

# HRD PROGRAM EVALUATION: A TOOL FOR ASSESSING HRD EFFECTIVENESS

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## **ABSTRACT**

HRD programs stand as catalysts for workforce empowerment and organizational success. The strategic evaluation of these programs is not merely a post hoc assessment but a dynamic process that informs ongoing improvement and ensures alignment with strategic objectives. As organizations continue to face challenges and opportunities in the dynamic environment, it is necessary to timely evaluate the effectiveness of HRD programs. Organizations can use various available HRD evaluation models and predict the future trends to achieve the success at global level. For achieving the goal of effective workforce, the HRD program evaluation is emerging as a guiding force for an organization leading towards excellence, innovation and continuous growth.

Keywords: evaluation, effectiveness, HRD outcomes

## **INTRODUCTION**

The term effectiveness is a relative term. Typically, effectiveness is determined with respect to the achievement of a goal or a set of goals. HRD effectiveness must be determined with respect to the goals of the program or programs being examined. Therefore, it makes sense to ask the question of effectiveness more specifically. An HRD or training program can be effective in meeting some goals (like staying within the budget or increasing a participant's skills) and be ineffective in meeting some others (like improving customer satisfaction).

## MEANING AND DEFINTION OF HRD EVALUATION

HRD evaluation is defined as – "The methodical collection of vivid and judgmental information necessary to make effective training decisions related to the selection, implementation, value, and modification of various developmental, activities."

The important points highlighted in this definition are:

- 1. Evaluation involves the methodical collection of information according to a predetermined plan to ensure that the information is appropriate and useful.
- 2. While conducting an HRD evaluation, both descriptive and judgmental information should be collected.
- 3. Evaluation is conducted to help managers, employees and HRD professionals make informed decisions about particular programs and methods.

Evaluation of HRD Program can serve a number of purposes within the organization.

## NEED AND IMPORTANCE OF STUDY

Evaluation can build credibility with top managers and others in the organization. If HRD



staff cannot substantiate its contribution to the organization, it's funding and program may be revised during the budgeting process. Thus, evaluation is a critical step in the HRD process. It is the only way one can know whether an HRD program has fulfilled its objectives. HRD Evaluation helps to:

- 1. Establish whether a program is accomplishing its objectives as proposed.
- 2. Identify the strengths and weaknesses of HRD programs.
- 3. Conclude the cost-benefit ratio of an HRD program.
- **4.** Decide the number and nature of participants who benefited the most or least from the program.
- 5. Better and more informed decision making in future relating to design of HRD programs.

#### **OBJECTIVE OF THE STUDY**

To study and analyze the role of HRD program evaluation on improving HRD effectiveness in an organization

#### PROCESS OF HRD EVALUATION

Following are the various steps in HRD evaluation:

- 1. **Data Collection:** The first step of an evaluation effort requires the collection of data to providing the decision makers with facts and judgments upon which they can base their decisions is vital. Three important aspects of providing information for HRD Evaluation include data collection methods, types of data, and the use of report.
- 2. Research Design: Research design is significant to HRD evaluation as it specifies the expected results of the evaluation, the methods of data collection, and the method of data analysis.
- 3. Ethical Issues Concerning Evaluation: Many of the decisions supervisors and HRD professionals make when conducting HRD evaluations have ethical dimensions. Actions such as assigning participants to training and Control groups, reporting results, and the actual conduct of the evaluation study itself all raise ethical questions like that of confidentiality and biasness. Some evaluation research project involves asking participants questions about their or others' job performance. The results of these inquiries may be embarrassing or lead to adverse treatment by others if they are made public. Also supervisors dislike being rated by their subordinates on performance aspects and rater's bias can creep in. Halo effect, recency effect are other potential biases that can creep in.

Evaluation studies should be monitored by a review board to ensure that participants are aware that they are participating in a study and know its purpose, what they will be expected to do, and the potential risks and benefits of participating. In some cases, an investigator may feel that the study will yield better results if employees don't realize they are in an evaluation study, or if they are given some false or misleading information during the study. HRD professionals and their managers may feel pressurized to make sure that the results of their evaluation reveal that the program was effective. This may be one reason why meticulous evaluation of HRD programs is not done more often. The HRD people are the ones who design and develop, implement, and evaluate the program, if the evaluation shows the program was ineffective the HRD department may lose financial support and have their activities curtailed.



### MODELS FOR EVALUATION OF HRD PROGRAMS

Following are the various models of HRD Evaluation:

- 1. **KIRKPATRICK'S Evaluation Framework:** The most popular and influential framework for training evaluation was articulated by Kirkpatrick. Kirkpatrick argues that training efforts can be evaluated according to four criteria: reaction, learning, job behavior, and results.
  - **a. Reaction (Level 1):** Here the analysis is made to find out whether the trainees like the program and feel it was valuable? At this level, the focus is on the trainees' perceptions about the program and its effectiveness. This is useful information. Positive reactions to a training program may make it easier to encourage employees to attend future programs. But if trainees did not like the program or think they didn't learn anything (even if they did), they may discourage others from attending the program and may be reluctant to use the skills or knowledge obtained in the program. The limitation of evaluating HRD programs at the reaction level is that this information cannot indicate whether the program met its objectives by ensuring participant satisfaction.
  - b. Learning (Level 2): Here the attempt is to find out as to as whether the trainees learn what the HRD objectives meant to learn? This is an important criterion that an effective HRD program should satisfy. Measuring whether someone has learned something in training may involve a quiz or test clearly a different method from assessing the participants' reaction to the program.
  - c. Job Behavior (Level 3): Here the attempt is to see whether the trainee use what was learned in training back on the job? This is also a critical measure of training success. If learning does not transfer to the job, the training effort cannot have an impact on employee or organizational effectiveness. Measuring whether training has transferred to the job requires observation of the trainees on the-job behavior or viewing organizational records (e.g., reduced customer complaints, a reduction in scrap rate).
  - d. Results (Level 4): This level attempt to whether the training or HRD effort improved the organization's effectiveness? Is the organization more efficient, more profitable, or better able to serve its clients or customers as a result of the training program? Meeting this criterion is considered the "bottom line" as far as most managers are concerned. It is also the most challenging level to assess, given that many things beyond employee performance can affect organizational performance. Typically at this level, economic and operating data are collected and analyzed.

Many discussions about HRD evaluation are organized around Kirkpatrick's four levels of criteria. However, Kirkpatrick's approach has also been the target of considerable criticism and modification.

- a. Some authors point out that the framework evaluates only what happens after training, as opposed to the entire training process.
- A second criticism is that Kirkpatrick's framework would be better described as taxonomy of outcomes, rather than a true model of training outcomes.
- c. Kraiger, Ford, and Salas argue that Kirkpatrick's approach fails to specify as to what sort of changes can be expected as a result of learning and what



assessment techniques should be used to measure learning at each level.

d. Alliger and Janak question the validity of the assumptions that are implied by the framework. They suggest that it "may never have been meant to be more than a first, global heuristic for training evaluation."

Kirkpatrick responded to this criticism by stating that "I personally have never called my framework 'a model," and "I don't care whether my work is called a model or a taxonomy as long as it helps to clarify the meaning of evaluation in simple terms and offers guidelines and suggestions on how to accomplish an evaluation."

- 2. CIPP (Context, Input, Process and Product) Model: Galvin, building on studies in the education field, suggested the CIPP (Context, Input, Process, and Product) model. In this model, evaluation focuses on measuring the following:
  - a. context for training (needs analysis),
  - **b.** inputs to training (examining the resources available for training, such as budgets and schedules),
  - c. the process of conducting the training program (for feedback to the implementers), and
  - **d.** the product or outcome of training (success in meeting program objectives).

Galvin also reported survey results indicating that ASTD members preferred the CIPP model of evaluation to Kirkpatrick's framework. Warr et al. proposed a similar model.

- **3. Brinkerhoff Model:** Brinkerhoff extends the training evaluation model to six stages. He suggests a cycle of overlapping steps, with problems identified in one step possibly caused by things occurring in previous steps. His stages are:
  - **a.** Goal Setting: What is the need?
  - **b.** Program Design: What will work to meet the need?
  - **c.** Program Implementation: Is it working, with the focus on the implementation of the program?
  - **d.** Immediate Outcomes: Did participants learn?
  - e. Intermediate or Usage Outcomes: Are the participants using what they learned?
  - f. Impacts and Worth: Did it make a worthwhile difference to the organization?
- **4. Bushnell Model:** Bushnell suggests a model based on a systems view of the HRD function:
  - **a. Input:** What goes into the training effort? This consists of performance indications such as trainee qualification and trainer ability.
  - b. Process: The planning, design, development, and implementation of the HRD program.
  - **c. Output:** Trainee reactions, knowledge or skills gained, and improved job behavior.
  - **d. Outcome:** Effects on the organization, including profits, productivity and customer satisfaction.



The evaluation measurement should be done to ensure that the program is well designed and meets its objectives. In its simplest form, evaluation should address the question of whether the training program achieved its objectives. Basing training objectives on needs assessment information, and then evaluating those objectives, is the most economical way of summarizing what training evaluation efforts can focus on.

## ASSESSING THE IMPACT OF HRD PROGRAMS

One of the important issues in the HRD activities is to examine the effect of an HRD program on the organization's effectiveness. This assessment can be done using a variety of performance indices, such as productivity, timeliness, and cost savings. It is important to demonstrate the effectiveness on the reaction, learning, and job behavior levels, but HR managers and HRD professionals may be at a disadvantage when their results are compared to those of other divisions that are able to express their results in monetary terms. One of the goals of translating the effects of HRD programs into money terms is to make clear the programs investments and that will lead to payoffs for the organization in the future. Although many managers and supervisors pay lip service to this idea, they often see HRD and other HR interventions primarily as costs-exemplified by the fact that HR programs are often the first programs that undergo cost cuts when financial and economic pressures force the organization to reduce its expenses.

- 1. Evaluation of Training Costs: It has long been argued that HR programs are difficult to assess in financial terms, but the evaluation of training costs (including ROI) and utility analysis are two practical ways to determine the financial impact of various HRD programs. Evaluation of training costs involves comparison of the costs incurred in conducting an HRD program to the benefits received by the organization, and can involve two categories of activities i.e. cost-benefit evaluation and cost-effectiveness evaluation. Cost-benefit analysis involves comparing the monetary costs of training to the benefits received in nonmonetary terms, such as improvements in attitudes, safety, and health. Cost-effectiveness analysis focuses on the financial benefits accrued from training, such as increases in quality and profits, and reduction in waste and processing time
- 2. **Return on Investment:** The general strategy for evaluating training costs is to measure cost and benefit indicators in money terms (or translate them to money terms) and then compare them. For example, a program's return on investment (ROI) can be calculated by dividing total results by total benefits:

## Return on investment = Results/ Training Costs

The greater the ratio of results to costs, the greater the benefit that the organization receives by conducting the training program. If the ROI ratio is less than 1, then the training program costs more than it yields to the organization. Such a program needs to be either modified or dropped (there may of course, be times when some noneconomic or legally mandated reason exists to continue a certain training program; even here, however, if the ROI for the program is negative, some rethinking or reworking of the program is likely occur).

3. **Utility Analysis:** The results of an evaluation study often express the effect of an HRD program in terms of a change in some aspect of the trainee's performance or behavior. For example, if untrained employees produce an average 22.5 units (per day or per hour) and trained employees produce on an average 26 units, the gain due to training is 3.5 units per employee. Utility analysis provides a way to translate these results into money terms. One



popular approach to utility analysis is the Brogden-Cronbach-Gelser model. This model computes the gain to the organization in money terms  $\Delta U$ , or "change in utility") using the following variables:

N = Number of trainees T = Length of time the benefits are expected to be available dt = An effect size, which expresses the true difference of job performance between the trained and untrained groups (expressed in standard deviation units) SDy = money value of job performance of untrained employees (expressed in standard deviation units) <math>C = Costs of conducting the training.

Wayne Cascio combined these elements into a formula to compute the money value of improved performance due to training. The left side of the equation estimates the benefits of training, while the right side presents the cost. The formula is:  $\Delta U = (N) (T) (dt) (SDy) - C$ 

Some terms in the equation can be directly measured, such as N, C, and dt, but others, such as T and SDy, must be estimated. More complicated versions of this formula have been developed to account for other factors that may affect the real monetary value of the benefits, such as attrition and decay in the strength of training effects over time.

#### TRAINING PROGRAM COSTS

To calculate the cost of a training program, an HRD professional should consider five categories of expenses.

- 1. **Direct Costs:** These are costs directly associated with the delivery of the learning activities. They include course materials (produced or reproduced instructional aids, equipment rental travel food and other refreshments and the instructor salary and benefits. Such costs so directly tied to the delivery of a particular program that if you cancel. The program the day before you planned to conduct it. You would not incur them. (While program materials may have been reproduced or purchased, they would not be consumed, and so they would be available for a future program.
- 2. **Indirect Costs:** These costs are in cured in support of learning activities but cannot be identified with any particular program. Even if the program were cancelled at the last minute, such costs could not be recovered.
- 3. Development Costs: All costs in cured during the development of the program go in this category. Typically, they included the development of video tapes and computer based instructional programming design of program materials, piloting of the program and any necessary redesign. This category also includes the cost of the front-end assessment, or that portion of the assessment directly attributed to the program. In addition, the costs of evaluation and tracking are included. If, a program is to be conducted for a few years, the cost is often a mortised over that period.
- 4. **Overhead Costs:** These costs are not directly related to a training program but are essential to the smooth operation of the training department.
- 5. **Compensation of Participants:** These costs comprise the salaries and benefits paid to participants for the time they are in a program. If the program is for two days long, salaries and benefits for your participants for these two days are cost of the program. Typically, HRD professionals do not know what the individual people. May earn but can obtain that



informationally asking the compensation department to provide a figure for an average salary paid to the various levels of people who will be attending. The average salary is then multiplied by the number of people attending the program, to derive a compensation estimate.

## IMPROVING HRD EFFECTIVENESS THROUGH HRD PROGRAM EVALUATION

Human resource development (HRD) is the process of enhancing the knowledge, skills, and abilities of employees and organizational members to achieve strategic goals and adapt to changing needs. However, HRD itself also needs to evaluate and improve its own effectiveness and efficiency to ensure that it delivers value and impact to the organization and its stakeholders. How can HRD do that? Here are some tips and best practices to consider.

- 1. Align HRD with Organizational Strategy: One of the key factors for HRD effectiveness and efficiency is to align its activities and programs with the organizational strategy and vision. This means that HRD should understand the current and future needs and challenges of the organization, its customers, and its environment, and design and implement HRD interventions that address those needs and challenges. HRD should also communicate and collaborate with other functions and departments to ensure that its efforts are aligned and integrated with the overall organizational goals and culture.
- 2. Define and Measure HRD Outcomes: Another important factor for HRD effectiveness and efficiency is to define and measure the outcomes and impacts of its activities and programs. This means that HRD should establish clear and relevant objectives and indicators for each HRD intervention, and collect and analyze data and feedback to assess its performance and results. HRD should also use various methods and tools to measure the outcomes and impacts of its interventions, such as surveys, interviews, tests, observations, case studies, and return on investment (ROI) analysis.
- 3. Apply Continuous Improvement Principles: A third factor for HRD effectiveness and efficiency is to apply continuous improvement principles to its activities and programs. This means that HRD should monitor and evaluate its processes and practices regularly, and identify and implement improvements and innovations based on the data and feedback collected. HRD should also foster a culture of learning and development within the organization, and encourage and support employees and organizational members to share their experiences, insights, and suggestions for improvement.
- **4. Demonstrating Return on Investment:** Organizations make significant investments in HRD programs, both in terms of financial resources and time commitment. Evaluation serves as a tool to quantify the return on investment, showcasing the tangible benefits derived from these developmental initiatives.
- 5. Leverage Technology and Resources: A fourth factor for HRD effectiveness and efficiency is to leverage technology and resources to enhance its delivery and reach. This means that HRD should use appropriate and effective technology and platforms to design and deliver its activities and programs, such as e-learning, mobile learning, gamification, social media, and artificial intelligence. HRD should also optimize its use of resources, such as time, budget, staff, and partners, and seek opportunities to collaborate and outsource when needed.
- **6. Develop HRD Competencies and Capabilities:** A fifth factor for HRD effectiveness and efficiency is to develop its own competencies and capabilities to meet the evolving demands



and expectations of the organization and its stakeholders. This means that HRD should invest in its own learning and development, and enhance its skills and knowledge in areas such as strategic planning, needs assessment, instructional design, facilitation, evaluation, project management, change management, and leadership. HRD should also seek feedback and coaching from its clients, peers, and mentors, and participate in professional networks and communities of practice.

Thus, in the evolving landscape of organizational development, HRD programs stand as catalysts for workforce empowerment and organizational success. The strategic evaluation of these programs is not merely a post hoc assessment but a dynamic process that informs ongoing improvement and ensures alignment with strategic objectives. As organizations continue to face challenges and opportunities in the dynamic environment, it is necessary to timely evaluate the effectiveness of HRD programs. Organizations can use various available HRD evaluation models and predict the future trends to achieve the success at global level. For achieving the goal of effective workforce, the HRD program evaluation is emerging as a guiding force for an organization leading towards excellence, innovation and continuous growth.

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