

# Return on Expectations: The Ultimate Demonstration of Training Value



By Jim Kirkpatrick, PhD and Wendy Kayser Kirkpatrick

In 2009, we unveiled a fresh look at the Kirkpatrick Four Level Evaluation Model that was created 50 years ago by Donald Kirkpatrick. While the core of the four levels remains, we made some enhancements based on current and future application of the model, which includes expanded use beyond evaluating training programs.

We now call this the Kirkpatrick Business Partnership Model<sup>SM</sup>. Central to the new model is the concept of “Return on Expectations<sup>SM</sup>” or ROE<sup>SM</sup> as the most meaningful way to demonstrate the value of training (and reinforcement) efforts to the business. Proclaiming ROE as THE measure of training value is a bold statement, considering that the traditional and recognized way to demonstrate training value is ROI (Return on Investment). Even bolder is our belief that ROE will soon replace ROI as the ultimate indicator of success in the eyes of our business partners.

**Return on Expectations<sup>SM</sup> (ROE<sup>SM</sup>):** What a successful training initiative delivers to key business stakeholders demonstrating the degree to which their expectations have been satisfied.

As you might guess, the “expectations” we are referring to in ROE are those of our internal and external business partners – the people we are in business to support. Jim was addressing an ASTD Chapter in Fort Worth, Texas and a learning professional described his job as “supporting the needs of corporate business.” We know when we hear words along those lines that the person *gets it*. We strongly urge you to consider the notion that training *follows* and *serves* the work of our business partners, and training is not an end in and of itself. It also must be *designed* and *developed* from the needs and targeted outcomes of the business. For too long has the tail been wagging the dog.

We often suggest that learning professionals no longer have a *free pass* when it comes to demonstrating value. For decades, we have been seen by ourselves and business leaders as having inherent value to our organizations just because we are learning and development professionals. Now, however, we now find

ourselves in the position of having to demonstrate our value *just like everybody else*. And that is where ROE takes center stage.

We believe so strongly that *The End is the Beginning* that we made it one of the Kirkpatrick Foundational Principles. What we mean by this is that before we put together and deliver a training program based on the request of our business stakeholders, we need to find out what they are expecting to see as a result of the efforts. We want to find out “what success will look like” in the eyes of our business leaders so we can focus our training, reinforcement, and evaluation efforts to meet those expectations. Thus, if we are clear about specific success outcomes, we are already well on the path to delivering return on our stakeholders’ expectations.

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At times ROE looks just like return on investment. It can, in fact, include a formal ROI calculation if that is what the business stakeholders expect. The difference is that ROE is not *limited to* ROI. ROE may at times be measured in simpler terms. For example, an agreed-upon increase in sales, or decrease in turnaround times. Or it could also encompass intangibles like better employee morale and loyalty. The great thing about ROE is that the stakeholder is in control of determining what is important to them, and you as a training professional have the ability to determine with their agreement the best ways to measure the results. ROE is stated in language that is understood by the business stakeholders, and everyone within the organization that has a stake in the training impact. .



As mentioned earlier, the terms of ROE are stated before a project even begins. So ROE is a positive measure that pulls an organization together in the quest to define and achieve the target. In contrast, ROI tends

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to be measured after the fact, as a defensive measure where a training professional or organization is attempting to isolate the impact of their efforts to justify their existence. We hope you can see the difference. ROE is a collaborative agreement that unites an organization in working towards a common goal. ROI is a summative measurement that separates business units by attempting to isolate the efforts of each.

Even though ROE may include measurements that are not as scientific and formulaic as ROI, do not be misled to think that ROE is “soft”. On the contrary, it is a strong measurement that can include all of the metrics that typically make up ROI (if the stakeholders want to see that type of evidence), and more that ROI is not able to measure. Examples of typical “expectations” converted into success outcomes are:



- ▶ Revenue from new customers
- ▶ Increased operations efficiencies with decreased training costs
- ▶ Reduced turn-around times
- ▶ Increased retention of top talent

There is certainly a financial component in each of these examples. And there is also a long list of “other” benefits that may be measured numerically or not. Typically it doesn’t make sense to attempt to isolate these measurements because they were accomplished as a team. When an organization sets their targets collaboratively up front and works towards them in lockstep, the entire team may take credit for the success.

There is a link to our latest white paper below that will outline line each of the Five Kirkpatrick Foundational Principles. We believe that no matter your tenure in the training industry, you will find these ideas elegantly simple yet genuinely challenging. We will close with a

story that illustrates the importance of principle #1, The End Is The Beginning.

On a recent business trip to the Middle East, my connecting flight was delayed and I had to divert from my final destination of Abu Dhabi to Dubai. No problem; just an hour-long cab ride. When I climbed into my airport cab, I asked the driver, “Do you know where the Emirates Plaza Hotel in Abu Dhabi is?” “Oh, surely”, he said, and off we went.

When we entered the city of Abu Dhabi, he asked me, “Do you know where the hotel is?” No, I thought, you said you did.” “No”, I said, “I only knew where the city is.” Silence. Then, as we were riding, my driver honked and flashed his lights at a local taxi until the guy pulled over. My driver got out and entered into a discussion in Arabic with the other driver. He got back in, and away we went. For the next hour, he pulled over at least six more taxis, each time getting out and discussing and pointing with the driver. Finally, we got to my hotel.

Metaphors are constantly hitting me in the face, and this terror taxi trip was no exception. It showed me what happens when someone is unfamiliar with the desired end. It is the same in training.



Unless we clearly identify and negotiate what the indicators of success will be in the *eyes of our business partners*, we will be guessing and hoping just like the cab driver.

We encourage you to not only work with the notion of ROE, but the entire Kirkpatrick Business Partnership Model. We believe you, like many others, will create a strong, working bond with your business partners that will lead to a higher degree of mutual respect and positive, measurable bottom line results.

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### [The Kirkpatrick Four Levels: A Fresh Look After 50 Years](#)

#### About the Authors

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Jim has co-written three books with his father, Don Kirkpatrick, the creator of the Kirkpatrick Model.

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Jim and Wendy have written two books: [Kirkpatrick Then and Now](#) (2009 Kirkpatrick Publishing) and [Training On Trial](#) (2010 AMACOM Books).

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