



Demonstrating the Impact and ROI of Project Management

Towards the Future

Patti Phillips, Ph.D.
Chief Executive Officer
ROI Institute, Inc.
www.roiinstitute.net
patti@roiinstitute.net

Objectives

After attending this session, participants should be able to:

- Describe the framework used to demonstrate the value that matters, including ROI.
- Use the alignment model to position programs for success.
- Identify methods and techniques that make ROI work.



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



DPIIM Tech Review Team: This slide will either remain a Slido open-text or I will convert it to fit whatever technology you use.



Why do projects fail?

① Start presenting to display the poll results on this slide.

DPIIM Tech Review Team: This slide will either remain a Slido poll or I will convert it to fit whatever technology you use.



Why ROI now?

① Start presenting to display the poll results on this slide.

ROI Defined

$$\text{BCR} = \frac{\text{Program Benefits}}{\text{Program Costs}}$$

$$\text{ROI} = \frac{\text{Benefits} - \text{Costs}}{\text{Costs}} \times 100$$



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



ROI Defined

$$\text{BCR} = \frac{\$750,000}{\$425,000}$$

$$\text{ROI} = \frac{\$750,000 - \$425,000}{\$425,000} \times 100$$



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



ROI Defined

$$\text{BCR} = \frac{\$750,000}{\$425,000} = 1.76:1$$

$$\text{ROI} = \frac{\$750,000 - \$425,000}{\$425,000} \times 100 = 76\%$$



@DIPMF



DIPMF



DIPMF




DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



Sometimes we will see this:

$$\text{BCR} = \frac{\$50,000}{\$425,000} = 1.76 \times 100 = 176\%$$




@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



BCR and ROI are similar, yet different.

$$\text{BCR} = \frac{\$750,000}{\$425,000} = 1.76:1$$

$$\text{ROI} = \frac{\$750,000 - \$425,000}{\$425,000} \times 100 = 76\%$$



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



Framework: Five Levels of Outcomes

| Levels of Evaluation | | Measurement Focus | Typical Measures |
|------------------------|------------------------------|---|--|
| 0. Inputs & Indicators | | The input into the project in terms of scope, volume, efficiencies, costs | Participants/Users, Hours, Costs, Timing |
| 1. | Reaction & Planned Action | Measures participant/user satisfaction, operational status and effectiveness, | Relevance, Importance, Usefulness, Appropriateness, Effectiveness, Motivation to use, Accuracy of findings |
| 2. | Learning | Measures changes in knowledge, skills, information, insights | Skills, Knowledge, Capacity, Competencies, Confidence, Contacts |
| 3. | Application & Implementation | Measures changes in behavior, actions, implementation, utilization | Extent of use, Task completion, Utilization rate, Accessibility, Frequency of use, Actions completed, Success with use, Barriers to use, Enablers to use |
| 4. | Business Impact | Measures changes in business impact measures | Productivity, Revenue, Quality, Time, Efficiency, Customer Satisfaction, Employee Engagement |
| 5. | Return on Investment | Compares benefits to costs | Benefit-Cost Ratio (BCR), ROI%, Payback Period |



@DIPMF



DIPMF



DIPMF

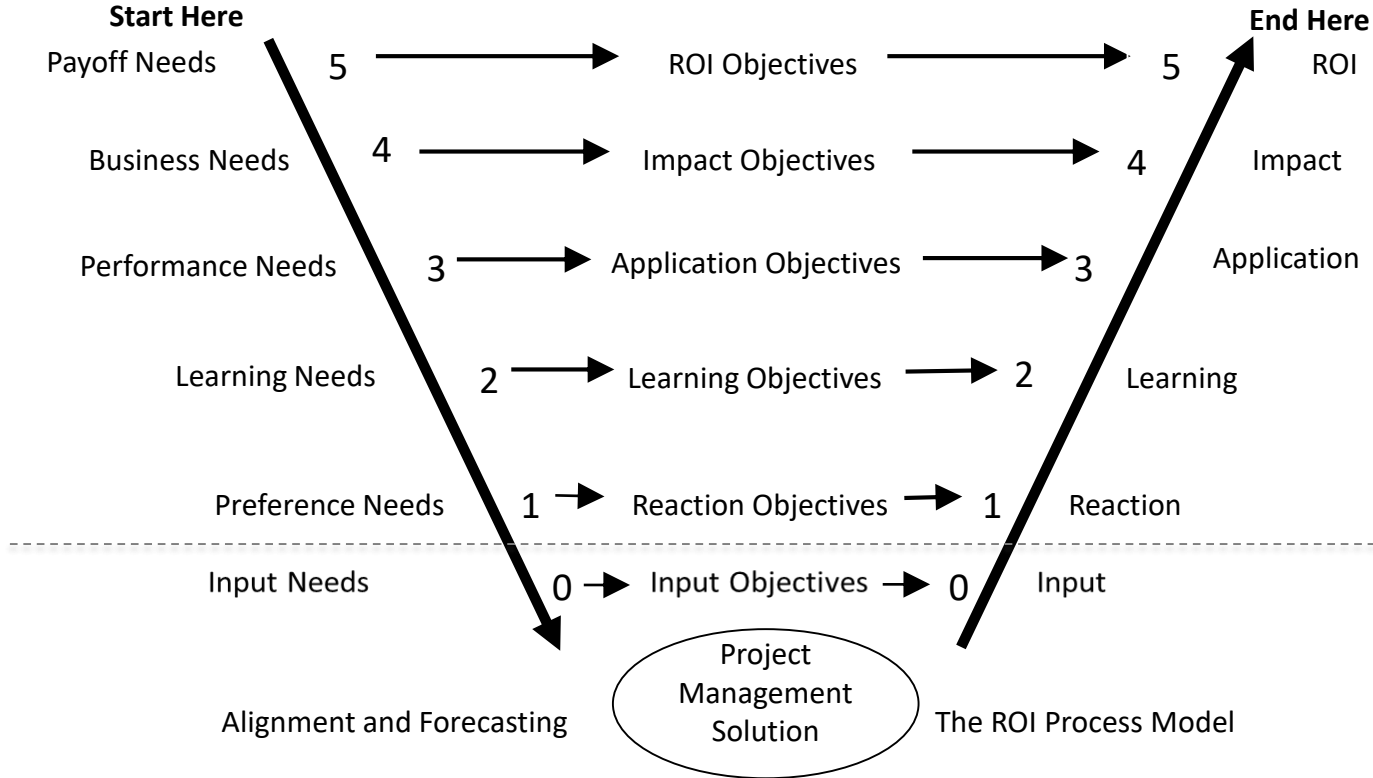


DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



Alignment Model



@DIPMF



DIPMF



DIPMF

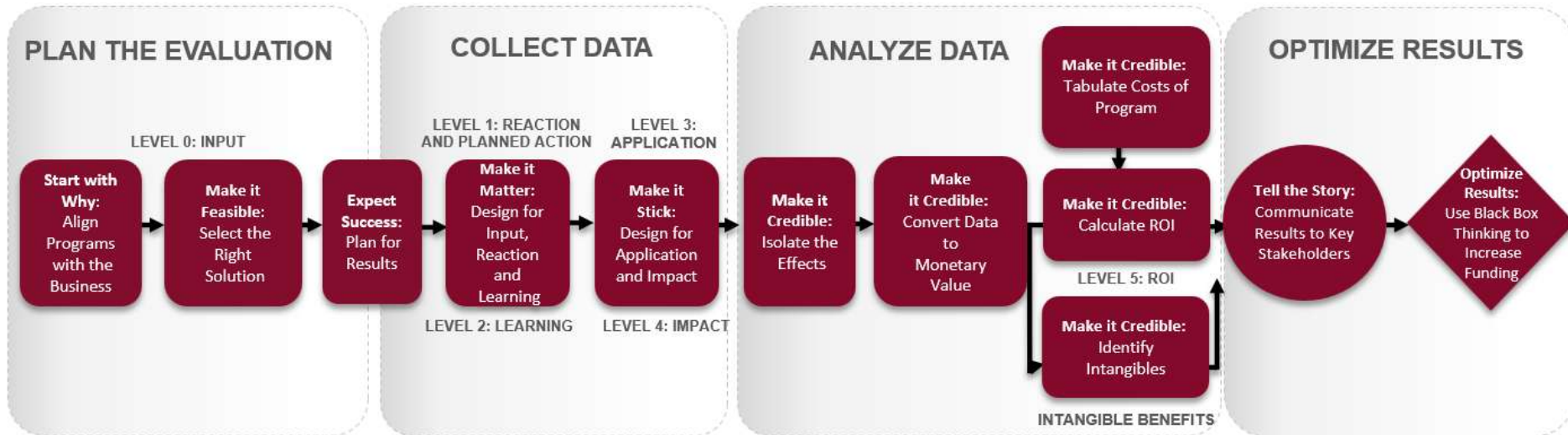


DIPMF



The ROI Methodology®

Designing for the Delivery of Business Results



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



Twelve Guiding Principles of ROI

- When conducting a higher-level evaluation, collect data at lower levels.
- When planning a higher-level evaluation, the previous level of evaluation is not required to be comprehensive.
- When collecting and analyzing data, use only the most credible sources.
- When analyzing data, select the most conservative alternative for calculations.
- Use at least one method to isolate the effects of a project.
- If no improvement data are available for a population or from a specific source, assume that little or no improvement has occurred.
- Adjust estimates of improvement for potential errors of estimation.
- Avoid use of extreme data items and unsupported claims when calculating ROI.
- Use only the first year of annual benefits in ROI analysis of short-term solutions.
- Fully load all costs of a solution, project, or program when analyzing ROI.
- Intangible measures are defined as measures that are purposely not converted to monetary values.
- Communicate the results of ROI Methodology to all key stakeholders.



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM





Click the link below or scan the QR code to receive resources from today's session.

<https://www.roiinstituteacademy.com>



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



ROI Boot Camp

ROI INSTITUTE®
ONLINE ACADEMY

During ROI Boot Camp, participants will learn about:

- The benefits and barriers of using ROI
- The five levels of evaluation
- The 12 steps in the ROI Methodology
- The 12 guiding principles
- Collecting data at multiple levels
- Isolating the effects of your programs
- Converting data to money
- Calculating ROI

<https://www.roiinstituteacademy.com/roi-boot-camp-1>



This activity has been approved for 5 HR (General) re-certification credit hours toward aPHR™, PHR®, PHRca®, SPHR®, GPHR®, PHRi™ and SPHRi™ re-certification through HR Certification Institute® (HRCI®)



This Boot Camp has been pre-approved by Training Industry for 5 continuing education recertification hours toward the Certified Professional in Training Management credential.



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



ROI CERTIFICATION®

SCHEDULED EVENTS

February 14-25, 2022 — Live Virtual

February 28-March 4, 2022 — Orlando, FL

April 11-15, 2022 — New Orleans, LA

April 25-29, 2022 — Nashville, TN

May 9-13, 2022 — Orlando, FL

June 13-17, 2022 — Salt Lake City, Utah

July 11-15, 2022 — Williamsburg, VA

July 25-29, 2022 — Denver, CO

August 15-19, 2022 — San Diego, CA

September 12-16, 2022 — Boston, MA

October 10-14, 2022 — Seattle, WA

November 14-18, 2022 — Atlanta, GA

December 5-9, 2022 — Charlotte, NC

WHAT IS ROI CERTIFICATION?

ROI Certification is a globally renowned process focused on measuring the true value of tough-to-measure initiatives using the ROI Methodology®. Participating in ROI Certification is the most comprehensive way to gain the skills needed to evaluate major programs and to report the most credible results that drive organizational improvement.

Email: info@roiinstitute.net

Enroll: <http://bit.ly/ROICertification>

Call: +1 205.678.8101

ROI INSTITUTE®



@DIPMF



DIPMF



DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



Patti P. Phillips, Ph.D.

- CEO, ROI Institute, Inc.
- Chair, i4cp People Analytics Board
- Chair, Center for Talent Reporting Board
- Principal Research Fellow, The Conference Board
- Member, UN Institute for Training and Research Board of Trustees
- Member, International Federation of Training and Development Board
- Fellow, ATD Certified Professional in Talent Development
- Author, Educator, Consultant, Coach



@DIPMF



DIPMF



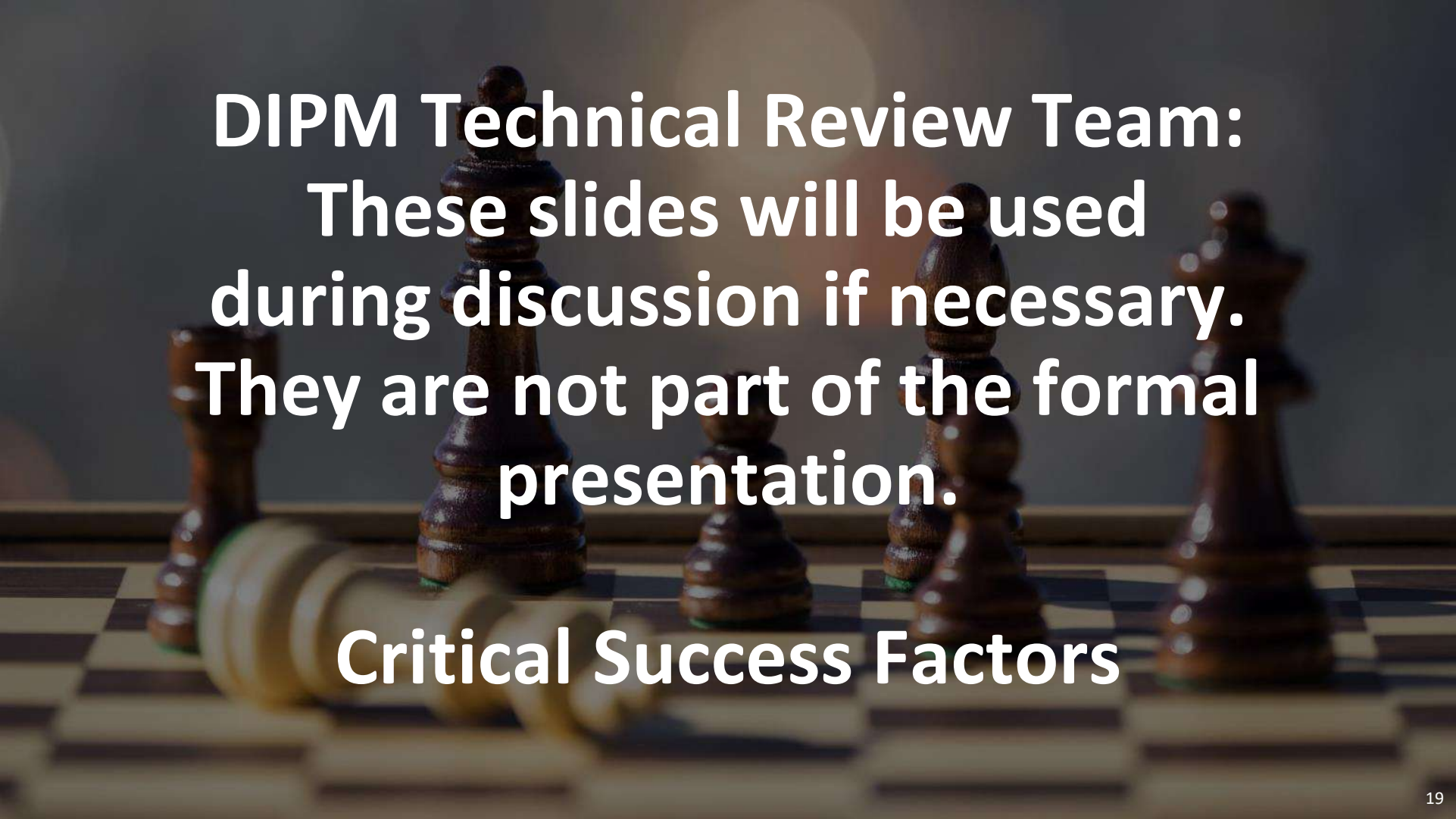
DIPMF



DIPMF

ملتقى دبي العالمي
لإدارة المشاريع
DUBAI INTERNATIONAL
PROJECT MANAGEMENT FORUM



A close-up photograph of several dark wooden chess pieces on a checkered board. In the foreground, a light-colored king piece is lying on its side. Several dark pieces, including a king, queen, and pawns, are standing upright. The background is softly blurred, showing more pieces and the board's pattern.

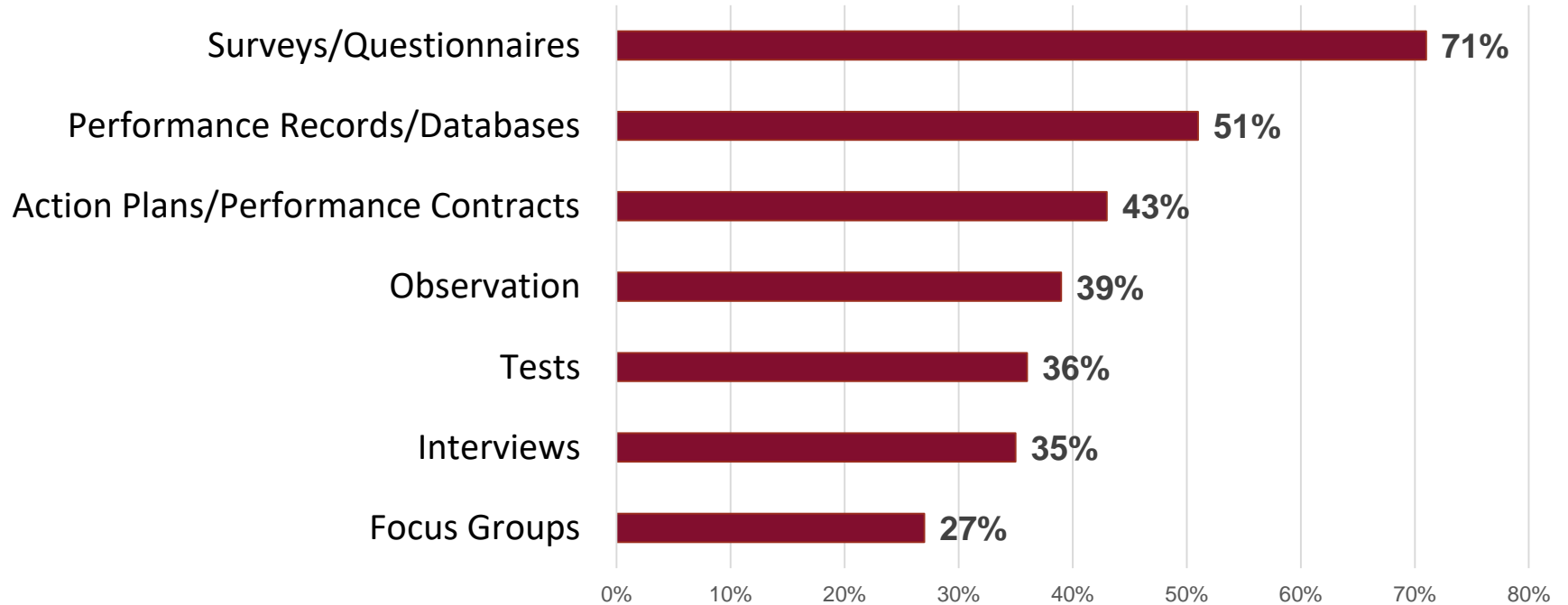
**DIPM Technical Review Team:
These slides will be used
during discussion if necessary.
They are not part of the formal
presentation.**

Critical Success Factors

Data Collection Methods

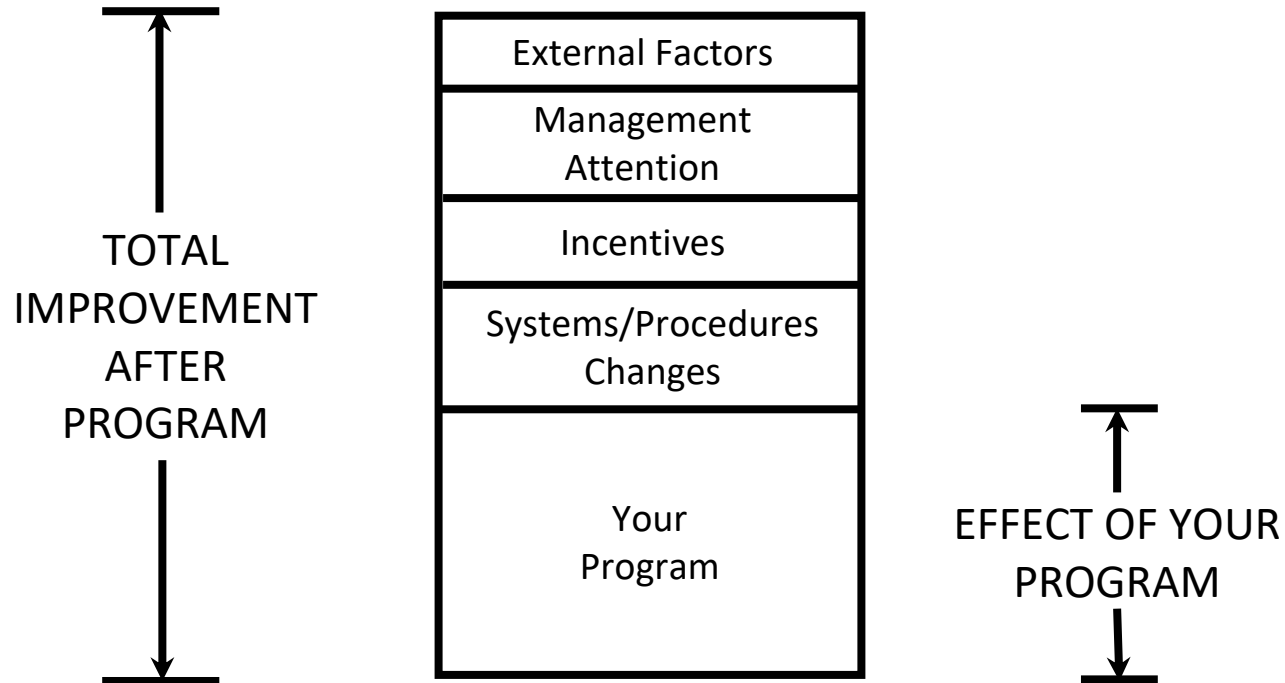
| Method | Level | | | |
|-------------------------------------|-------|---|---|---|
| | 1 | 2 | 3 | 4 |
| • Surveys | ✓ | ✓ | ✓ | |
| • Questionnaires | ✓ | ✓ | ✓ | ✓ |
| • Observation | ✓ | ✓ | ✓ | |
| • Interviews | ✓ | ✓ | ✓ | |
| • Focus Groups | ✓ | ✓ | ✓ | |
| • Tests/Quizzes | | ✓ | | |
| • Demonstrations | | ✓ | | |
| • Simulations | | ✓ | | |
| • Action planning/improvement plans | | | ✓ | ✓ |
| • Performance contracting | | | ✓ | ✓ |
| • Performance monitoring | | | | ✓ |

Data Collection Methods

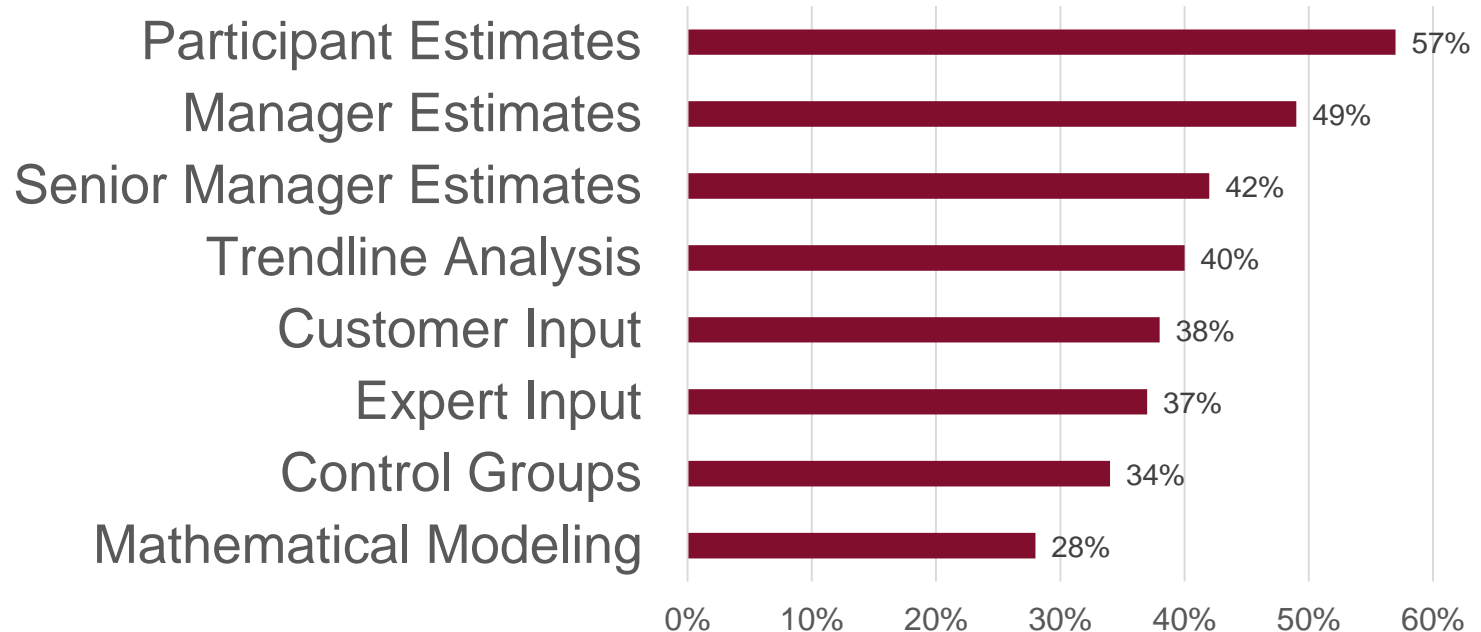


*Sample of selected users n = 246

Accounting for Other Factors



Isolation Techniques



*Sample of selected users n = 246

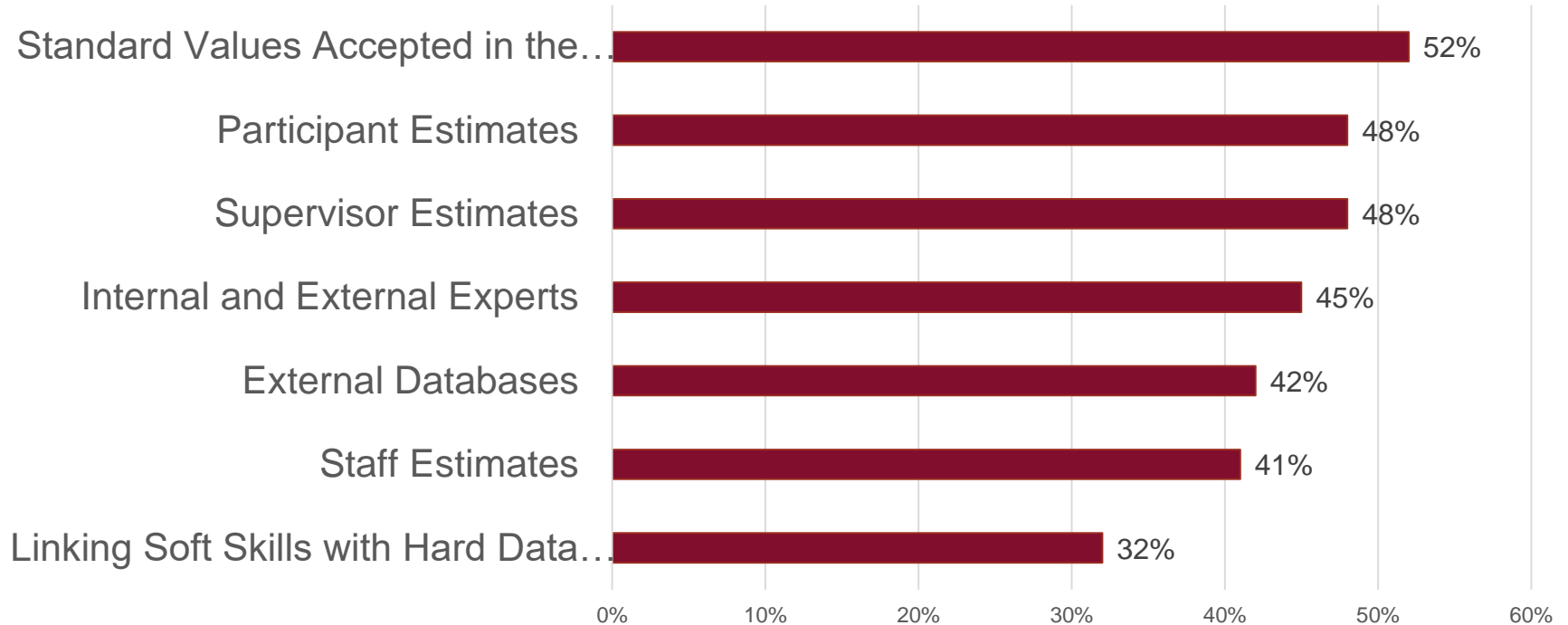
What is ROI?

$$\text{BCR} = \frac{\text{Program Benefits}}{\text{Program Costs}}$$

$$\text{ROI} = \frac{\text{Benefits} - \text{Costs}}{\text{Costs}} \times 100$$



Data Conversion Methods



*Sample of selected users n = 246

Tabulating Fully-Loaded Program Costs

- Assessment Costs (Prorated)
- Development Costs (Prorated)
- Program Materials
- Instructor/Facilitator/Project Lead Costs
- Facilities Costs
- Travel/Lodging/Meals
- Participant Salaries and Benefits
- Administrative/Overhead Costs
- Evaluation Costs



Intangible Benefits

- Adaptability
- Awards
- Brand Awareness
- Career minded
- Caring
- Collaboration
- Communication
- Commitment
- Conflicts
- Cooperation
- Corporate social responsibility
- Creativity
- Culture
- Customer complaints
- Customer response time
- Customer Satisfaction
- Decisiveness
- Employee Complaints
- Engagement
- Execution
- Image
- Innovation
- Job satisfaction
- Leadership
- Networking
- Organizational climate
- Organizational commitment
- Partnering
- Reputation
- Resilience
- Stress
- Talent
- Teamwork