UNITED PETROLEOUM INTERNATIONAL ("UPI")

PURPOSE:

MY ANALYSIS ON HOW THE COMPANY APPROACHED MEASURING THE SUCCESS OF THEIR PROPIETARY TECHNOLOGY LEARNING COMPETENCY PROGRAM ("TLC" PROGRAM) – AN ELEARNING SUITE AIMED AT IMPROVING SALES, MONTHLY CLOSING RATIOS, AND CUSTOMER SATISFACTION. NO SMALL FEAT. LET'S SEE WHAT I THOUGHT OF IT.

REQUIREMENT:

READ AND EVALUATE THE CASE STUDY AND RESPOND TO FIVE SPECIFIC QUESTIONS, INCOPORATING LESSONS LEARNED FROM OUR READING THIS SEMESTER, AND OTHERS AS I DEEM APPROPRIATE FOR MY ARGUMENT. INCLUDE REFERENCES/CITES, AS APPLICABLE.

RATHER THAN PROVIDE AN ANNOTATED SUMMARY OF THE CASE STUDY, I WILL ASSUME THE READER KNOWS THE CASE AND I WILL JUMP IN TO ANSWERING THE QUESTIONS TO MAKE BEST USE OF MY SPACE/PAGES REQUIREMENT.

WITH NO REQUIREMENT LISTED FOR FONT/SPACING, I AM APPLYING WHAT I LEARNED IN PRIOR CLASSES – TIMES NEW ROMAN, FONT SIZE 12, DOUBLE SPACED – FOR THE BODY OF THE PAPER.

QUESTION #1 – IDENTIFY THE INFLUENCING FACTORS THAT CONTRIBUTED TO THE SUCCESS OF THE TLC PROGRAM.

There are numerous factors that contributed to the overall success of UPI's TLC Program. I list the significant factors – and my impression of each – in the table below:

EVP owner/sponsor	Getting executive management involved up front – and to sponsor such a significant training event – is critical. The EVP most likely owns the funds/budget for such monumental training and has ideas about expected outcomes. The fact that the EVP assigned the project to the manager of sales training to oversee and develop gives me a favorable impression of trust in the manager to develop the team.
Manager of sales training - owner	The manager seemed to understand the request and gathered a competent development team that considered – and included – technical writers, graphic designers, learning technology specialists, SMEs, and consultants who had experience in developing similar programs.
Project team	In addition to the above qualified parties, the development team field tested objectives and overall design with line managers, SMEs, and other interested and responsible parties such as HR to validate the design and objectives before diving into the actual training content. The forethought to do this – amidst a tight deadline for completion – most likely saved time in the long run.
Consideration of business objectives in design	As mentioned above, knowing, and understanding the business objectives are critical to the development of impactful and productive training. This gets to the "why" a training exists, and in this case, the EVP had specific measures in mind to improve upon.
Delivery method concerns addressed up front	The team suggested a modular eLearning approach, given the geographical concerns as well as the nature of how the sales force and engineers worked (remote, and on their own time). Beliefs that face-to-face training might be more beneficial, the team responded with field testing to gauge both viability and credibility – and to eventually gain support on the approach.
Intuitive and tailored design	This was truly clever (and side note, I must learn). Participants were initially tested on their skills to determine a starting point in the suite. Training was technology enabled to capture participant responses which then triggered next steps – both in real world scenarios and redirection (or satisfactory completion was achieved). This made the experience unique to each participant! The course included programmed mechanisms to capture paths chosen by a participant, how they responded, where they got tripped up, and results of questions – all of this HARD data could then be distilled into meaningful report outputs. The team designed with the end goal in mind at all times – exceptional in my opinion.

Pre/post tests planned	To accommodate a large, geographically diverse workforce, the entire participant group was tested prior to completing the training to establish individual baselines on skillset as well as to determine which module each participant would start with – this factored in experience of the individuals to avoid them having to complete modules that were unnecessary. It also gave management HARD data again – that could be compared to results of a post-training test of knowledge (hopefully) gained.
Evaluations	This group was required to present on level 5 evaluation (ROI) – and therefore level 1-4 evaluations also needed to be completed - as well as consideration of intangibles. This really helped establish the need for thoughtful and informed design from the start. The design of questionnaires, plans for manager involvement with post evaluations, and tracking of costs were just a few activities that the team implemented thoughtfully and successfully.
Special coaching module	The 8 managers in charge of the 117 sales engineers were tasked with completing all TLC modules plus a special coaching module designed to help them with follow on evaluations, coaching, and in identifying additional learning opportunities. Despite the aggressive timeline for developing the project, the team knew the importance of Level 3 and 4 evaluation and had the foresight to build out what was essentially performance support for the managers.

There are many more critical success factors that contributed to the effectiveness of the TLC program, but the above stuck out for me as significant. From inception to launching, completion to reporting, and eventual evaluation, the entire development team considered all mechanisms to promote achievement of critical business objectives.

QUESTION #2 – HOW WOULD I CONVINCE MANAGEMENT THAT A CONTROL GROUP ARRANGEMENT WOULD BE BENEFICIAL TO THE STUDY?

My gut initial response answer is that I wouldn't. Given the extremely tight deadline for development (stipulated by the sponsor) I am not sure they would have the appetite or bandwidth to undertake a control group study that might leave an entire group vulnerable to comparatively reduced metrics. We were not provided with insights to determine why or why not a control group wasn't recommended by such a competent development team.

However, there may have been a missed opportunity to strengthen the credibility of the project OR identify geographical or experience-level anomalies. Given that the team designed a pre-test for all 117 sales engineers, they were handed information that could have helped carve out a natural control group. Per our course reading:

"The **ideal method to isolate the impact of training is the use of control groups in an experimental design process**. In fact, **experimental design is touted as the only real way to demonstrate cause-and-effect**.[1] This approach involves the use of an experimental group that attends training and a control group that does not. The **groups' composition should be as identical as possible and, if feasible, participants for each group should be selected randomly**. When this is achieved and both groups are subjected to the same environmental influences, the **difference in the performance of the two groups can be attributed to the training program**." (Phillips, 2016. p208)

In the UPI case, the team may have been able to isolate a sub-section of similarly skilled participants to complete even one or two modules to "prove" the training. Likewise, if geographical considerations (country-specific business norms or even laws) were of concern or interest, a control group testing approach could result in additional insights and even opportunities for additional and needed content.

I do believe I could articulate the benefits of adding a control group, however in this case I do not have enough information to warrant it. I may get marked down, but I believe the TLC project was successful "as is" – and I maintain that the several mentions of time constraints and tight deadlines might make adding a control group prohibitive – in this specific case. We are told utilizing control groups is the ideal, however, they do have inherent challenges – time being a major one. I would strive to be mindful of that and would not blindly recommend them. In the UPI case, I would perhaps mention them in the

design stage - to consider what I stated above. I actually would be curious if additional insights could be drawn out from geographical differences, more than anything.

QUESTION #3 – WHAT RECOMMENDATIONS WOULD I MAKE TO MANAGEMENT TO CONVERT CUSTOMER SATISFACTION IMPROVEMENTS TO A MONETARY VALUE?

In planning for recommendations, I would be most interested in seeing the questions UPI asks of their customers normally and if specific to this study. From that, I feel I could make more tailored and relevant recommendations such as:

1) If warranted, update the customer satisfaction surveys to capture data needed for contributing to ROI – if they were just basic satisfaction questions, then enhance them to obtain customer-specific hard data such as likelihood of increased sales, history of sales, perception of skillset of their contact, and recommendations for improvement.
2) Use readily available data from the accounting and sales systems to derive values. Each customer most likely has a unique account identifier assigned. Historical data (high on credibility) such as sales volume, increases or decreases to sales by month, and even drop-offs or exits can all be derived from internal systems and are factual in nature to add credibility. Over time, sales trends prior to, and post training may move towards predictability.
3) Consider what I call 'relationship' calls – long term, loyal customers would have no issue with a concise check-in call to ask some hard questions (hard for UPI – may produce some unfavorable feedback). In my career experience, this activity can be invaluable to course correct on items that may not even be on management's radar.

I would argue that sales outcomes for UPI is vastly important – so important that improvements to sales, monthly close rations, and customer satisfaction were the three main program objectives and of utmost interest to the EVP.

Per our course reading:

"In some programs, **intangibles are more important than monetary measures**. Consequently, **these measures should be monitored and reported** as part of the program evaluation." (Phillips, 2016. p254).

In order to convert an intangible – such as customer satisfaction – to a monetary value, the team would need to take five steps:

1) Determine the unit of measurement – in the UPI case this might be a rating or actual dollar value (depending on the survey or by using historical data) – this would need to be vetted with the EVP and Manager of Sales, as well as with input from Finance/Accounting and some senior sales engineers.
2) Determine the value of each unit – using the same group as in item #1. There must be consensus and agreement on what is being measured to remain credible and usable.
3) Calculate the change in unit data – prior to training, and after training. Be conservative in identifying changes and get support from customers if available (via survey responses or a quick check-in call)
4) Calculate an annual value for the change next – even though the benefits from training may fluctuate over one year, an annualization is the standard and most likely follows similar activities throughout the organization. For example, sales increased $X in the 3 months following the TLC program, and sales engineers were able to validate with customers that increased knowledge/skill contributed to their purchase – so UPI has a data point to be able to annualize the incremental sales.

5) Lastly – calculate an annual value for a change in performance. Typically, this would be a simple calculation of step #4 x step #1. Because customer satisfaction starts off as an intangible, it would be critical for all internal stakeholders to agree on what is reasonable and credible. Converting a viable intangible to a monetary value, though,

> …"produce[s] an output describing a compelling reason to invest, or continue to invest, in an HRD program." (Phillips, 2016. p228).

I believe there is a strong and compelling argument here to try to convert customer satisfaction – one of the three main objectives of the TLC Project – into a monetary value.

> "When the program impact is captured, all these [initial] measures have changed [due in part to passing time], leaving a myriad of improvements, difficult to appreciate without a conversion to monetary value. **When the first-year monetary value is developed for each of the measures, the results provide the evaluator and sponsors with a sense of the impact of the program**, and by **converting all measures to money, evaluators can add program benefits together, reporting a total benefit of the program**. **Without converting to monetary values, understanding the full contribution is difficult**." (Phillips, 2016. p227)

QUESTION #4 – HOW CREDIBLE ARE THE ESTIMATES IN THIS EVALUATION?

In my opinion, the methods employed by the project development team to arrive at costs and values at UPI were comprehensive, conservative, and most importantly started with a detailed data collection plan that was vetted with all pertinent stakeholders including finance/accounting. They recognized the need to be conservative with any estimations.

In isolating the effects of the TLC Project, however, UPI used participant and manager estimates to calculate some critical measures: the new incentive plan, market changes, management influence, as examples. Per our course reading, participant/staff/manager input on estimates are ranked towards the lowest level of credibility due in part to potential bias or from groups focused solely on internal measures or knowledge, primarily. The fact that UPI wanted market (external) changes factored in

begs the question why outside experts or even benchmarking was not used. Per the case study, UPI believed that managers could best estimate these critical measures due to their close oversight of the sales engineers.

Per our course reading, though:

"According to Guiding Principle 3, the most credible data source must be used. **The individual providing estimates must be knowledgeable of the processes and the issues surrounding the value of the data.** For example, consider estimating the cost of a grievance in a manufacturing plant. **Although a supervisor may have insight into what has caused a particular grievance, they may be limited in terms of a broad perspective**. **A high-level manager may be able to understand the total impact of the grievances and how that impact will affect other areas**. Thus, **a high-level manager would be a more credible source because of the broader perspective**." (Phillips, 2016. p245)

I don't know enough from the reading of the case study to determine if there are other layers of management within the UPI organization that could add a layer of credibility in this instance. I do believe there may have been a missed opportunity to strengthen it, however. The external consultants employed as part of the development team may have had access to world class benchmarking materials (I did at the two firms I worked for – and we used the benchmarking data ALL THE TIME). Even a comparative analysis within the industry or companies of similar size, sales volume, and geographies may have provided some interesting insights to add to the overall evaluation and assessment of the health of the sales organization at UPI. See my response to the final question, though, to see what I thought of overall.

QUESTION #5 - HOW CREDIBLE IS THIS STUDY?

For the simple fact that the program produced favorable results that were accepted and embraced by the key stakeholders, that were outputs of an extremely well-thought out and comprehensive design process, and that produced valuable (to UPI) insights and lessons

learned makes the overall study fairly credible – to UPI. Even UPI, in the written case study, identified missed opportunities that may have strengthened the overall credibility. They themselves mentioned consideration of control groups or a sales trend analysis to further enhance the findings with additional hard data.

I didn't see anything in the written case to dispute participant or management estimates on valuation of select sales metrics. I do believe, given the numerous mentions of a tight deadline and short project timeline for the program, that some of the normative components of a high standard study may have been sidelined in this case. I also believe that UPI were conservative in their approach to estimations – and in fact, did not include customer satisfaction ratings in the ROI calculation; they perhaps ran out of time or did not have time to modify client surveys to accommodate capturing new data for this project. I greatly respect the consideration given to the design of the entire program up front. The development team definitely started the project with the end goal in mind. They included so many layers of design experts and external consultants to produce an innovative and effective suite of learning. The programmed technology mechanisms built into the learning produced invaluable hard data points for the team to analyze.

When I wrote audit and BOD reports – and taught others how to write them – I always considered an outside view perspective. What would an independent outsider think of the findings, the methods employed, and the details behind the work? With an audit, we were taught to document "just enough" so that an independent person could perform the same test, using the same method, and encounter the exact same result. Completion, consistency, and credibility. Public accounting firms are subject to peer review – and this and much more is what the firms are judged on under such peer audits. So, if an external

EVP of Sales, knowing nothing about UPI or their sales environment, were to review the methodology, design, content, evaluation results, and re-perform the ROI calculation would they arrive at the same conclusion of success? Given the much-stated caveat of time constraints, and knowing there can be improvements made in future, I do believe others would be impressed with what UPI accomplished in a few short months. MONTHS. I was impressed and I am a hard sell.

To reiterate how I started my response to this final question, a study such as the TLC Project is "…**credible only if management believes the estimates**." (Wick, 2006. p 181). Therefore, it may not matter what others think. I would conclude by saying – fairly credible! With room for improvement.

REFERENCES:

Phillips, J. J., & Phillips, P. P. (2016). *Handbook of training evaluation and measurement methods*. Routledge Taylor & Francis Group.

Wick, C., Pollock, R., Jefferson, A., Flanagan, R. (2006). *The Six Disciplines of Breakthrough Learning.* John Wiley & Sons, Inc.