

TRAINING ROI MASTERY™

**The Practical Field Guide to Measuring
Training Impact, Business Value & ROI**

From “Training Delivered” to “Business Value Demonstrated.”

STDS™

Structured Training Design System

PEOPLE
PERFORMANCE
POSSIBILITIES

A Practical Field Guide for Trainers, L&D Professionals, Consultants,
HR Professionals & Business Leaders

What’s in this sample

36 pages selected from the full 672-page field guide — the formulas, worked calculations, attribution cases and tools that show how the book works.

672

pages in full book

11

sections

12

scenarios

16

ROI tools

THE FULL BOOK · AND WHAT YOU'LL FIND SAMPLED HERE

SECTION	TITLE	STARTS ON PAGE	SAMPLED PAGES
01	Think Like an ROI Trainer	24	3
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HOW TO READ THIS SAMPLE

Pages appear exactly as printed in the full book and follow book order.
The original page number is kept in each page footer, so you can see where every page sits in the complete guide.

The Basic ROI Logic

ROI becomes easier to understand when you separate four things.

01 Investment

What did the programme cost?

EXAMPLE

Training investment =

\$18,000



02 Business Benefit

What measurable value was created?

EXAMPLE

Business benefit =

\$54,000



03 Net Benefit

The benefit remaining after the programme investment:

EXAMPLE

$\$54,000 - \$18,000 =$

\$36,000



04 ROI

The basic calculation:

$$\text{ROI} = \text{Net Benefit} \div \text{Programme Cost} \times 100$$

Therefore:

$$\$36,000 \div \$18,000 \times 100$$

$$\text{ROI} = 200\%$$

But There Is a Catch

A calculation can be mathematically correct and still be a weak ROI case.

Why?

Because we still need to ask:

“Did the training actually contribute to the \$54,000 benefit?”

That question is called **attribution**.

04

The ROI Chain

Training ROI does not appear suddenly at the end of a spreadsheet.

It is built through a chain of evidence.

01 Training

What did we deliver?

A programme, intervention, workshop, coaching experience or learning solution.



02 Learning

What did people acquire?

Knowledge, skills, capability or understanding.



Put the Numbers Together

Create the basic measurement picture.

CURRENT STATE

Baseline

Sales conversion

18%



Gap

5 pp



DESIRED STATE

Target

Sales conversion

23%

Build the Complete Cost Picture

Let's bring the pieces together.

TRAINER	\$10,000
---------	----------

VENUE	\$2,000
-------	---------

MATERIALS	\$1,200
-----------	---------

TRAVEL	\$800
--------	-------

PARTICIPANT TIME	\$16,800
------------------	----------

MANAGER / SUPPORT	\$4,800
-------------------	---------

TOTAL

\$35,600

01

The Basic ROI Formula

The basic Training ROI formula is:

$$\text{ROI} = \text{Net Programme Benefits} \div \text{Programme Costs} \times 100$$

WHERE

Net Programme Benefits = Financial Benefits – Programme Costs

The Calculation Chain

Gross Benefit

\$60,000



Minus Cost

\$20,000



Net Benefit

\$40,000



DIVIDE BY COST

$\$40,000 \div \$20,000$

ROI = 200%

Step by Step

STEP 01 · ADDITIONAL BENEFIT

$$10 \text{ Additional Sales} \times \$1,000 = \$10,000_{/mo}$$

STEP 02 · MEASUREMENT PERIOD (6 MONTHS)

$$\$10,000 \times 6 = \$60,000$$

STEP 03 · NET BENEFIT

$$\$60,000 - \$25,000 = \$35,000$$

STEP 04 · ROI

$\$35,000 \div \$25,000 \times 100 =$

140%

BUT DON'T STOP

How much of the additional sales can reasonably be attributed to training?

That question could materially change the result.

What If Training Contributed 60%?

Suppose the organisation concludes, based on evidence and stakeholder analysis, that approximately 60% of the improvement can reasonably be attributed to training.

**Original Gross
Benefit**

\$60,000

Attributed Benefit

$\$60,000 \times 60\%$

\$36,000

Net Benefit

$\$36,000 - \$25,000$

\$11,000

Time Saved ≠ Cash Saved

Imagine employees save 4,000 hours. What happens next?

01 **Reduced Overtime**

The organisation actually spends less. This can create a relatively direct financial benefit.

02 **Additional Output**

Employees use the time to process more customers. The value may come from additional revenue or margin.

03 **Capacity Creation**

Employees absorb increased demand without additional hiring. The value may be based on avoided staffing cost.

STEP 01-03 · ERRORS AVOIDED

$$10,000 \times 6\%$$

Baseline errors

$$= 600$$

$$10,000 \times 3.5\%$$

Post-training errors

$$= 350$$

$$600 - 350$$

Errors avoided

$$= 250_{/mo}$$

STEP 04-05 · ANNUAL BENEFIT

$$250 \times \$40 \times 12 =$$

\$120,000

What Does 3:1 Mean?

For every \$1 invested, the programme generated \$3 in gross benefit.

Compare with ROI

GROSS BENEFIT	\$60,000
---------------	----------

COST	\$20,000
------	----------

NET BENEFIT	\$40,000
-------------	----------

ROI	$\$40,000 \div \$20,000 \times 100 = 200\%$
-----	---

Same data:

BCR = 3:1

ROI = 200%

Example

Programme Cost

\$30,000

Monthly Net Benefit

\$10,000

PAYBACK

$\$30,000 \div \$10,000 =$

3 months

The programme reaches its initial investment recovery point after approximately 3 months.

Why Decision-Makers Care

Two programmes can have similar ROI but very different payback periods. A shorter payback period may matter

Baseline → Post-Training → Change

Baseline

$500 \times 16\%$

80 sales



Post-Training

$500 \times 20\%$

100 sales



Change

+20 sales/month

\$24,000_{/mo}

6-MONTH GROSS BENEFIT

$\$24,000 \times 6 =$

\$144,000

Attribution

Other changes occurred:

New sales incentive

Revised pricing

New CRM dashboard

**Attributed Benefit
(50%)**

$\$144,000 \times 50\%$

=
\$72,000

Net Benefit

$\$72,000 - \$36,000$

=
\$36,000

ROI

$\$36,000 \div \$36,000 \times 100 =$

100%

WHY ATTRIBUTION MATTERS

The Same KPI. Three ROI Stories.

TRAINING INVESTMENT	\$40,000
------------------------	----------

BUSINESS IMPROVEMENT	\$120,000
-------------------------	-----------

CASE A · 100% ATTRIBUTION

ATTRIBUTED BENEFIT	\$120,000
--------------------	-----------

NET BENEFIT	\$80,000
-------------	----------

ROI = 200%

CASE B · 60% ATTRIBUTION

$$\text{\$120,000} \times 60\% = \text{\$72,000}$$

NET BENEFIT \$32,000

$$\text{ROI} = 80\%$$

CASE C · 25% ATTRIBUTION

$$\text{\$120,000} \times 25\% = \text{\$30,000}$$

NET BENEFIT −\$10,000

$$\text{ROI} = -25\%$$

01

Control Groups

One of the strongest practical attribution methods is comparison.

Example: Two Similar Sales Teams

	BEFORE TRAINING		THREE MONTHS AFTER TRAINING
Trained Team	18%	>	24%
Control Team	19%	>	21%
Difference in Change			=
+6 pts – +2 pts			+4 pp

Participant Attribution Method

Suppose 100 participants provide attribution estimates:

0–20%	8 participants
21–40%	17 participants
41–60%	29 participants
61–80%	34 participants
81–100%	12 participants

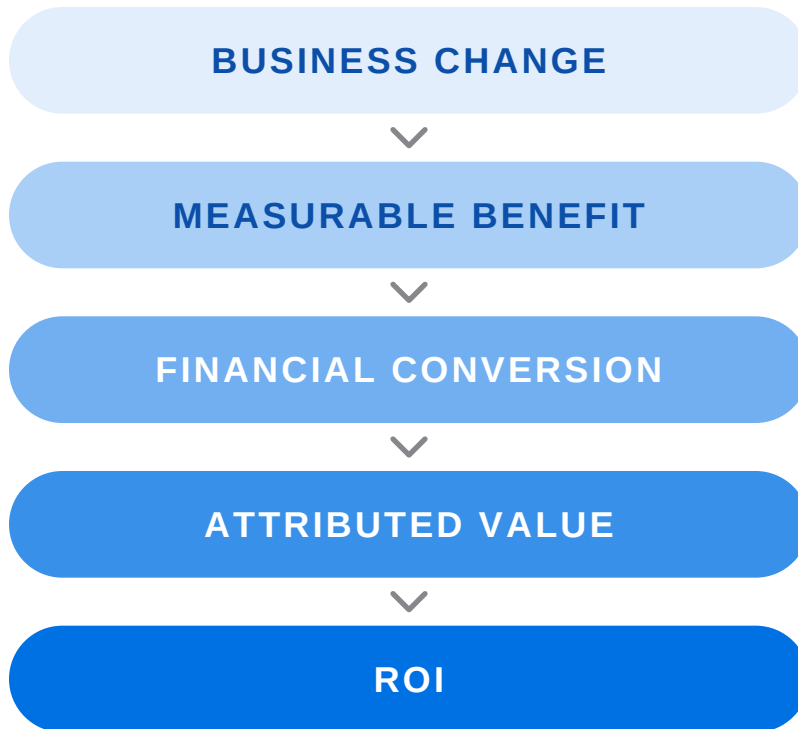
AVERAGE ESTIMATED CONTRIBUTION

Weighted average =

61%

But ask: do participant estimates align with:

The Value Bridge



Example

BEFORE TRAINING	800 errors/month
-----------------	------------------

AFTER TRAINING	500 errors/month
----------------	------------------

REDUCTION	300 errors/month
-----------	------------------

AVG FULLY LOADED ERROR COST	\$60
--------------------------------	------

Monthly Benefit

$300 \times \$60$

=

\$18,000

ANNUAL BENEFIT

$\$18,000 \times 12 =$

\$216,000

Example

Additional Revenue

\$500,000

**Estimated
Incremental Gross
Profit**

$\$500,000 \times 30\%$

\$150,000

=

Training Investment

\$50,000

Net Benefit

$\$150,000 - \$50,000$

\$100,000

=

COST SAVING VS COST AVOIDANCE

They Are Not the Same

COST SAVING

The organisation's actual expenditure decreases.

ANNUAL CONTRACTOR COST	\$200,000 → \$150,000
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ACTUAL SAVING	\$50,000
---------------	----------

COST AVOIDANCE

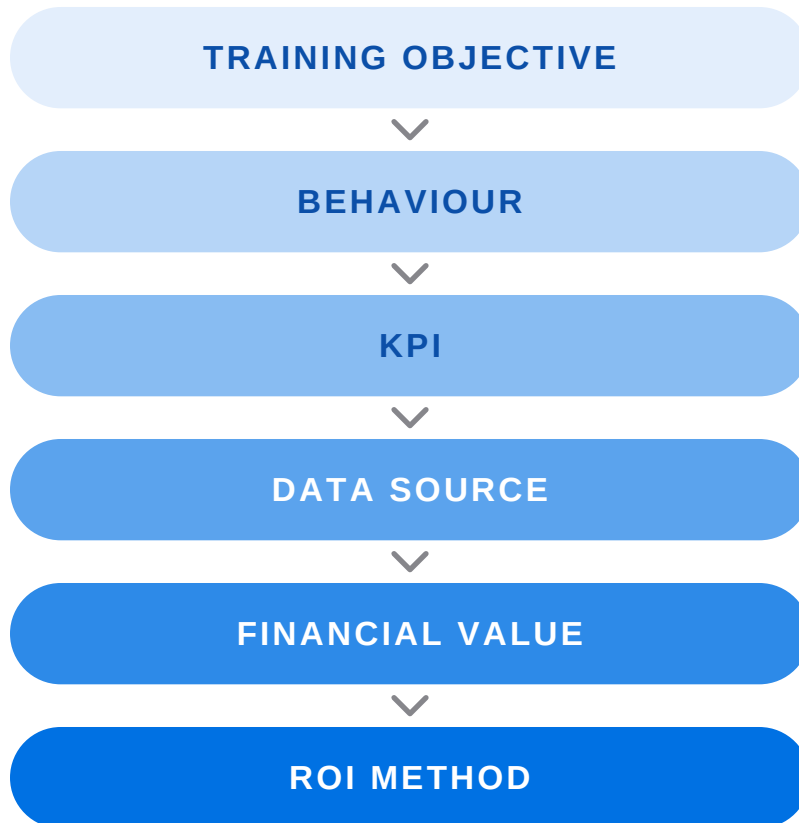
The organisation prevents an expected future cost.

EXPECTED REMEDIATION	\$100,000
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ACTUAL POST-INTERVENTION	\$60,000
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POTENTIAL AVOIDED COST	\$40,000
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The ROI Map



TRAINING AREA	PRIMARY KPI	POSSIBLE FINANCIAL VALUE
Sales	Better selling	Conversion / GP → Incremental GP
Leadership	Better leadership	Turnover / productivity → Retention / output
Manager Development	Better management	Team performance → Capacity / output
Customer Service	Better service behaviour	AHT / FCR / CSAT → Capacity / retention
Communication	Clearer communication	Rework / delays → Avoided cost
Compliance	Better control behaviour	Incidents / findings → Avoided cost / risk
Technical Skills	Better technical execution	Output / errors → Productivity / quality
Onboarding	Faster proficiency	Time to productivity → Recovered productivity
Coaching	Better coaching	Team KPI → Incremental business value

BASELINE DATA

Three-Month Baseline

Nova provides the following historical data.

MONTH	OPPORTUNITIES	SALES	CONVERSION
Month 1	10,000	2,180	21.8%
Month 2	10,000	2,210	22.1%
Month 3	10,000	2,210	22.1%

Baseline Average

Average Sales

$(2,180 + 2,210 + 2,210) \div 3$

=
2,200/mo

Average Conversion

22%

POST-TRAINING DATA

Six-Month Post-Training Period

The following data is available.

MONTH	OPPORTUNITIES	SALES	CONVERSION
Month 1	10,000	2,350	23.5%
Month 2	10,000	2,400	24.0%
Month 3	10,000	2,450	24.5%
Month 4	10,000	2,500	25.0%
Month 5	10,000	2,550	25.5%
Month 6	10,000	2,600	26.0%

Turning Sales Improvement into Money

You know:

BASELINE SALES 2,200/month

**POST-TRAINING
AVERAGE** 2,475/month

**Observed
Incremental Sales**

$2,475 - 2,200$

275_{/mo}

=

Six-Month Period

275×6

1,650 sales

=

Gross Profit per Sale

\$25

Task 07

ATTRIBUTED BENEFIT \$24,750

TRAINING
INVESTMENT \$37,500

NET BENEFIT

\$24,750 – \$37,500 =

-\$12,750

**ROI = Net Benefit ÷ Training
Investment × 100**

BENEFIT-COST RATIO

BCR

$$\text{BCR} = \text{Gross/Attributed Benefit} \div \text{Programme Cost}$$

ATTRIBUTED BENEFIT \$24,750

TRAINING \$37,500
INVESTMENT

BENEFIT-COST RATIO

\$24,750 ÷ \$37,500 =

0.66 : 1

Interpretation

Training investment	\$37,500
Baseline conversion	22.0%
Post-training average	24.75%
Conversion improvement	+2.75 pp
Additional sales/month	275
Additional sales over 6 months	1,650
Gross profit/sale	\$25
Observed financial benefit	\$41,250
Training contribution	60%
Attributed benefit	\$24,750
Net benefit	-\$12,750
ROI	-34%
Benefit-Cost Ratio	0.66 : 1

EXECUTIVE ROI REPORT

Nova Retail Group

Sales Performance Programme

MEASUREMENT PERIOD	6 months post-training
PARTICIPANTS	200 sales associates
INVESTMENT	\$37,500

01 Executive Summary

The Sales Performance Programme was designed to improve sales conversion through stronger customer discovery, value communication, objection handling and closing behaviours.

During the six-month measurement period, average conversion increased from **22.0%** → **24.75%**, an improvement of 2.75 percentage points.

TOOL 07

ROI Calculator™

INPUTS

TRAINING INVESTMENT

GROSS FINANCIAL BENEFIT

ATTRIBUTION %

ATTRIBUTED BENEFIT (Gross Benefit × Attribution)

NET BENEFIT (Attributed Benefit – Training Investment)

ROI (Net Benefit ÷ Training Investment × 100)

ROI Calculation Cheat Sheet

Net Benefit	Financial Benefit – Programme Cost
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ROI	$\text{Net Benefit} \div \text{Programme Cost} \times 100$
------------	--

Benefit-Cost Ratio	$\text{Financial Benefit} \div \text{Programme Cost}$
---------------------------	---

Payback Period	$\text{Programme Cost} \div \text{Avg Monthly Net Benefit}$
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Cost per Participant	$\text{Total Investment} \div \text{Participants}$
-----------------------------	--

Productivity Value	$\text{Time/Output Improvement} \times \text{Financial Value}$
---------------------------	--

The CFO Test

If you cannot answer these five questions:

- What changed?
- What was it worth?
- What did training contribute?
- How confident are we?
- What should we do next?

END OF SAMPLE

Don't just explain ROI. Demonstrate it.

This sample showed the logic, the formulas and a worked project.
The complete book takes you through all of it — step by step:

- + Define the business problem, baseline and target KPI
- + Build the full training cost picture
- + Calculate Sales, Productivity, Error and Turnover ROI
- + Prove attribution: did training really cause it?
- + Convert business results into defensible money
- + Work through the Nova Retail Group project end to end
- + Use 16 ready-to-fill tools, templates and cheat sheets

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