

Education Adds Value, but how can HEIs demonstrate this to Employers?

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1. Abstract

Introduction Universities are encouraged to engage with employers through academic programmes. Such programmes are expensive, and it is increasingly important to demonstrate tangible returns on investment (ROI), or expectations (ROE)). However ROI/E is not generally part of academic vocabulary.

Purpose To explore employers' needs and expectations for tangible returns from University collaborations, to propose a model for course design incorporating ROI/E.

Design/methodology/approach Focus groups with managers engaged with WBL programmes, in depth interviews with managers supervising learners.

Findings Initial research indicates strong demand from employers for the measurement and demonstration of 'returns' from University programmes.

Research limitations/implications Follow up work with individual employers to develop and test a model with a WBL cohort is planned.

Originality/value This model will assist HEIs to design WBL programmes, importantly also help corporate budget holders to demonstrate ROI/E from academic programmes, thereby encouraging more collaborations, in turn improving alignment of HE with industry needs.

2. Introduction

Universities have traditionally measured successful outcomes of academic programmes as the number of students achieving their qualification (with the appropriate proportion of firsts etc), while the employers' view of 'success' is independent of the qualifications, and more to do with outcomes in the workplace. When discussing the outcomes of training and development on employees, employers use language such as performance, productivity and effectiveness. Universities on the other hand, use terms such as problem solving, analysis and enquiry to describe the academic 'skills' they attempt to develop. The intended outcome from this research will be to improve HEI understanding of employers' need to demonstrate tangible ROI to budget holders, and to use this at the point of course design, to embed suitable metrics which meet the needs of both academic standards and work place performance.

3. Research Context

Much previous research has been in the employer (business) domain, and has focused on providing models for measuring ROI [1,2] while others have focussed on Evaluating training against business objectives [3] Some papers describe training evaluation in public organisations or specific companies[4,5,6] while others take a macro economic view of national training investment and ROI [7,8].

While it remains widely recognised and applied in industry, there has been some criticism of the Kirkpatrick model, for example Bates [9] describes three major limitations of its use:

- ◆ The oversimplification and the incompleteness of the model.
- ◆ The untested presence of a cause-effect relationship among the different levels.
- ◆ The unproven progressive importance of information moving from the first level to subsequent ones.

Other papers [10] identify the fact that the model is rarely used to its full extent, as most organisations only evaluate level 1 and 2.

While the majority of current research takes a view from a corporate HR perspective, with the ROI aim of providing internal managers with a monetary evaluation of HR training programmes, there seem to be little evidence of research where Universities collaborate with Industry to explore mechanisms for demonstrating ROI on academic programmes for work based learners.

4. Research Questions

The aim of this research is to explore in the context of collaborative academically based training and development programmes:

What do employers want to achieve through their academic programmes

How can these programmes demonstrate returns on the investment

How can this information can be used to influence course design.

5. Research methods

The research includes focus groups with senior managers from companies engaged with University collaborative WBL collaborations. It also includes in depth interviews with line managers involved in supervising employees engaged with WBL qualifications. The data collected will be analysed to identify themes in addressing the research question identified above. Data will then be used to formulate a model for course design, to be tested with future cohorts of WBL.

6. Preliminary Findings

Data from an employer focus group was analysed and a number of themes emerged. These are outlined in the following sections.

Employer aspirations

Employers are not concerned with qualifications per se – although they do appreciate that the achievement of a recognised qualification is a motivating factor for the employees involved. Instead discussion centred around the employer expectations from University academic programmes. Two main themes emerged – around the individual performance of the employees on the programme, and then more significantly around the organisational impact of the programme. These are discussed in brief, but are the subject of follow up research.

Impact on Individuals:

- ◆ individual progression within their employment role
 - ◆ development of ‘soft skills’ – e.g. professionalism, communication, time management
 - ◆ Gateway to technical skills,
 - ◆ Opportunities for professional certification e.g. ITIL

Impact on Organisation:

- ◆ Supporting the strategic aims of the organisation – enable future looking and horizon scanning
- ◆ Increasing ‘business awareness’ and ‘intra-preneurial’ behaviours
- ◆ Culture of communication – across functional areas
- ◆ Sharing knowledge, and standardizing best practice

Measurement

While there is a widely recognised and applied model for ROI measurement (Phillips and Phillips) (APPENDIX 1) the consensus from employers was that applying monetary value to outcomes was problematic. The data collection methods recommended with the model were also considered inappropriate for the measurement of the more intangible, but highly desirable organisational effects described above. However it was acknowledged that positive outcomes on employees involved in academic programmes were observable and line managers were confident that effects were both tangible and sustained. This led to the conclusion that line managers were either practically or intuitively observing/ measuring performance and that capturing this as a metric would be an ideal way to measure impact of programmes on work performance, albeit in a non-monetary format.

7. Summary:

Initial research has confirmed that employers engaging with HEIs through WBL programmes do require a mechanism for demonstrating 'returns', but not necessarily in the form of a monetary ROI. A favoured model would be a mechanism for capturing metrics used in 'normal' performance measurement and applying these to a model for 'Return on Expectations'. Having these metrics established at the course start would assist all stakeholders (HEI, Learner, Employer) in demonstrating 'returns' from WBL.

8. Further work:

Results so far indicate that a model for Return on Expectations at the course design phase would assist both academic and corporate stakeholders. This should be developed in collaboration with an employer, and tested on a cohort of employees beginning a new academic programme of WBL. Data collected should then be analysed and used to evaluate the model.

9. Impact:

If successful, the adoption of a model at the course design phase will embed the principle of demonstrating tangible returns from WBL, and thus encourage further industry / University collaborations of this nature, in turn meeting the higher level objectives of developing University curriculum to support the needs of industry, and the up-skilling of employees through WBL.

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