



A Return on the Corporate Education Investment: Leveraging the power of thought



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By Joseph DiVanna



Industry conferences and corporate executive education interventions have four things in common: they are considered expensive, they struggle for justification, they are not considered effective, and many participants feel like they are being beaten into submission by PowerPoint.

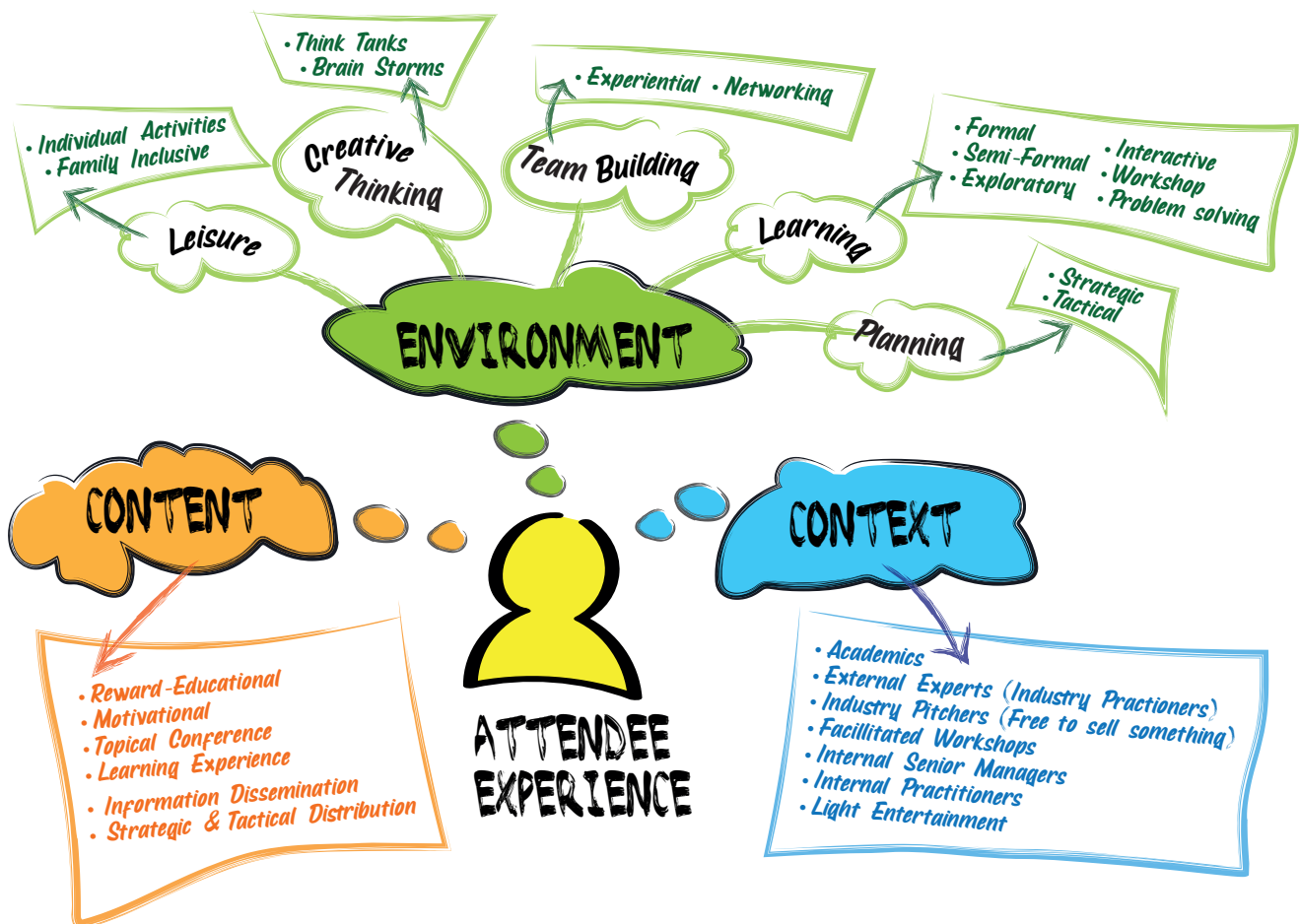
The traditional value proposition for a meeting or event used to be simple: give and get. Speakers gave ideas and concepts, while audiences were the recipients of the knowledge. Today, the value proposition of meetings takes on a new dimension as corporations are eager to justify the costs associated with such activities. The new formula for value is **give – get – use**. Senior executives are asking people in learning and development the extent to which the knowledge exchanged is actually being applied to benefit the organization. So all providers need to be prepared to demonstrate clearly where this benefit may lie.

Executive Education and ROI

Consider the following: return on investment for executive education assumes a single investment for a specific one-time activity; yet, we know that organizations are in a continual state of change, requiring more opportunities to communicate and exchange knowledge. Therefore, ROI is not an accurate indicator because it fails to consider each individual meeting as part of a **continuous process** of knowledge acquisition. Learning and development professionals along with corporate meeting planners should look to the overall value proposition for

meetings and events as part of a strategic supplement to internal learning processes. In some cases, in organizations with limited resources for human capital development, meetings, events and executive education represent the only learning opportunities for employees during the course of a year, making the need for a clear value proposition even more critical.

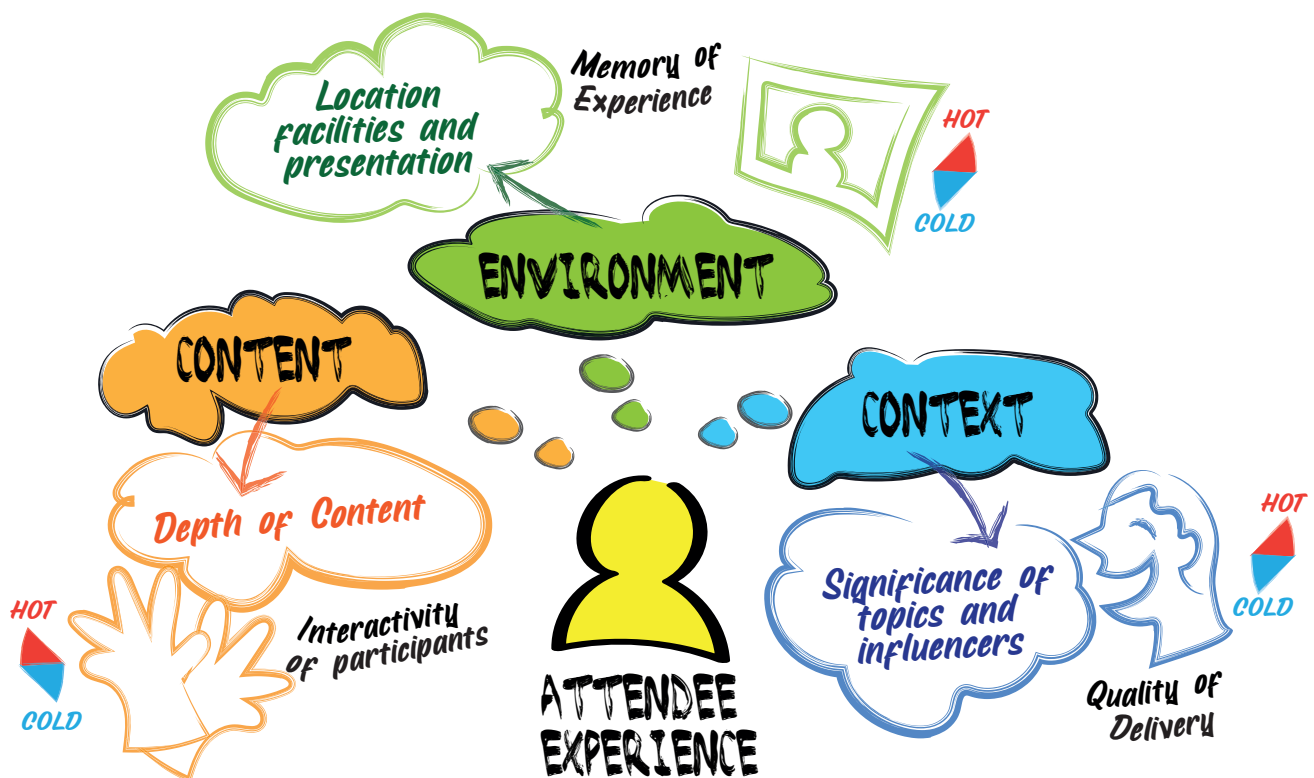
A better indicator of a meeting's effectivity is to develop a quantitative measure such as ROI in conjunction with qualitative measurement, Return on Education. The value proposition for today's meetings must place the attendee at the epicentre of the exchange measuring content (the knowledge to be disseminated), context (the way in which it is transmitted combined with its specificity to the audience) and environment (the location/venue best suited for the exchange) as illustrated in the following figure:



Executive education is an opportunity to leverage the knowledge and experience of people in a bi-directional dialogue. Simply, executive education interventions are a moment in time where the collective intelligence of an organization is assembled. Yet, most events of this type are still one-way exchanges. Attendees are looking for ways to apply what they have just learned to their corporate objectives. The underlying value proposition is to make the learning experience relative to the organization's relative output. Therefore, an event must fulfil a value framework where the benefit is assessed in terms of the qualities of being **memorable, credible, demonstrable, actionable and measurable**.

In this proposed framework, The attendee experience must be measured by the environment's associated impact on retaining knowledge, the value / volume of

content presented within a framework for exchange (or meeting type), and the context in which the content is presented for its direct and indirect applicability. The memorable aspect of the learning event is the wow-factor ('I learned something I did not know'), which challenges preconceptions and inspires further thought. Credibility is transmitted through story telling as an education relates past experiences to current opportunities and challenges. People learn when they can see or experience something for themselves; if a concept can be demonstrated in a relative context, people start to think of how to apply it to them. One of the most compelling aspects of an educational event is to create an output by a group that is actionable. For example, a top 10 opportunities list, taking a SWOT analysis and assigning resources to capitalize on opportunities. An actionable output means that what was just learned can be readily applied to various aspects of the business, explicit operating groups or specific individuals. Measurements can be linked to traditional key performance indicators and ROI calculations to enhance the overall value equation for event planners illustrated in the following figure:



Significant return on investment is difficult to predict before an actual event. Many variables conspire to retard actual ROI, such as how and when an attendee can actually apply what they have learned or experienced to their job. For example, providing sales people with the latest techniques should have a measurable impact on sales, because once the attendee learns how to apply what they have acquired at the event to their sales process. But to be effective, attendees need to be empowered to make the corrective change to the organization or business process. Corporations that look to justify executive education by measuring issues such as lost opportunity cost (taking a salesperson away from selling to attend the meeting) send an unclear message to employees about their worth as a commodity (but not as an asset worth an investment). What is more important

is that the content of the event resonate with the attendees so the knowledge and information can be applied to demonstrable results. For example, recently learned sale closing techniques reduce time to contract signing by 3 days or increased new contracts by 8%. The need for measurement is also true for providers of executive education who must convey to learning and development organizations that they are not simply buying an event, they are investing in a process in which the event's effectivity is actually measured during and at several times after the event.

It is critical to convey to learning and development planners that in today's business climate, all events must contain two key drivers: and educational element (e.g. theory, best practice, case study, the content which will improve the skills, competencies and / or alter the behaviours of the employee) and a practical application of the newly acquired insight (e.g. tools, approaches, methods that will be deployed post-intervention). The key is to give attendees tools to apply what they have learned to existing opportunities and challenges they face on their job or across their organization. Every learning event should contain interactive activities that produce an output that can be applied to current or future needs of the organization. For example, group activities can be crafted to develop various elements of a strategic initiative whereby the outputs can be used to create an overarching plan (e.g. the CEO's agenda, the strategy road map or implementation checklist).

One aspect of executive education that is often difficult to quantify is the fact that people enjoy meeting peers and exchanging ideas on a one-to-one and group basis. The social aspect of an executive education experience involves creating a dialogue between executives and establishing new networking connections. The informal exchange is often where senior leaders find inspiration, techniques and tips to motivate the organization, learn from failures and successes and discuss an idea in which their own organization might not be ready to discuss (e.g. what are the implications of this if we do that). Even leisure-based events should communicate to attendees a sense of acquiring new insight, accomplishment or learning. When Learning and Development organizations are asked to measure the true ROI of any event, they must use a comprehensive set of tools to assess the total impact on the attendees' ability to apply newly found knowledge. The key learning is that the Return on Investment for a learning organization must be more than just a quantifiable number; it must reflect the specific goals and objectives of a meeting or event in the context of what the corporation is trying to achieve to reveal a true Return on Corporate Education (RoCE).



About the Author:

Joseph DiVanna is the Managing Director of Maris Strategies a Cambridge (UK) based think-tank for business innovation and author of numerous books on business, banking, technology, finance and human capital management.

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