Although the need for program objectives might seem obvious, their value and role are much broader than most people think. In this chapter, we cover why we need specific, measurable program objectives categorized at different levels. More important, we examine the benefits of objectives from many perspectives.

FUNDAMENTAL ISSUES

Before describing the benefits of objectives, a few basic concepts should be addressed. These concepts will set the stage for the remainder of the chapter.

Definition of Objectives

Objectives as described in this book are defined based on research, application, and practice. They are logical, credible, and sequential. An objective is a statement describing an intended outcome rather than a process. It describes one of the key intents of the project or program. Objectives rest on a foundation of important principles.
Levels of objectives. There are six levels of objectives (input, reaction, learning, application, impact, and ROI), as described in Table 1.1. Each level produces an additional category of data, representing different definitions of value. Data are sometimes considered more valuable at the higher levels—by a senior executive, for example. This perspective, however, should not discount the importance of data generated at lower levels, which represent value to other stakeholders, such as facilitators who value reaction data or supervisors who value application data. Program objectives should reflect measures of value important to all stakeholders.

<table>
<thead>
<tr>
<th>Table 1.1: Levels of Objectives</th>
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</thead>
<tbody>
<tr>
<td><strong>Level of Objectives</strong></td>
</tr>
<tr>
<td>0 — Inputs and Indicators</td>
</tr>
<tr>
<td>1 — Reaction and Perceived Value</td>
</tr>
<tr>
<td>2 — Learning and Confidence</td>
</tr>
</tbody>
</table>
| 3 — Application and Implementation | Use of content and materials in the work environment, including progress with action items and implementation | Extent of use
Task completion
Frequency of use
Actions completed
Success with use
Barriers to use
Enablers to use
|
| 4 — Impact and Consequences | The consequences of the use of the content and materials expressed as business impact measures | Productivity
Revenue
Quality
Time
Efficiency
Customer satisfaction
Employee engagement
|
| 5 — ROI | Comparison of monetary benefits from program to program costs | Benefit-cost ratio (BCR)
ROI (%)
Payback period
|

**Chain of impact.** For a project or program to add value and result in a positive ROI, a multilevel chain of impact must occur. The program is initiated and participants are involved (Level 0 objectives are met). Participants react to the program in a desired way (Level 1 objectives are met). They acquire skills and knowledge associated with the program (Level 2 objectives are met). They apply what they learned in a variety of ways (Level 3 objectives are met). They realize a positive consequence in the work unit or individual performance area (Level 4 objectives are met). Project leaders determine whether the program benefits exceed the costs at an acceptable rate of return, reflecting the desired ROI (Level 5 objectives are met). For the ROI to be positive, the chain of impact must exist and remain intact.

**Conditions.** An objective might rest on a certain condition. For example, a participant might be able to use particular software, given a variety of operational situations. Performance is described based on that condition. An objective might be written as: “When a customer becomes angry, the following five steps will be taken.” The condition for performance is the customer’s behavior.
Criterion. Objectives need to be specific, defining precise amounts, such as “5 percent sales increase” or “95 percent of action items are complete.” Most objectives are time based. Application and impact objectives, for example, set deadlines for actions to be completed and impact measures to be improved. A time-based objective might be, “Ninety-five percent of action items will be complete by June 16.”

Collectively, these principles define objectives by level, by their connection to each other, by certain conditions on which they rest, and by a desired level of precision.

Programs Without Objectives

Although it’s hard to imagine, some projects or programs are implemented without objectives. They might have descriptions—or maybe agendas—but no objectives. The information might be in someone’s mind, yet nothing is committed to paper. These situations are certainly undesirable. Objectives give direction, focus, and attention to a project. They clarify the reasons for a project, spell out expectations of those involved, and specify incremental deadlines. Objectives position the program or project for success. These days, objectives also include the amount of money to be made, costs to be reduced, or expense to be avoided. In addition, they must be defined at different levels, be powerful and attention-grabbing, and communicate a strong message.

Problems With Objectives

We have had the opportunity to examine and evaluate hundreds of projects in all types of settings. When conducting an evaluation, including an ROI impact study, we first examine the objectives. In the majority of situations, the owners of the program or project begin the initial meeting by apologizing for the objectives, which are often ill-defined. Below are the most common problems with objectives.

Unclear objectives. An unclear objective might read, “The objective of this project is to develop a diverse, multifaceted, interdisciplinary team that can function in a competitive, challenging, and dynamically changing environment to produce extraordinary and sophisticated outcomes that will dramatically enhance results.” What does this mean? Obviously, clarity is needed.

Incomplete objectives. Sometimes objectives are incomplete in that they lack definition. Consider the statement, “The objective of this project is to improve the sales force.” Immediately, the question becomes, “So what?” What is lacking about the sales force that would cause it to need improvement?
Is the goal actually to improve sales, market share, profits, customer loyalty, customer satisfaction, or some other measure? Without sufficient detail, the objective is left to interpretation.

**Nonspecific objectives.** Specificity can be defined at the program level or the individual level. Consider a new compliance program in which the objective is to reduce compliance discrepancies. We need more details. Which discrepancies? By what date? By how much do we want to reduce those discrepancies? At a program level, a more specific objective might be written as, “Reduce compliance discrepancies from $2 million in fines per year to no more than $100,000 by the end of the second year following project implementation.” If the compliance discrepancies are at an individual level, then specificity needs to be applied there as well. Conditions for success can add further specificity. For example, the objective might be, “Fines will not increase as business volume increases.” The increase in business volume is the condition that makes the objective more specific than if it were written as, “Fines will not increase.”

**Missing objectives.** Certain levels of objectives are frequently omitted, particularly those at higher levels. For example, business impact and ROI objectives are often excluded. If the goal is to add business value, then the objectives should be defined at the business impact level and ROI level when a specific return-on-investment is needed. These objectives are developed along with objectives at the lower levels.

**THE POWER OF OBJECTIVES**

Objectives are powerful in that they provide direction, focus, and guidance. They create interest, commitment, expectations, and satisfaction. Their effect on different stakeholders varies; they are a necessity, not a luxury. While the power of objectives at the reaction and learning levels is evident, the importance of objectives at higher levels requires additional explanation.

**Application/Impact Objectives Drive Programs**

Objectives at Level 3 (Application) and Level 4 (Impact) are routinely omitted from projects and programs. Ironically, they are the most powerful levels as they focus on the organization’s needs: success with application and the corresponding outcomes. Below we discuss more specifically how these higher levels of objectives fuel a program or project.

*Provide focus and meaning to the program.* Objectives often present the rationale for a program’s existence. They explain the beginning point—the
original business need—which translates into a business impact objective. The behavior or performance issues causing the business need translate directly into application objectives. The objectives establish the ultimate expectations, thereby providing direction to stakeholders.

**Provide direction to stakeholders.** Clear objectives let everyone involved know what must be done to achieve success and what the consequences of that success will be. Actions (applications) and consequences (impact) represent the important outcomes from almost every program. When these objectives are clearly stated, stakeholders can define the actions they need to take to succeed in their role in program implementation.

**Define success.** Application and impact objectives, clearly expressed with specific criteria and indicators, take the mystery out of the definition of success. By defining success at all levels, the measures taken during evaluation are also defined. Clearly defined measures of success transform into questions asked during the evaluation.

### Application/Impact Objectives Enhance Design and Development

A risk not worth taking is sending vague objectives to a program designer or developer. Designers are creative, using their imaginations to build program content. Without clear, specific direction, they will insert their own assumptions regarding the ultimate use of the project (application) and the consequences to the organization (impact). These higher-level objectives have several effects on program development.

**Define content issues.** The content essentially moves from what participants must learn to make the project successful to what they must do to make it successful. In addition, the application of the content leads to how that success will ultimately be defined. The content shifts from concept and theory to a practical application intended to drive important business outcomes. Although the general principles and facts might remain the same, the situational aspect of the content changes.

**Help with design of exercises and activities.** When the application and impact objectives are known, the exercises, activities, problems, guides, and checklists in a program can focus on application and impact. The scenarios described in the content form the basis of the exercises. The exercises are focused on application in the work setting. Participants can then envision what they must do to be successful.

**Make skill practice and role plays relevant.** Skill practices and role plays offer an excellent opportunity to learn and practice new skills. With strong application and impact objectives, the role-play situations are more clearly
Why bother? The importance of objectives

defined, realistic, and job specific. The mystery of use in the job context has been removed.

Facilitate action plans. One of the most effective ways to measure success is through action planning, in which participants plan what they must do to succeed on the job. When Level 3 and 4 objectives exist, the action planning becomes easier, more specific, and carefully connected to the intended outcomes. Action plans often flow directly from application objectives, removing the temptation to stray from the intended purpose of the project or program.

Make quizzes job related. Quizzes and tests are common measurements of learning success. When the application and impact objectives are clear, there is more context from which to develop job-specific test questions.

Application/Impact Objectives Improve Facilitation

Objectives are the first information reviewed prior to facilitating a meeting or training session, and they define the facilitator’s approach in teaching the project or program. They provide guidance for the facilitator to know how to present, what to present, and the context in which to present. More specifically, these higher levels of objectives provide facilitators with the information to do the following.

Show the end result and provide the focus to achieve it. An objective-based approach to facilitation allows the facilitator to show individuals how they will use their learning and the impact it will have.

Focus the discussions on application and impact. The dialogue with the participants is about what they will do and how they will do it on the job, including the challenges and enablers that will either inhibit or help them achieve success. Group discussions, stories, and examples presented by the facilitator help focus on application and impact. The facilitator can describe actual experiences on the job.

Ensure that the facilitator has job-related experience. Because the facilitator must present job-related situations and applications, he or she must fully understand the work. Usually, this means the facilitator must have experience in using what he or she is presenting. This requirement enhances the quality of facilitation and enables specific, job-related discussions about application and impact with the group.

Teach to the test. Facilitators are often accused of teaching to the test. They want to ensure that participants can pass the test. If learning objectives are the sole objectives, the test is based on learning—measuring knowledge and skills acquisition. With application and impact objectives in place, participants are encouraged to understand what they must do, along with the impact
and consequences of doing it. This new test scenario drives the application and impact measures. Although the results of the ultimate test will not be known until the post-program follow-up, the facilitator presents the job content so participants can “score well” on the application and impact test that will actually be obtained in the follow-up evaluation.

**Application/Impact Objectives Help Participants Understand What Is Expected**

Participants need clear direction as to why they are involved in a program or project and what they are expected to do. Essentially, the role of a participant changes with higher levels of objectives. Of course, participants are expected to attend meetings and training, become involved and engaged, and learn. When application and impact objectives are communicated to them, they will realize there is an expectation for them to apply what they learn and that the application of knowledge should reap some benefit. Again, application and impact objectives remove the mystery from the program and the roles within it. Below we specify ways these higher-level objectives help participants understand expectations.

*Clarify expectations by detailing what the participant must do.* Application objectives define expectations in terms of action—the detail needed when participants use the tools, skills, or knowledge on the job. Application objectives also define tasks that must be completed, meetings that must be held, or forms to be delivered. The action required or expected of the participants is made clear.

*Set clear expectations about what the participant must ultimately accomplish.* Impact objectives connect the program to the business measures and also to participants’ performance. When participants apply what is learned in a project or program, there is a consequence. Often, that consequence is the immediate measure that represents their performance, such as measures of productivity, quality, time, or costs. Participants control or influence these measures.

*Define “What’s in it for me?”* Participants must engage and commit to achieving results and providing data. They need to know what is in it for them, and impact objectives clearly show them. For example, when participants attend a meeting or session on the use of new sales software, the impact objectives clearly indicate the ultimate outcome. These objectives are typically stated in terms of increasing sales, enhancing customer satisfaction, improving market share, increasing customer loyalty, and other important measures. Such objectives clarify what’s in it for participants. They want to improve these measures, so such objectives provide incentive to participate.
Explain why the program is being conducted. Individuals may attend a program or participate in a particular project without a clear understanding of why the project exists. Typical questions include, “How would this help the company?” or “How will this help my department?” Application and impact objectives clearly explain the program’s purpose and the expected outcome, in addition to what participants must do and ultimately accomplish.

Impact Objectives Excite Sponsors

The sponsors (those who actually fund the program) often request data showing how well the program achieved its goal. Impact measures resonate with executives and program sponsors. It is no secret that executives do not get excited about reaction and learning objectives. They are not as concerned with reactions to a program or even what is learned. Rather, their interest lies in what participants do with what they learn and the ultimate impact on the organization. Impact objectives grab the attention of executives for the following reasons.

Connect the program to the business. Impact objectives connect the program directly to business goals. This linkage piques executive interest and builds program support.

Connect the program to key performance indicators (KPI). Important scorecard measures are goals for the sponsor. Impact objectives often contain executive KPIs, scorecard performance measures, dashboard indicators, or operating results. A deficiency in one or more of these measures often precipitates the need for the program.

Show business value. This is the first opportunity for the sponsor to see value that he or she can appreciate. Business value and attempts to “show the money” make sponsors happy.

Application/Impact Objectives Simplify Evaluation

These high-level objectives pave the way for evaluation by providing the focus and details needed for the evaluator to collect and analyze results. This is perhaps the primary reason, from an accountability perspective, to have higher levels of objectives. Here are some specific things they do to aid evaluation:

- Identify data to be selected in the organization.
- Define specific measures reflected in the data item, distinguishing it from similar or closely related items.
- Suggest the appropriate data collection method to be used. In some cases the measure itself, when clearly defined, suggests how it might be collected.
Suggest the source of data by identifying where it is and who has it.
Suggest the timing of data collection. The objectives provide hints as to when action is needed and when change will occur, influencing the timing of when data will be collected.
Suggest responsibilities to collect data. The definition of data suggests who may be the best person to collect the data. Impact data are sometimes housed in a particular department or function. If data are generated in a field location, someone in the field might be the best person to collect that data.
Suggest the appropriate isolation method. Isolating the effects of a program essentially suggests that some technique will always be used to show the cause-and-effect relationship between a program and impact data. When impact data are defined through the development of objectives, the best method to isolate the effects of the program might become evident. The control group arrangement is most credible when it is feasible to use this method. Trend-line analysis is the next most credible method. Other methods are available, including participants’ estimates. The measure itself can influence the decision to use one technique versus another.
Suggest the appropriate data conversion method. Some measures, when defined clearly, represent measures already converted to money. Other measures need to be converted by experts and specialists. Clearly identifying the measures with impact objectives makes the choice of methods much easier.

In summary, application and impact objectives are extremely valuable for the evaluator. They provide the information necessary to complete the data collection plan and the ROI analysis plan, ultimately making for a more effective, sound evaluation.

**All Levels of Objectives Inform the Stakeholders**

Collectively, all levels of evaluation help stakeholders understand the program more clearly. All stakeholders need to know not only why the program is being developed, but also about participant reaction, what the participants have learned, what actions they will take, and, ultimately, what they will accomplish.

Such knowledge is particularly critical for managers of participants directly involved in the program. They might not be supportive because they see neither value to which they can relate, nor objectives that reflect their interests. These managers must be able to see how the program connects to
key measures. The good news is programs often show value that can make a manager take interest and ultimately support the process. Program objectives provide a preview of what is to come.

**CASE STUDIES**

Three examples underscore the types and nature of the objectives described in this book. They show how the different levels of objectives are used and how they are stacked to form a chain of impact that should occur as a project or program is implemented. They represent different issues so their application in different areas is clear.

**Nations Hotel—Business Coaching**

Table 1.2 shows the objectives from a business-coaching program for a global hotel chain (Phillips & Phillips, 2005). In this program, objectives are set at all five levels. The learning and development team was challenged to identify learning needs to help executives find ways to improve efficiency, customer satisfaction, and revenue growth in the company. A key component of the program was the development of a formal, structured coaching program, Coaching for Business Impact. Corporate executives were interested in seeing the actual ROI for the coaching project. An important step in the program design was to develop specific objectives for Levels 1 through 5. These objectives provided the framework to achieve and report success.

Each person receiving coaching selected three out of the five measures listed in the impact objectives, providing flexibility for focus and concentration. These objectives were clearly described to the person being coached in announcements during earlier sessions and throughout the coaching process. The objectives not only provided the framework for collecting data, but they also provided the immediate focus throughout the coaching process.

**Global Financial Services—Software Implementation**

Global Financial Services Inc. (GFS) is a large international firm that offers a variety of financial services to clients (Phillips, Phillips, Stone, & Burkett, 2007). After analyzing its current sales practices and results, the firm identified the need to manage sales relationships more effectively. A task force comprising representatives from field sales, marketing, financial consulting, information technology, and education and training examined several solutions for improving relationships, including customer-contact software packages.
**Table 1.2: Objectives for Coaching for Business Impact**

**Level 1 Reaction Objectives**
After participating in this coaching program, the executives will

- perceive coaching to be relevant to the job
- perceive coaching to be important to job performance at the present time
- perceive coaching to be value added in terms of time and funds invested
- rate the coach as effective
- recommend this program to other executives.

**Level 2 Learning Objectives**
After completing this coaching program, the executives should improve their understanding of or skills for

- uncovering individual strengths and weaknesses
- translating feedback into action plans
- involving team members in projects and goals
- communicating effectively
- collaborating with colleagues
- improving personal effectiveness
- enhancing leadership skills.

**Level 3 Application Objectives**
Six months after completing this coaching program, executives should do the following:

- Complete the action plan.
- Adjust the plan accordingly as needed for changes in the environment.
- Show improvements in
  - uncovering individual strengths and weaknesses
  - translating feedback into action plans
  - involving team members in projects and goals
WHY BOTHER? THE IMPORTANCE OF OBJECTIVES

- communicating effectively
- collaborating with colleagues
- improving personal effectiveness
- enhancing leadership skills.

Identify barriers and enablers to application of knowledge acquired.

Level 4 Impact Objectives
Six months after completing this coaching program, executives should improve at least three specific measures from the following areas:

- sales growth
- productivity/operational efficiency
- direct cost reduction
- retention of key staff members
- customer satisfaction.

Level 5 ROI Objective
The ROI value of the coaching program should be 25%.

The firm chose to implement a software package designed to turn contacts into relationships and relationships into increased sales. The program features a flexible customer database, easy contact entry, a calendar, and a to-do list. The software enables quick, effective customer communication and is designed for use with customized reports. It also has built-in contact and calendar sharing and is Internet ready.

Instead of purchasing software and training for each of the 4,000 relationship managers, GFS evaluated the success of the software on a pilot basis using three groups, each comprising 20 relationship managers. A one-day workshop was designed to teach these relationship managers to use the software. If the program proved successful, yielding the appropriate return-on-investment, GFS planned to implement the program for all its relationship managers. With a focus on results, detailed objectives were developed for the implementation and are shown in Table 1.3.
Table 1.3: Objectives for Software Implementation

**Level 1 Reaction Objectives**
After reviewing the software, the participants will
- provide a rating of 4 out of 5 on the relevance for specific job applications
- indicate an intention to use the software within two weeks of the workshop (90% target).

**Level 2 Learning Objectives**
After participating in the workshop, participants will
- score 75 or better on a software test (80% target)
- demonstrate four of these five key features of ACT! with zero errors:
  - enter a new contact
  - create a mail-merge document
  - create a query
  - send an email
  - create a call report.

**Level 3 Application Objectives**
Following the workshop, the participants will
- enter data for 80% of new customer prospects within 10 days of workshop completion
- increase the number of planned follow-up contacts with customers within three months of workshop completion
- use the software daily as reflected by an 80% score on an unscheduled audit of use after one month of workshop completion.

**Level 4 Impact Objectives**
Three months after implementation, there should be
- reduced number of customer complaints regarding missed deadlines, late responses, and failure to complete transactions
- reduced time to respond to customer inquiries and requests
- increased sales for existing customers
- increased customer satisfaction composite survey index by 20% on the next survey.

**Level 5 ROI Objective**
Implementation of the new software should achieve a 25% return-on-investment using first-year benefits.
This comprehensive set of objectives provided the appropriate direction and information for the workshop designer, facilitator, participants, senior management team, and task force.

**Metro Transit Authority—Absenteeism Control**

The Metro Transit Authority (MTA) operates a comprehensive transportation system in a large metropolitan area (Phillips & Phillips, 2002). More than 1,000 buses operate regularly, providing citizens with essential transportation. Many passengers depend on the bus system for their commute to and from work, as well as other travel. MTA employs more than 2,900 drivers to operate the bus system around the clock.

As with many transit systems, MTA experienced excessive driver absenteeism, and the problem continued to grow. Three years prior to implementing a solution, MTA’s absenteeism was 7 percent, compared to 8.7 percent in the three-month period prior to implementation—too excessive to keep the transit system operating consistently. Two solutions, along with objectives for both, were developed to correct the problem. The first solution, a low-cost absenteeism policy, allowed a fixed number of absences before termination. The second solution changed the selection process to screen individuals with a history of absenteeism problems. Table 1.4 shows the objectives for these solutions.

<table>
<thead>
<tr>
<th>Table 1.4: Objectives for Absenteeism Reduction Program</th>
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<tbody>
<tr>
<td><strong>Level 1 Reaction Objectives</strong></td>
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<tr>
<td>After announcing the program, supervisors will</td>
</tr>
<tr>
<td>&gt; show support for the No-Fault policy by communicating it to employees including how the policy is applied and the rationale for it</td>
</tr>
<tr>
<td>&gt; experience little or no adverse reaction from current employees as the No-Fault absenteeism policy is implemented.</td>
</tr>
<tr>
<td><strong>Level 2 Learning Objectives</strong></td>
</tr>
<tr>
<td>After implementing this new policy, employees and supervisors should be able to</td>
</tr>
<tr>
<td>&gt; describe the No-Fault process</td>
</tr>
<tr>
<td>&gt; identify the features and benefits of the No-Fault policy</td>
</tr>
</tbody>
</table>

(continued on next page)
Table 1.4: Objectives for Absenteeism Reduction Program (continued)

- explain the rationale for the No-Fault absenteeism policy and the new screening process.

**Level 3 Application Objectives**

Immediately after the solutions are implemented, the human resources staff should

- use the new screening process for each selection decision so that a systematic and consistent selection process is in place
- implement and enforce the No-Fault policy consistently throughout all operating units.

**Level 4 Impact Objectives**

Within the first year this program is completely implemented,

- driver absenteeism should be reduced at least 2%
- the present level of job satisfaction is maintained as the absenteeism initiatives are implemented and applied
- customer service and satisfaction should improve with a reduction in schedule delays caused by absenteeism.

**FINAL THOUGHTS**

This chapter emphasizes and explains the importance of objectives. While there is general agreement that objectives are necessary, we show how they are critical to program or project success. They help drive the results of projects, clarify expectations, secure commitment, and make for a much more effective program or project. Objectives must be developed with as much specificity as possible, with a clear description of the desired outcomes at higher levels. If business results are desired, a program or project should have application, impact, and, in some cases, ROI objectives. The next chapter will show how objectives are derived.