

How to Get More ROI: Return on Intelligence

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Some years ago my teenage son returned from a weekend retreat with a youth group he is involved with. The “program” was focused on culture and sounded promising. My expectation was that he would return from the retreat with practical learning about how different cultures approach the world—an area of great interest for me. Upon his return, I was excited to query him about what he learned and what I might learn from him. I did learn something! His objective for the retreat was to solidify some friendships that had fallen off with time—the content was of little interest. Was this trip a success? Did he achieve his objectives? Absolutely!

This example, although personal, is representative of similar ‘outcome confusion’ that occurs in many of the organizations I know. Performance has become the driving force of our industry. This is not new! Harold Geneen, CEO of Int’l Telephone and Telegraph (early in the 20th century) said it this way:

“I think it is an immutable law in business that words are words, explanations are explanations, promises are promises – but only performance is reality”.

We have all been challenged with this key question: Without performance outcomes, what is the purpose of training and learning design? Wanting performance is not enough however. How we define performance is critical to the success of each project we engage in. Why? My definition of performance might be very different from yours.

How do **you** measure successful performance? Take a moment to think about it. Would your definition of successful performance be any different than that of your co-workers? Your customers? Your boss? Your family? What criteria do you use to measure that performance?

Performance, like anything else is in the eye of the person defining it. Understanding your definition of performance is key to attaining truly successful business outcomes.

As we have talked with individuals in different organizations, we have seen evidence of different definitions of performance, with a wide range of criteria emerging. For one organization, the “bottom line” saving of \$500,000 as a result of their “program” was **the** indicator of performance (even though one of the stated initial objectives had been “culture change”). This was in contrast to another organization that had significantly improved customer relationships. The long-term impact would certainly impact their finances, but this huge success had been more difficult to quantify in financial terms than the latter. Yet another organization had experienced fewer job related injuries with a series of process improvements that would lead to incremental performance outcomes. How about the group that had greatly improved the ‘robustness’ of their ideas, improving the innovative output of their target teams. In many cases, the ultimate objective is improved business success. As we discuss ROI, we might want to define it as Barbara Thorton, previously at Krispy Kreme recently did: **Return on Intelligence.**

I have found it clarifying to diagnose performance success in four different ways.

Purpose, Process, People and Possibilities.

- **Performance with Purpose:** Those among us who prefer logical, analytical, rational thinking processes, like to measure success on the basis of quantifiable performance, such as money. How much? When? For how long? etc. **ROI-Investment**

- **Performance with Process:** Individuals, who prefer organized, sequential, structured, detailed thinking processes tend to measure success in terms of on- time completion of an event. Did it

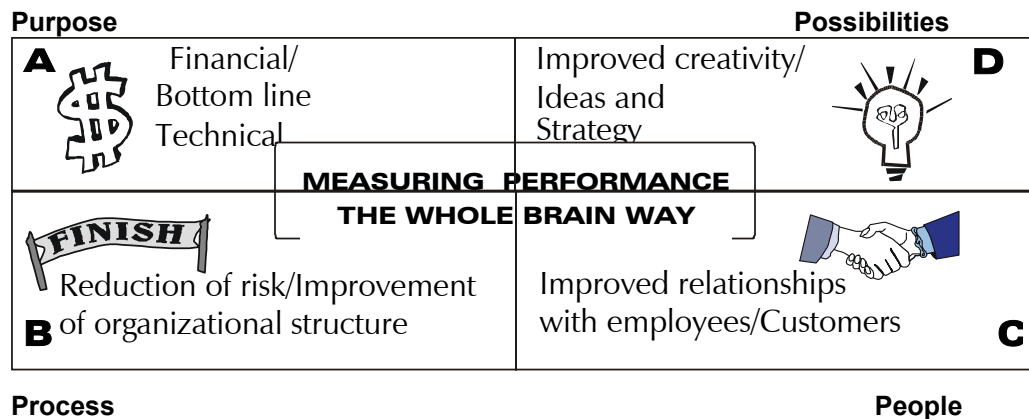
happen the way it was supposed to? Efficiently? On budget? Were the proper steps followed and completed? Was it legal and ethical? **ROI-Initiative**

- **Performance with People:** People who prefer an interpersonal, emotional, feeling and humanistic way of thinking would apply softer measures of success. For example: Were relationships improved? Did meaningful communications take place? Was learning achieved? Was help provided? Was happiness achieved? **ROI-Interaction**

- **Performance with Possibilities:** Those who prefer conceptual, imaginative, intuitive and holistic modes of thinking would typically measure success in terms of providing problem solutions, and achieving creative Ahas! They would value achievements that were unique, future oriented and global in concept. They would often place more

value on success if there were risks involved that had been surmounted. **ROI-Innovation**

To ensure success as perceived **by all**, you need to determine the nature of the performance outcomes. We cannot become so focused on financial outcomes that we forget other critical and often essential approaches that will ultimately lead to those outcomes. Thus, the definition of performance success of a training program, e-learning initiative, consultative intervention, etc is directly correlated to the "type" of definition we use. Some are more left brained: A) Financial/Bottom Line Performance; B) Reduction of Risk/Improvement of the Organizational Structure. Others are more right brained: C) Improved Relationships with Employees/Customers; D) Improved Innovation, better Ideas and Strategy. All are essential to company success. Clearly to be successful, a whole-brained definition is needed.



As you reflect on your approach, it is helpful to use the above model as a "sorting" device to better define performance success as it relates to your own definition. Then look at your customer's definition(s), your boss', your co-workers'.

Ideally we all want:

- A) Revenue growth/profitability
- B) Achieving plans and goals on schedule
- C) Employee and customer satisfaction
- D) Good long term strategy and innovative/proactive thinking.

All four are essential, but which do **you** emphasize? Which do you actually measure? How

would your team define success from their perspective?

On occasion, you may need to "translate" your outcomes into another success criteria. I find that in our profession we struggle but often do our best to translate the outcomes into quantifiable "bottom line" terms.

If you "use your head" as you define success, you will put your whole brain to work and maybe find success and performance in places you didn't even recognize! To truly optimize your Return on Intelligence, go "**head first**"—results will follow.