data only becomes apparent when both pre and post-learning assessments are taken, and the measurements compared.



Level 3 – Evaluation - Transfer

This level measures the transfer that has occurred in learners' behaviour that can be

question - Are the newly acquired skills, knowledge, or attitude being used (applied) in the everyday environment of the learner? For many trainers this level represents the truest assessment of a programme's effectiveness.

Level 4 Evaluation - Results

Frequently thought of as the bottom line, this level measures the success of the development activity in terms that managers and executives can understand - increased production, improved quality, decreased costs, reduced frequency of accidents, increased sales, and even higher profits or return on investment. From a business and organisational perspective, whilst this is the overall reason for a training activity, level four results are not typically addressed.

Tip –

Don't avoid the "too difficult" levels; these give you the best ammunition.

The tools

By definition, a range of tools are required to support each level of the training measurement, and the development and selection of appropriate tools is critical in obtaining accurate and quantifiable measurement of the impact of the development activity.

Often organisations attempt to design the measurement tools AFTER the development activity has taken place, and are surprised when the data is "one dimensional" and cannot provide the required measurement of impact. Confused and disappointed they then (incorrectly) assume that "it couldn't be measured". Design and development of the measurement mechanisms MUST be incorporated into the design stage of the project if valid measurement is to be obtained.

Typically, some of the measurement tools that we have used in **eacg** include:

Level 1 – Reaction

Activity evaluation sheets; exit surveys; return to work interviews; and on-line feedback; automated visual scoreboards (think of the three smiley faces on the wall of the service station toilets – these are a level 1 evaluation of your reaction to the facilities!)

Level 2 – Learning

Pre and post-event individual self-assessment questionnaires; pre and post-event group self-assessment questionnaires; pre and post-event on-line self-assessments; line manager assessment of individual (pre and post-event)

Level 3 – Transfer

Post-event self-assessment questionnaire relating to frequency and application of learning; mystery shopping programme (face-to-face or telephone as appropriate); customer satisfaction calls; line manager/ team leader observations (may be linked to performance management/ appraisal format); 360 degree feedback.

Level 4 – Results

Monitoring of agreed measurement criteria through the use of business reporting systems – financial, performance, operational data. (The benefit of running this type of assessment in Contact Centres is the volume of activity that can be measured by current software). The use of a control group can help to isolate the impact of training against other contributing factors.

The type of tool selected MUST suit the organisational and operational needs, be practical and easily applied within the working environment AND not incur excessive amounts of time and/ or money in its application.

Selecting the right tool, for the right development activity for use in a specific environment is key to driving hard results.

You wouldn't use a ruler to measure the depth of the ocean or the length of the M6; similarly you wouldn't use a Happy Sheet to measure business results.

**Tip -
Measure what's measurable and use
the tool that's appropriate for the job.**

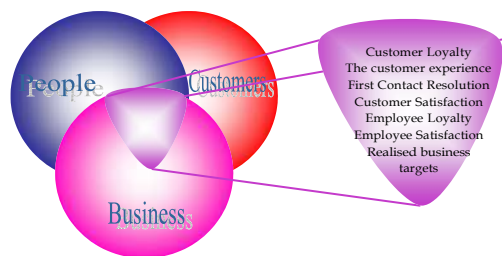
The measurement criteria

Defining and agreeing the Level 4 measurement criteria – before you start the development activity – is essential and, as we

have already seen, can provide some very persuasive and influential statistics. It isn't always easy to identify the links from behaviour to measurable commercial results; considerable time and effort are required to ensure that what you're measuring can be isolated from other influences AND has proven links to the development activity.

The agreed measurement criteria should be :

- **Relevant to all parties** – the people the customer and the business must all have stakeholder interest, and the measure should therefore be a common “hot spot in the middle” of the known activity and interest. (Existing KPIs should be a starting point for this.)



- **Quantifiable** – there's no point in agreeing a measurement criteria if you cannot gain access to the data easily and without having to scale enormous corporate “mountains”. Keep it simple and try and tap into existing data sources and current KPI measurement criteria. The provision and monitoring of data should be a joint activity and not left to one party exclusively. Warning - failure to provide required data can prevent Level 4/5.
- **Congruent with current strategy** - it is important that the measurement criteria for the training and development activity are congruent and consistent with the measures and values of the overall strategy. e.g. If the help-desk measurement focuses purely on the number of first-time fixes, without linking the fix-system to identifying the root cause – and eliminating it – the measurement is of value only to the individual department, and not to the organisation. Linking measurements from one business discipline to overall efficiency improvements will ensure that the performance of one team can impact positively on others, and on the overall corporate achievement.

Often the Level 4 evaluation, where specific business measurement criteria have been applied, supports and requires the application of a fifth – **Level 5** – calculation. Although Kirkpatrick's model supposes that the application of agreed business measurement criteria will provide a business “result” that is delivered in commercial language, in reality this often needs to be “translated” from one format to another.

Consider the example given previously. Although the business measure was “improvement in first contact resolution”, further calculations were required to translate this – via “time saved x advisors x additional calls handled x profit per call” – into a tangible £ deliverable.

This is the essence of the “Level 5” evaluation and measurement, which aims to provide a quantified ROI (Return on Investment) calculation or similar.

Imagine if you were to carry out this kind of measurement in your organisation. Not only can you swagger into the boardroom and say that :

“97% of the delegates felt the event to be beneficial to them in their role (Level 1)

92% of delegates reported an improvement in base knowledge of 20% or more (Level 2)

90% recorded positive behavioural change demonstrated on a daily basis (Level 3)

But you can also add that:

“And this has given us a 12% increase in first call resolution (Level 4)

... which means that the programme has delivered incremental profits of \$240k (annualised) and an ROI of 140% (Level 5)

(ROI is the difference between the cost of the project and the quantified benefits, expressed as a percentage of the initial cost.)

Tip -

Use clear, agreed, accessible measurement criteria that FIT the customers and the business.

Some food for thought

There can be absolutely no doubt that soft skills development CAN deliver hard results that will satisfy even the most commercially-minded corporate beast. The measurement of the impact isn't always easy; making links from behaviour via process to measurable

commercial results requires an in-depth knowledge of the organisation and its functions.

The trick lies in being able to design and develop a seamless evaluation process that will support your objectives AND deliver the required measurements AND that is incorporated into the project at the very beginning – at the diagnostic stages.

But if you're sold on the benefits of translating "soft into hard" and developing an approach to training within your organisation that can stand up and (accurately) demonstrate a contribution to the bottom line, then insist on nothing less than full measurement and evaluation of your training and development programmes.

Many training providers will offer Level 1 evaluation as standard, and even, possibly, Level 2 (at a price), but most consultancies are wary of going beyond these levels.

However, as with anything, reluctance on the part of individual usually comes down to one of two things:

1. A lack of will; or
2. A lack of skill

Ask the question of your training provider "Can you quantify the impact of soft skills training in £ terms?" and listen – with interest – to the response.

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