



## WestJet: Report Highlights

### Measuring the ROI of OneSmartWorld Meeting Management Training

**Overview of WestJet** One of Canada's most admired and fastest growing airlines, Calgary-based WestJet Airlines Limited has the goal of becoming one of the five most successful international air carriers in the world by 2016. WestJet's ambitious vision is buttressed by a strategic plan that emphasize—among other things—investing in the growth and development of its people while simultaneously controlling costs to achieve profit margins that will lead North American airlines.

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#### The Training **ONESMARTWORLD SMARTER MEETINGS TRAINING**

**Target Audience:** Participants attended training with their work teams. Teams were drawn from various departments in the organization (planning, marketing, finance, IT, etc.). Team members held a variety of positions (project managers, planners, analysts, coordinators, etc.).

**Format:** Training was delivered in a half-day, instructor-led, workshop.

**Activities:** During training, activities included: diagnosing meeting problems, simulating a meeting, designing a meeting agenda using the OneSmartWorld "Smart Tracks", a Smart Meeting practice, and an overview to an online meeting planning tool (Smart Agenda Manager) developed by OneSmartWorld. At the completion of training, participants created Action Plans describing the steps they would take in the next month to apply their training to the meetings they planned to chair or attend.

**CAPABILITY RESULTS**



- **Skills & Knowledge:** After training, 72% rated their knowledge and skill level across 5 key areas of learning as “high”.
- **Confidence in Applying Learning:** 76% indicated a high-level of confidence in their ability to effectively apply their learning to their jobs.
- **Perceived Value:** 92% perceived the training as valuable (i.e., credible, practical, relevant, and essential).
- **Motivation to Apply Learning:** 89 % rated their motivation to apply their learning as high.
- **Plans for Action:** 64% indicated they had many ideas for where or how they could apply their learning in their jobs. In open-ended comments, participants expressed concern that management support might prove to be an obstacle to applying their new meeting management techniques.

**Capability Index**

| Impact at a Glance |              |
|--------------------|--------------|
| Red                | Low (1 & 2)  |
| Yellow             | MODERATE (3) |
| Green              | HIGH (4 & 5) |
| (5-POINT SCALE)    |              |

**SKILL & KNOWLEDGE**

After Training



**CONFIDENCE**



**PERCEIVED VALUE**



**MOTIVATION**



**PLANS FOR ACTION**



| RISK ALERTS |   |
|-------------|---|
|             | <p><b>PLANS FOR ACTION</b></p> <p>APPROXIMATELY 1/3 OF PARTICIPANTS (36%) REPORT HAVING ONLY A FEW OR SOME IDEAS FOR WHERE OR HOW THEY WOULD APPLY THEIR LEARNING</p> |

**BUSINESS RESULTS**



**Evaluation Questions:** Did the application of learning or improvements to job performance impact business results? What were the intangible benefits from the training?

**BUSINESS MEASURES**

The Smarter Meetings training resulted in positive business performance improvement and return on investment (ROI). Analysis of performance metrics indicates cost savings (in terms of shorter meetings and fewer meeting participants) of \$242,160 annually. The ROI from the training was 558%.

All participants received a Business Results survey approximately six months after training to determine if the new skills and knowledge had improved key business metrics and, if so, by how much. Of the 82 surveys sent out, 46 were returned. Of returned surveys, 36 (78%) were from participants who regularly chaired meetings and 10 were from other participants. The high percentage of returns from chairs is fortuitous since meeting chairs can most accurately assess any change in meeting performance measures.

**KEY MEETING METRICS**

Meeting Chairs recorded the following meeting profiles:

| <b>BEFORE TRAINING</b>                     |                 |
|--|-----------------|
| <b>PERFORMANCE MEASURE</b>                 | <b>ESTIMATE</b> |
| Average number of meetings per month       | 8.86            |
| Average number of participants per meeting | 6.58            |
| Average length of meetings (min.)          | 57.10           |

| <b>AFTER TRAINING</b>                     |                     |
|---|---------------------|
| <b>PERFORMANCE MEASURE</b>                | <b>LOW ESTIMATE</b> |
| Average number of meeting per month       | 8.86                |
| Average number of Participant per meeting | 5.66                |
| Average length of meetings (min.)         | 51.53               |

However, *all* respondents reported that the newly acquired meeting management skills helped them reduce the number of unnecessary participants in meetings. The average reduction was from 6.58 participants per meeting before training, to 5.66 participants post-training. (A reduction of 0.92 participants per meeting.) Also, the new skills helped chairs conduct shorter meetings—an average reduction of 5.57<sup>1</sup> minutes per meeting (from 57.10 minutes to 51.53 minutes).

Observing the conservative principles of the Phillips ROI Methodology™, this study chose to select only the lower estimate. In addition, the study also employed an 80% confidence interval to further adjust the participants' low estimates for error, ensuring even more conservative impact results.

## BUSINESS RESULTS

As a result of acquiring new meeting effectiveness skills, meeting Chairs were able to improve productivity, principally through cost savings to the organization by reducing unnecessary employee time in meetings.

### **Business Benefit: Cost Savings (Time savings)**

The total business impact is the annual time saved by all chairs as a result of the training (i.e., the annual benefit from shorter meetings, fewer participants.).

Before training: 8.86 meetings X 6.58 participants X 57.10 minutes  
= 3,328.86 participant-minutes

After training: 8.86 meetings X 5.66 participants X 51.53  
= 2584.1 participant-minutes

Average participant time saved per chair per month: 3,328.86 -2584.1  
= 744.76 minutes/chair

Monthly time savings for all 36 Chairs (those who responded to survey):  
= 744.76 minutes/chair X 36 chairs  
= 26,811.36 minutes (446.86 hours saved per month)

### **Annual Business Impact (Cost savings)**

The annual business benefit from the training is the salary saving resulting from reduced staff time in meetings.

Business Improvement: Total time saved per month X average hourly salary (loaded)  
= 446.86 hours X \$45.16/hour<sup>1</sup>  
= \$20,180 per month

Annual Improvement (annual savings in unproductive meeting time):  
= \$20,180/month X 12 months  
= \$242,160 cost savings annually

### **Isolation:**

asked to indicate *only* the performance improvements that resulted from the training.

**ROI**

**Evaluation Questions:** Did the business benefits of training exceed its total costs (Benefit/ Cost Ratio)? What was the return on investment?

**Return on Investment for Project Management Training:  
558%**

**COST**

|  |                    |
|--|--------------------|
| Program development cost (developer salaries, travel):                                     | \$8,539.50         |
| Program delivery costs   |                    |
| Elearning technology license (\$140/participant)   | \$11,480.00        |
| Participant training times (loaded salaries)<br>(82 participants X 4 hours X \$43.16/hour) | \$14,156.48        |
| Facilitator cost   | \$1,625.76         |
| Materials  | \$365.00           |
| Training Evaluation  | \$615.00           |
| <b>Total Training Cost</b>   | <b>\$36,781.74</b> |

**BENEFIT COST RATIO (BCR)**

The Benefit-Cost Ratio is a key metric in the IIP Methodology which allows ready comparison of the programs benefits with the program costs.

$$BCR = \frac{\text{Total Business Benefit}}{\text{Cost of Training}} = \frac{\$242,169}{\$36,782} =$$

For every dollar invested in training \$6.58 was returned to the organization

**RETURN ON INVESTMENT (ROI)**

$$ROI = \frac{\text{Net Benefits}}{\text{Total Cost}} = \frac{\text{Total Benefits} - \text{Total Cost}}{\text{Total Cost}} \times 100\%$$

$$ROI = \frac{\$242,160 - \$36,782}{\$36,782} \times 100\% = 558\%$$

**INTANGIBLES** In addition to the improved business performance results and positive ROI there were additional, non-quantified benefits from the training—so called, intangible benefits. Such benefits may be contributing to an overall improvement in the quality, efficiency, effectiveness of meetings. While these meeting outcomes were not specifically measured in this study, responses to the Transfer Questionnaire,

respondents suggests at least moderate gain were realized in the following areas:

- Decreasing the non-productive time in meetings
- Increasing achievement of desired meeting outcomes
- Increasing the engagement of participants during meetings
- Increasing the quality of meeting conversations and thinking

**CONSIDERATIONS  
& ISSUES**

1. An ROI of 558% means that the original investment in training was returned to the organization along with a 558% profit. That is, every dollar invested in training was returned to the organization plus a profit of \$5.58.

2. It should be noted that the actual ROI from training might have been higher than reported in this analysis. In accordance with the Phillips ROI Methodology™, this study conservatively recognizes only the benefits reported by survey respondents and ignores the any performance improvements that might have been realized by non-respondents. (Of the 82 surveys sent out, only 46 participants responded.) On the other hand, the Phillips methodology recommends accounting for training costs for *all participants*—including both survey respondents and non-respondents.

**RECOMMENDATION** This observation suggests that an opportunity exists to enhance the business impact of the Smarter Meetings training by the development of more robust follow-through strategies to help participants adapt their new skills and knowledge on their return to the workplace.

Comments received on the Transfer Questionnaire strongly suggest that a substantial opportunity exists for even greater returns for this kind of training by ensuring management support and the inclusion of a wider subset of the organization in the training activities:

*The training... "would be much more effective if this was available company-wide."  
"Would be nice to see everyone on the same page of understanding so all our meetings get more efficient."*

*"We need to achieve a critical mass within the organization in order to really have this program embraced and used to its full potential"*

*"Make sure that management and executives are trained in this and then lead by example."*

**RECOMMENDATION** Clearly if the training has potential value (78% of respondents reported that training was "a worthwhile investment for Westjet"), the organization may be able to substantially leverage the impressive returns these results suggest by considering a training strategy that would integrate a wider pool of participants and encourage the support and participation of senior management.