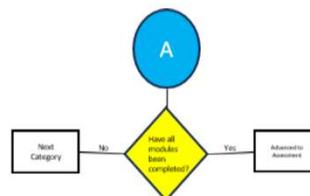
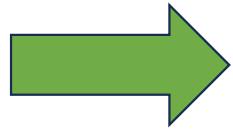
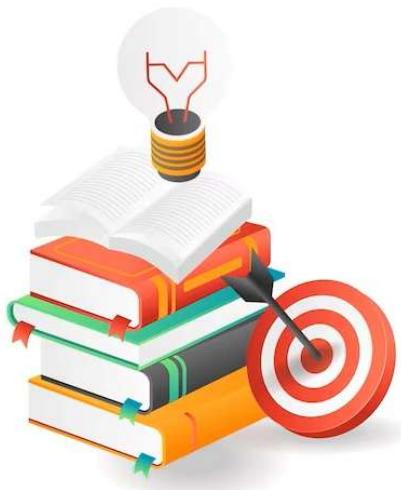


Training Evaluation 101

How to successfully evaluate a training program.

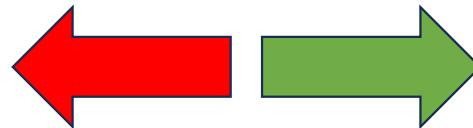


Pg#	On-Screen Text	Visual Media	Audio Media
1 Main	<p>Training Evaluation 101</p> <p>How to successfully evaluate a training program.</p>		<p>Hello. Welcome to Training Evaluation 101. Today we will teach you how to successfully evaluate a training program. Press the green arrow to go to the next slide.</p>
<p>Navigation</p>			
<p>Next Slide</p>			

Pg#	On-Screen Text	Visual Media	Audio Media
2 Main	<p>Learning Objectives</p> <p>By the end of this lesson, the learner should be able to:</p> <ul style="list-style-type: none"> • Calculate and analyze return on investment. • Define training outcomes. • Understand the evaluation process. • Explain why we need to have a training evaluation. 		<p>Here are today's learning objectives. You should be able to do the following after completing this e-learning exercise.</p>

Navigation

Previous
Slide

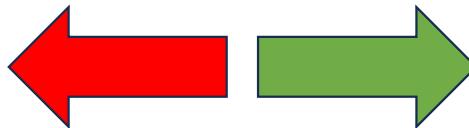


Next Slide

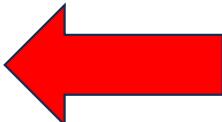
Pg#	On-Screen Text	Visual Media	Audio Media
3 Main	Click on the green arrow to go to the next slide. Click on the red arrow to go to the previous slide. The next slide has a main menu that will allow you to choose which lesson that you want to do first. Click any of the four lessons to get started. Each lesson has one quiz question at the end.		Click on the green arrow to go to the next slide. Click on the red arrow to go to the previous slide. The next slide has a main menu that will allow you to choose which lesson that you want to do first. Click any of the four lessons to get started. Each lesson has one quiz question at the end.

Navigation

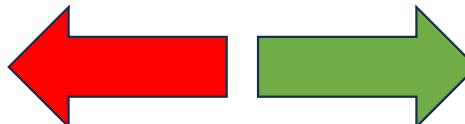
Previous
Slide



Next Slide

Pg#	On-Screen Text	Navigation (Top)	Navigation (Directions)
4 Main	Please select a topic	Return on Investment Training Outcomes The Evaluation Process Why do we need a training evaluation? Final Assessment	Go to 5.1 Go to 6.1 Go to 7.1 Go to 8.1 Go to 9.1
	Navigation (Bottom) Previous Slide		

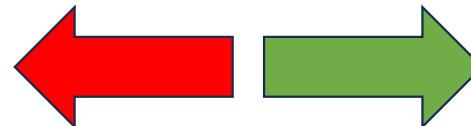
Pg#	On-Screen Text	Visual Media	Audio Media																												
5.1	<p>Return on Investment</p> <ul style="list-style-type: none"> • Cost-Benefit Analysis: is the process of determining the economic benefits of a training program using accounting methods that look at training costs and benefits. • ROI = • [(Benefits – Costs)/Costs]*100 	 <p>A financial document with a pie chart showing data for months from January to December. Below the pie chart is a table with numerical values in each cell. A pen is resting on the document.</p> <table border="1"> <tr> <td>5,058</td> <td>154,568</td> <td>95,054</td> <td>124</td> </tr> <tr> <td>25,487</td> <td>56,845</td> <td>97,511</td> <td>124</td> </tr> <tr> <td>24,000</td> <td>110,000</td> <td>99,011</td> <td>1</td> </tr> <tr> <td>105,450</td> <td>150,000</td> <td>99,216</td> <td>101,090</td> </tr> <tr> <td>86,502</td> <td>35,000</td> <td>101,684</td> <td>101,962</td> </tr> <tr> <td></td> <td>83,000</td> <td>101,962</td> <td>102,747</td> </tr> <tr> <td></td> <td>45,000</td> <td></td> <td>100,606</td> </tr> </table>	5,058	154,568	95,054	124	25,487	56,845	97,511	124	24,000	110,000	99,011	1	105,450	150,000	99,216	101,090	86,502	35,000	101,684	101,962		83,000	101,962	102,747		45,000		100,606	<p>Return on investment is an important training outcome. This section discusses how to calculate ROI through a cost-benefit analysis. Cost-benefit analysis in this situation is the process of determining the economic benefit of a training program using accounting methods that look at training costs and benefits.</p>
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<p>Navigation</p>		<p>Previous Slide</p>	<p>Next Slide</p>																												



Pg#	On-Screen Text	Visual Media	Audio Media
5.2	<p>Determining Costs</p> <p>Seven categories of cost sources are:</p> <ul style="list-style-type: none"> • Program Development • Instructional Material • Equipment • Travel and Lodging • Trainers' Salary • Lost Productivity due to Training • Temporary Employees <p>One-time costs:</p> <ul style="list-style-type: none"> • Needs Assessment • Costs per Trainee 		<p>Accounting is an essential method to calculate costs. This process involves breaking up costs based on the source of the cost. Different areas of the training program incur different costs. These costs can be organized and tracked in a timely and efficient manner.</p>

Navigation

Previous
Slide

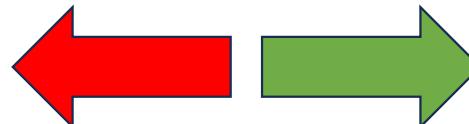


Next Slide

Pg#	On-Screen Text	Visual Media	Audio Media
5.3	<p>Determining Benefits</p> <p>Types of benefits:</p> <ul style="list-style-type: none"> • Reduce Overtime Costs • Reduce Production Costs • Reduce Accidents • Increase Repeat Business • Increase Revenue 		<p>Benefits are usually economic and save on costs or increase revenues. To identify the potential benefits of training, the company must review the original reasons that the training was conducted. A needs assessment usually determines if training needs to be conducted.</p>

Navigation

Previous
Slide

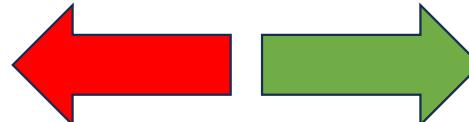


Next Slide

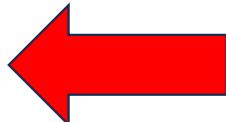
Pg#	On-Screen Text	Visual Media	Audio Media																																																												
5.4	Determining Costs for a Cost-Benefit Analysis	<table border="1"> <tbody> <tr><td>Direct Costs</td><td></td></tr> <tr><td>Instructor</td><td>\$ -</td></tr> <tr><td>In-House Instructor</td><td>\$ 1,500.00</td></tr> <tr><td>Fringe Benefits</td><td>\$ 375.00</td></tr> <tr><td>Travel Expenses</td><td>\$ -</td></tr> <tr><td>Materials</td><td>\$ 3,360.00</td></tr> <tr><td>Equipment/Classroom Space</td><td>\$ 600.00</td></tr> <tr><td>Refreshments</td><td>\$ 672.00</td></tr> <tr><td>Total Direct Costs</td><td>\$ 6,507.00</td></tr> <tr><td>Indirect Costs</td><td></td></tr> <tr><td>Training Management</td><td>\$ -</td></tr> <tr><td>Administrative Salaries</td><td>\$ 750.00</td></tr> <tr><td>Fringe Benefits</td><td>\$ 187.00</td></tr> <tr><td>Postage, Shipping, and Telephone</td><td>\$ -</td></tr> <tr><td>Learning Materials</td><td>\$ 224.00</td></tr> <tr><td>Total Indirect Costs</td><td>\$ 1,161.00</td></tr> <tr><td>Development Costs</td><td></td></tr> <tr><td>Fee for Program Purchase</td><td>\$ 3,600.00</td></tr> <tr><td>Instructor Training</td><td>\$ -</td></tr> <tr><td>Registration Fee</td><td>\$ 1,400.00</td></tr> <tr><td>Travel and Lodging</td><td>\$ 975.00</td></tr> <tr><td>Salary</td><td>\$ 625.00</td></tr> <tr><td>Benefits</td><td>\$ 156.00</td></tr> <tr><td>Total Development Costs</td><td>\$ 6,756.00</td></tr> <tr><td>Overhead Costs</td><td></td></tr> <tr><td>Organizational Support/Management</td><td>\$ 1,443.00</td></tr> <tr><td>Total Overhead Costs</td><td>\$ 1,443.00</td></tr> <tr><td>Compensation for Trainees</td><td></td></tr> <tr><td>Trainees' Salaries and Benefits</td><td>\$ 16,969.00</td></tr> <tr><td>Total Training Costs</td><td>\$ 32,836.00</td></tr> </tbody> </table>	Direct Costs		Instructor	\$ -	In-House Instructor	\$ 1,500.00	Fringe Benefits	\$ 375.00	Travel Expenses	\$ -	Materials	\$ 3,360.00	Equipment/Classroom Space	\$ 600.00	Refreshments	\$ 672.00	Total Direct Costs	\$ 6,507.00	Indirect Costs		Training Management	\$ -	Administrative Salaries	\$ 750.00	Fringe Benefits	\$ 187.00	Postage, Shipping, and Telephone	\$ -	Learning Materials	\$ 224.00	Total Indirect Costs	\$ 1,161.00	Development Costs		Fee for Program Purchase	\$ 3,600.00	Instructor Training	\$ -	Registration Fee	\$ 1,400.00	Travel and Lodging	\$ 975.00	Salary	\$ 625.00	Benefits	\$ 156.00	Total Development Costs	\$ 6,756.00	Overhead Costs		Organizational Support/Management	\$ 1,443.00	Total Overhead Costs	\$ 1,443.00	Compensation for Trainees		Trainees' Salaries and Benefits	\$ 16,969.00	Total Training Costs	\$ 32,836.00	<p>Costs are broken down into 5 main categories: direct costs, indirect costs, development costs, overhead costs, and compensation costs. Determining these costs are essential for finding out the dollar value of training.</p>
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Navigation

Previous
Slide



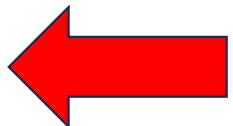
Next Slide

Pg#	On-Screen Text	Visual Media	Audio Media																															
5.5	Determining Benefits for a Cost-Benefit Analysis	<table border="1"> <thead> <tr> <th>Operational Results Area</th><th>How Measured</th><th>Results Before Training</th><th>Results After Training</th><th>Differences</th><th>Costs</th></tr> </thead> <tbody> <tr> <td>Quality of Panels</td><td>Percentage Rejected</td><td>2% rejected</td><td>1.5% rejected</td><td>0.5% rejected</td><td>172800 per year</td></tr> <tr> <td>Housekeeping</td><td>Visual Inspection</td><td>10 defects</td><td>2 defects</td><td>8 defects</td><td>Not Measurable</td></tr> <tr> <td>Preventable Accidents</td><td>Number of Accidents</td><td>24 per year</td><td>16 per year</td><td>8 per year</td><td>48000 per year</td></tr> </tbody> </table> <table border="1"> <thead> <tr> <th>ROI</th></tr> </thead> <tbody> <tr> <td>172800</td></tr> <tr> <td>48000</td></tr> <tr> <td>32836</td></tr> <tr> <td>32836</td></tr> <tr> <td>=((A15+A16-A17)/A18)*100</td></tr> <tr> <td>572.43</td></tr> </tbody> </table>	Operational Results Area	How Measured	Results Before Training	Results After Training	Differences	Costs	Quality of Panels	Percentage Rejected	2% rejected	1.5% rejected	0.5% rejected	172800 per year	Housekeeping	Visual Inspection	10 defects	2 defects	8 defects	Not Measurable	Preventable Accidents	Number of Accidents	24 per year	16 per year	8 per year	48000 per year	ROI	172800	48000	32836	32836	=((A15+A16-A17)/A18)*100	572.43	<p>In this example, benefits are determined by: quality of panels, housekeeping, and preventable accidents. These benefits save the company on costs through less defects and less workplace accidents. Return on investment is calculated after costs and benefits are recorded.</p>
Operational Results Area	How Measured	Results Before Training	Results After Training	Differences	Costs																													
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<p>Navigation</p> <p>Previous Slide</p>		 	<p>Next Slide</p>																															

Pg#	Question (Multiple Choice)	Answer Choices/Explanation	Correct/Incorrect Layer																					
5.6	<p>The benefits and costs are shown in the table. What is the ROI after the training program has been implemented for 5 years?</p> <table border="1"> <thead> <tr> <th>Years</th> <th>Benefits</th> <th>Costs</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>1000</td> <td>850</td> </tr> <tr> <td>2</td> <td>1200</td> <td>650</td> </tr> <tr> <td>3</td> <td>1350</td> <td>950</td> </tr> <tr> <td>4</td> <td>950</td> <td>1000</td> </tr> <tr> <td>5</td> <td>1500</td> <td>1000</td> </tr> <tr> <td>Total</td> <td>6000</td> <td>4450</td> </tr> </tbody> </table>	Years	Benefits	Costs	1	1000	850	2	1200	650	3	1350	950	4	950	1000	5	1500	1000	Total	6000	4450	<p>A. 150% B. 133.33% C. 67.69% D. 34.83%</p> <p>Correct Answer D</p> <p>Explanation: $[(6000-4450)/4450]*100 = 34.83\%$ The return on investment is 34.83%</p>	<p>Correct</p>  <p>Incorrect</p> 
Years	Benefits	Costs																						
1	1000	850																						
2	1200	650																						
3	1350	950																						
4	950	1000																						
5	1500	1000																						
Total	6000	4450																						

Navigation

Previous
Slide



Menu

Main Menu