ABSTRACT

Measurement Framework of Return On Training Investment (ROTI) with Approach to Balanced Scorecard Concept Managerial Training Study Case
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The objective of this research is to do a cause effect analysis incurred from training activities with relation to cost benefit towards business, in financial and non-financial aspect. It proposes to do a ROTI (Return on Training Investment) analysis focusing on case study of non technical / managerial training with approach to Balanced Scorecard concept. The process is by defining the key success factor of training as an input to the management of PT. XYZ. This research applies descriptive analysis method through performed case study using quantitative and qualitative data. Primary data is obtained by doing interviews and collecting questionnaires, while the secondary data is by collecting information through books, journals, internal documents and internet sites.

The outlines of this research is that the proposal covers eight stages, they are 1) designing a training program by applying balanced scorecard, 2) conducting training, 3) data collection and analysis during training, 4) monitoring and measurement after training, 5) training effect with respect to success, 6) data collection and analysis of monitoring result after training, 7) financial perspective measurement; and 8) communicating and reporting training result. There are 3 important points to be done on ROTI measurement proposal, they are 1) implementing, adopting and adapting the balanced scorecard method in the beginning stage of training program design, 2) applying 4 BSC perspectives on every stage of training measurement; and 3) demanding every participant to form a group and prepare their action plan. These points need to be done in order to validate the proposed result by measuring the Return on Training Investment through any financial and non financial aspect. The measurement of training impact is based on participants’ perception (15%) and their superior (25%) with ratio, for example, 80% of the superior perception and 20% of participants’ perception; hence the training impact to success is 23%. Financial perspective measurement on % ROTI + 182,1%, meaning that ROTI percentage is higher than zero, as a result the training cost is smaller than the training benefit or in other way, the company gains benefit by investing on training. Benefit cost ratio 2,8:1 means that every Rp.1,- invested by company for conducting training will give profit of Rp.2,8,-. Break Even Time (BET) 1,1 month indicates that the return period of investment is 1,1 month. Customers’ perspective is the satisfaction assessment of participants and management, and internal business perspective towards training success is determined from business and organization point of view after 3 months of training. Learning and growing perspective evaluates participants’ learning method by giving pre-test and post-test, and monitors their behavioral change in 3 months after the training.

Keyword Return on Training Investment, Balanced Scorecard, Training Process