

## ROI of Human Capital



*Return-on-investment*—what does that term mean to you? To most people in business, ROI means knowing what you are getting in return for an investment of money, time, and other resources. In the workplace learning and performance field, ROI means calculating the

return on your training or HRD investments.

In these challenging economic times, all organizations are looking closely at their financial statements and scrutinizing every line item. Training budgets are no exception. Organizational leaders want to know how training is measured and evaluated against company-wide goals and bottom-line measures.

Your CEO or CFO has probably asked you these questions recently:

- How is training affecting employee and organizational productivity?
- How is training tied to our business strategies and how is that link helping achieve the organization's goals?

- How do learning and performance initiatives improve our bottom line?

If you've been struggling with those questions or others, you're not alone. But understanding how to measure and evaluate training investments is critical to your professional success and the success of your organization.

So, how are you measuring the effect of your work on the organization?

Within the ASTD worldwide community, you have access to information and a network of practitioners and experts that can help you understand how to measure and evaluate training and HRD investments effectively. That information and expertise can be found in many places, including the new ASTD ROI Network Conference, December 2 to 4, in College Park, Maryland, and the new ROI membership offering. You can also tap into additional measurement and evaluation resources and tools on ASTD's Website [www.astd.org](http://www.astd.org).

Gone are the days when training was a nice-to-have. Business leaders recognize that their employees—the human capital of the organization—are the key to achieving competitive advantage. One of your most important roles is to measure what matters: the impact of employee training and development on the success and growth of your organization.

A handwritten signature in black ink that reads "Ina Sung". The signature is fluid and cursive, with a long, sweeping tail on the letter "g".

President and CEO  
ASTD