

- balanced scorecard
- performance management
- training for trainers
- assessment/examination solutions

THE BUSINESS LEADER'S BOTTOM LINE

Aligning Learning with Organizational Needs



Presenter: Ajay M. Pangarkar, CTDP, CPA, CMA

Delivered to: ASTD “Watch & Learn” Webinar 2014

Date: April 22, 2014

Time: 1:00 – 2:00pm

Session: Webinar

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BIOGRAPHY

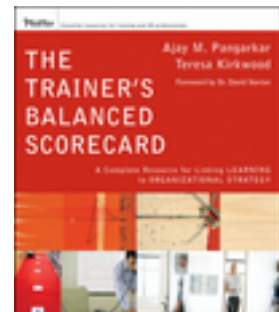
Ajay M. Pangarkar, CTDP, CPA, CMA Award Winning Performance Strategist, Speaker, and Author

Ajay Pangarkar is President of CentralKnowledge Inc., leaders in strategic employee performance and innovative assessment systems. Combining his finance, accounting, strategy, and adult education background Fortune 500 organizations such as Apple, Pfizer, Scotia Bank, RBC, and IATA seek out his knowledge and experience. Under his leadership, CentralKnowledge was recognized for the Learning Content Management Project of the year 2008 with Training Magazine's Technology in Action award for their assessment management implementation with Apple Inc.

Ajay is a Certified Management Accountant (CMA) and a Certified Training and Development Professional (CTDP). He effectively combines both his educational background and professional experience in delivering successful outcomes for his clients.

His focus is to ensure organizations are able to leverage their employee's performance in delivering tangible performance results. From his successes, Ajay is a world renowned workplace performance strategist and foremost authority on integrating employee performance strategies into the Balanced Scorecard. He is also passionate about building an irrefutable business case for employee skills investments. Ajay is a sought after industry-recognized speaker on strategic employee development and employee assessments.

Ajay, along with partner Teresa Kirkwood, are published authors with John Wiley & Sons recently publishing their third book titled, ***"The Trainers Balanced Scorecard: A Complete Resource for Linking Learning and Growth to Organizational Strategy"*** (March 2009). Other recent books include "The Trainers Portable Mentor" (June 2008) and "Building Business Acumen for Trainers: Skills to Empower the Learning Function" (2006) (John Wiley & Sons).



Ajay is actively involved in the workplace learning community recently serving as the Vice Chair for the Canadian Society for Training and Development's National Board of Directors. Contact Ajay at ajayp@centralknowledge.com.

Please Follow/Forward my new BLOG at blog.centralknowledge.com

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The Business Leader's Bottom Line: Aligning Learning with Organizational Needs

Thank you for selecting this interactive session. It is with great pleasure that I present to you an educational session why and how your business leaders evaluate learning initiatives and demonstrate how to build credibility within your organization.

Your role as learning and performance professionals within your organization and industry is evolving at a rapid pace. No longer is T&D confined to one role but it is increasingly viewed as a partner in achieving a strategic goal. Your role is now to understand how L&P fits into this equation and how will you be able to credibly support and communicate the results. Please contact me anytime with your questions at 866-489-7378 or by email: ajayp@centralknowledge.com.

Ajay M. Pangarkar CTDP, CPA, CMA

Author and Award-winning Performance Strategist, CentralKnowledge

Learning Objectives:

- Address the secrets business leaders believe about learning investments
- Answer your leader's questions that validate "learning" effectiveness
- Discover how business leaders actually position learning in the workplace
- Learn what leader's mean when they say, "Return on Learning Investment" (it's not what you believe)

Description:

Business leaders are under tremendous pressure to account for the performance of business activity. This is a foreign concept for "supporting" business functions like workplace learning. These business activities are not held to the same scrutiny as with operational business functions. Leaders typically view supporting activities as budgetary "black holes" unable to prove direct contribution to business results. This is no longer the case. Leaders expect supporting functions to demonstrate contribution to organizational objectives.

Learning professionals fail to grasp their leader's expectations because they don't view workplace learning as a business activity and are unable to tangibly connect learning to organizational objectives. In either case, this is a unique opportunity to make your learning initiatives relevant to the organization and avoid being perceived as unnecessary expense.

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A Quick Question...



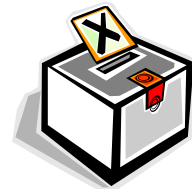
How do your
business-leaders view...

“Training”?

A Quick Poll...

Do Business Leaders view “training” as:

- An essential need?
- A non-essential expense?
- A “nice-to-have”?
- Something to appease employees/unions?
- Not sure how they see us?**



Leadership Secrets



Business Leader Secret #1

Nothing in business is an absolute need

- View everything through a business lens
- Viability and validity is through operational alignment
- Demonstrate tangible performance benefits

Leadership Secrets

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Business Leader Secret #2

Business leaders are sold on training

- The real questions:
 - Does it make economic/business sense?
 - Will present tangible benefits?



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Leadership Secrets

Business Leader Secret #3

Workplace learning's role remains precarious



Business leaders acknowledge that:

- Employee and intellectual capital retention is paramount
- Competitive advantage comes through people
- Workplace learning/HR must play a more strategic role

Leadership Secrets

Business Leader Secret #4

Never take your role for granted!



If your leaders ask you to participate in decision-making processes they're clearly stating:

"Sell us on what training will do for the organization"

...In terms leaders understand"

Positioning to Prove Value

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Management views training in 3 ways:

1. Necessary, expected training
(e.g. job training and development)

2. Measuring impact of major investments
(e.g. "training" as a component)

3. Investing in major elements of training
(e.g. e-learning infrastructure)

Send me a note for :
"The Business Leader's Bottom Line"
article for sample
Level 3, 4 Questions

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Leader's View of "Investment"



How Leaders view your "training" investments:

Physical assets
(e.g. buildings/machinery)

→ Does your "training" have any tangible investments?

Intangible assets
(e.g. patents, goodwill)

→ Does the "training" contribute to long-term value or the organization?

"Long-term" portion of
balance sheet (valuation)

→ Does management consider "training" as a capitalized investments?

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Leader's View of "Investment"

Reflect on a current/recent example...

Management considers training as...?
(e.g. job training and development)

Is it part of a major initiative/
contribution? (e.g. training a component)

Are major investments required?
(e.g. e-learning infrastructure)

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Leader's View of "ROI"

What it's used for...

"Quick and Dirty" method;
used as "gut" feeling

Values investments not
"disguised" expenses

Other methods available
(CVP, NPV, IRR, MIRR, EVA, etc.)

Time sensitive projects
(Typically 1 year or less)

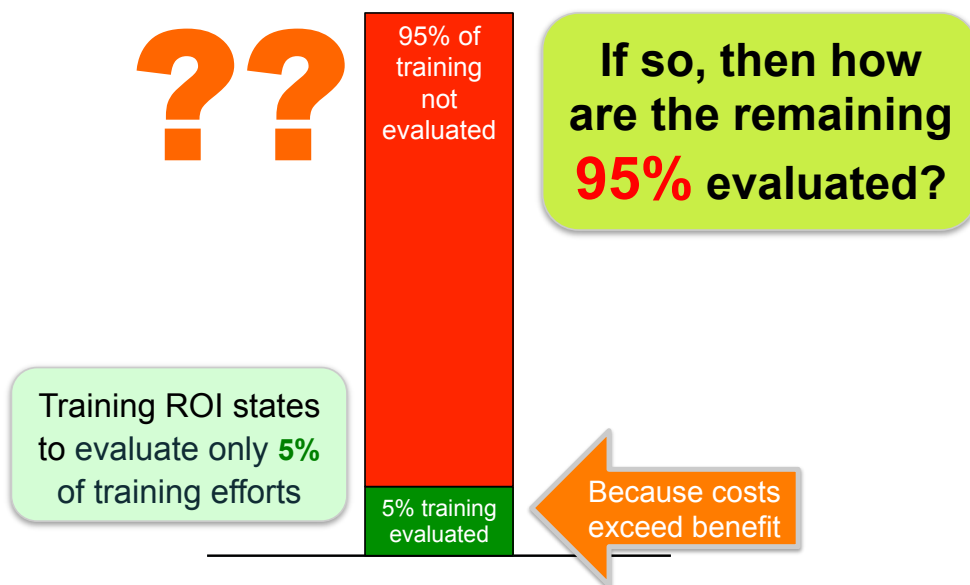
Considers "investments" as
tangible capital assets

Measures the "gains" and
"efficiency" of an investment

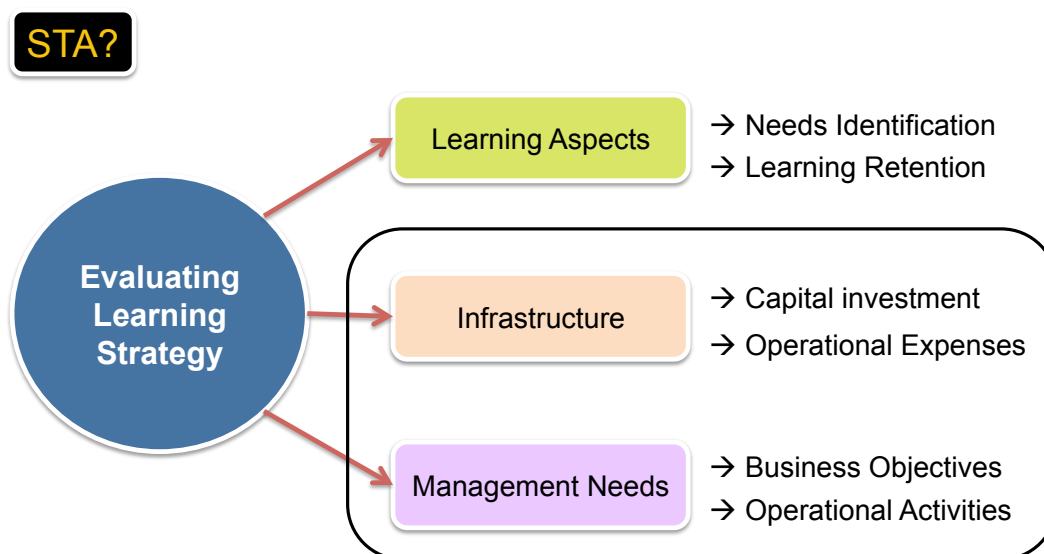
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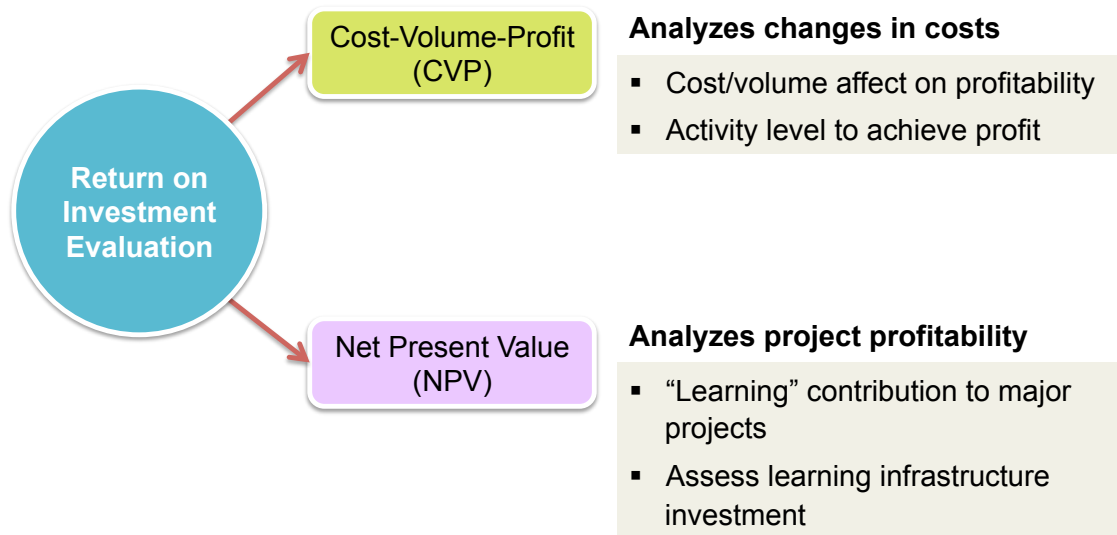
“Training ROI” Credibility



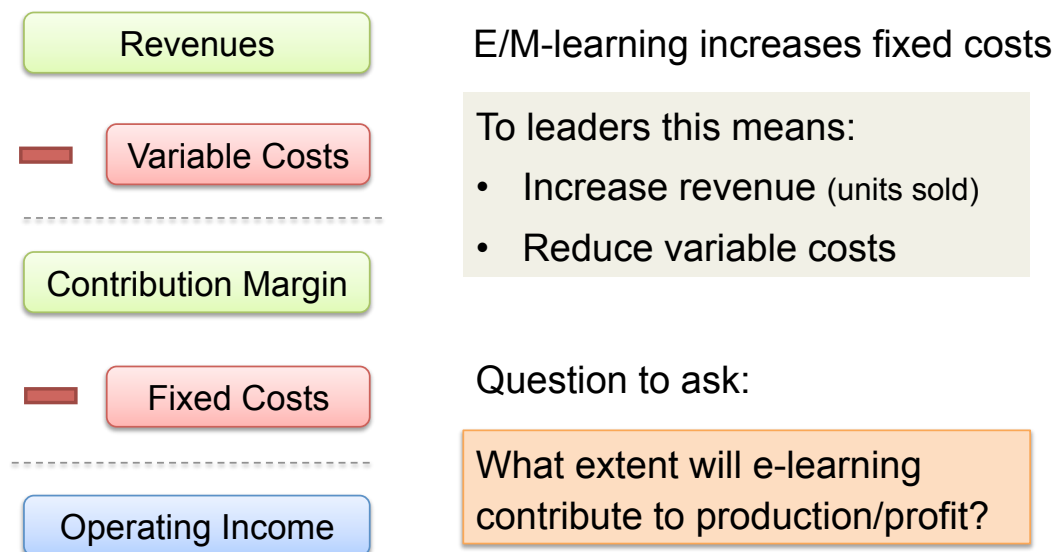
Validating Learning



Leadership Decision Tools



CVP E-Learning Decision



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A Short Case: FinaX Evaluation of Elearning

FinaX Inc. is witnessing renewed interest in their unique accounting software. CEO Mark Rice wants to capitalize on this and believes that the sales team is equipped to continue selling the software.

The recent version of the software includes some minor additional features but at its core the product functions the same as previous versions. Mark believes that even though the marketing, sales, and customer support would benefit learning the new features he also believes their existing knowledge of the product is adequate.

Mark believes in employee development but is cautious about whether training will deliver a tangible benefit to business results (such as increasing software sales). Also, because demand can change quickly he has little interest having staff sit for days in an instructor-led training session.

Mark heard about the possible effectiveness of implementing elearning courses to support the team and eventually customers. His concern from past experiences is that elearning courses are glorified PowerPoint and a waste of time.

Mark would like to see what an elearning program investment for the software's new features would cost and how it may tangibly benefit the company. He would like to see its impact financially and then qualitatively.

Mark expects to see a financial benefit by the end of the first year and may consider further elearning investments in future years as long as they prove some type of financial viability for the company. Mark views elearning as a long-term (fixed) investment.

Required:

Mark approaches you to evaluate whether the company should invest in its first elearning effort. You expect that the course (including equipment, technology, content development, and design) will cost \$60,000 and is the maximum that Mark will allocate.

He presents the following information and the company's projected (summarized) income statement.

- Sells 4000 units
- Software price: \$200/each
- Variable costs: \$120/each
- Current fixed costs: \$200,000
- New e-learning course: \$60,000 (fixed cost)
- Post e-learning increase in sales: 700 units

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A. Financial Considerations:

	4000 Units No E-learning	700 Unit Increase with E-learning	Difference
Revenues	\$800,000 (4000x\$200)	\$940,000 (4700x\$200)	\$140,000 (700x\$200)
Less: Variable Costs	\$480,000 (4000x\$120)		
Contrib. Margin	\$320,000 (4000x\$80)		
Less: Fixed Costs	\$200,000		
Operating Income	\$120,000		

What are your conclusions:

1. _____
2. _____
3. _____

B. Qualitative Considerations:






e.g. Reduced downtime

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

What do you recommend to Mark and why?

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Building Learning Acceptance

	Resistance → <i>“What will this cost us?”</i>	Level 3-4
	Apathy → <i>“What will this do for us?”</i>	Level 4
	Disruptions → <i>“Why now?”</i>	Level 4
	Application → <i>“What difference will it make?”</i>	Level 3-4
	Results → <i>“What will it do for the business?”</i>	Level 4

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Building Learning Acceptance

Know your audience

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Recognize who to approach and why...

	R ↓	A ↓	D ↓	A ↑	R ↑
Senior Leaders	✓	✓	✓	✓	✓
Mid-level/BU Managers	✓	✓	✓	✓	✓
Employees/ Users	✓	✓	✓	✓	✓

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Building Learning Acceptance

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“What do I get if I give you the money?”

Financial Results



R ↓

“What are the tangible benefits/results?”

Performance Results
(non-financial)



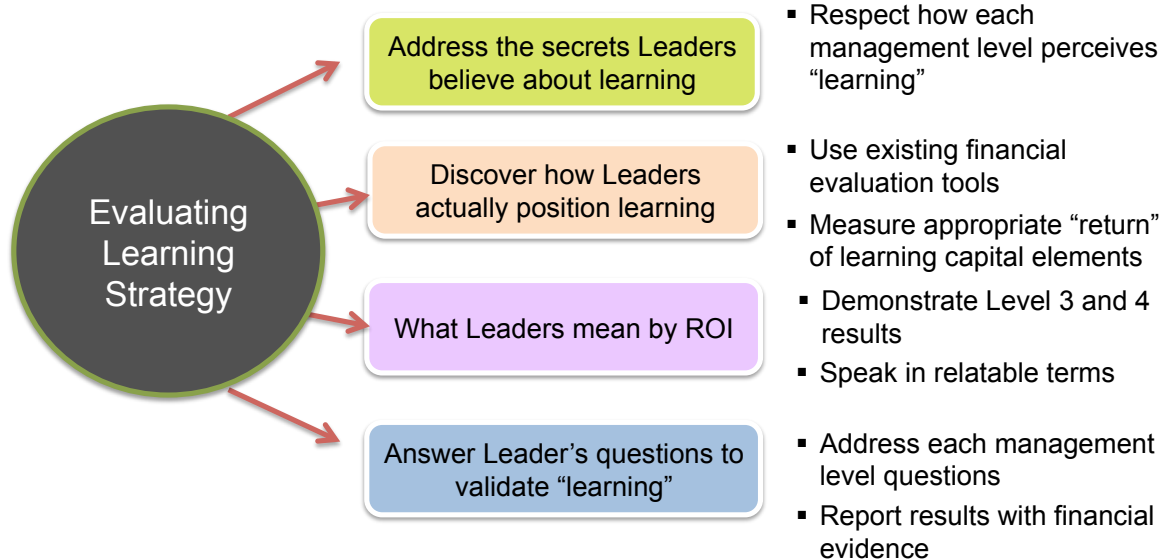
R ↑

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Review of Objectives

Learning Objectives:



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Additional Resources...

TrainingIndustry.com

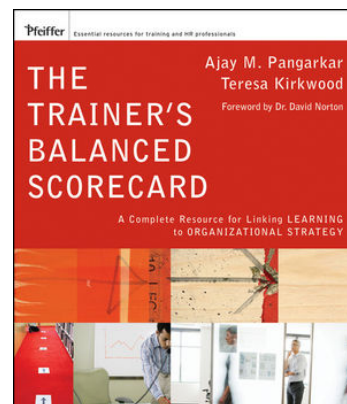
- **The Business Leaders Bottom Line:**
Aligning Learning With Organizational Needs
- **Building Strategic Learning Linkages:**
Mapping & Measuring Your Learning Strategy
(Nominated 2014 TI Editors' & Readership Awards)
- **Return on Expectations:**
7 Critical Flaws that Undermine Training Effectiveness

ASTD Links:

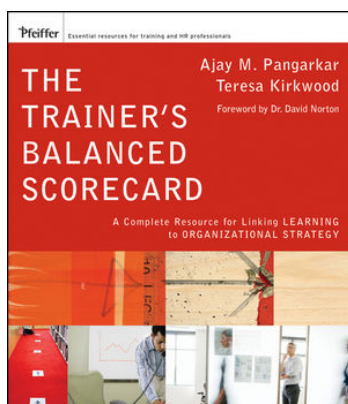
- **Learning From Mandela:**
What 27-Years in Prison Teaches Learning Professionals

My Blog...Let's Start a

"Workforce Revolution!"
Blog.centralknowledge.com



Thank You ASTD Participants!



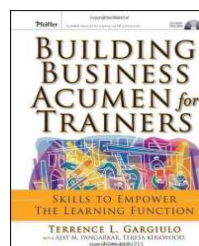
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