

# Measuring the Impact of Sales Training

## Big Apple Bank

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*Measuring the impact of any training program is a difficult and challenging process. This case illustrates some of the key issues and barriers to successful implementation of evaluation and presents the process used to measure the impact of sales training in a major bank. The program produced impressive results, but more important, the study highlights some difficulties of the complex evaluation process and solutions.*

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### Introduction

At one time or another, most major corporations have decided to measure the effect of their sales training programs. Most of them have found that it's not easy to do.

Several months ago, a major New York bank came to our organization for help with designing and implementing an effective way to measure the results from its sales training. Previous measurement methodologies had not produced the kind of level managers were looking for.

“On the face of it,” one manager said, “it seemed a no-brainer. We planned to run the training, then check and see what kind of improved results we were getting. A few telephone calls, a couple of printouts...maybe a half day's work in all. What could be simpler?”

The approach seems simple enough. If sales are up, the training was successful; if sales are down, the program was a failure. Yet, as human resource (HR) professionals are aware, an improvement in sales performance is usually the outcome of efforts from several functions,

*This case was prepared to serve as a basis for discussion rather than to illustrate either effective or ineffective administrative and management practices. All names, dates, places, and organizations have been disguised at the request of the author or organization.*

dozens of people, and a variety of competitive and market forces—of which training is just one part.

## **Background**

The bank's trainers had each gone through their share of bad experiences trying to measure training results. As a result, when senior management asked them to evaluate the impact of their sales training, they knew they had to do a convincing job.

In the three months following the bank's last training program, there had been an 18.6 percent increase in sales productivity. During the same three-month period, however, the bank had launched a new product that filled an important gap in existing offerings; there were prime rate changes that made the bank's products more attractive to customers; the bank's sales force was reorganized, with changes in senior management and in sales policies; and a major competitor withdrew from the market while another lost ground due to a merger.

At first, the trainers thought it might be possible to account for the individual impact of these other variables and to give each a weight. Before long, however, they realized that accounting for the influence of each variable was a practical impossibility. They had come up against one of the great truths of evaluation studies: Any model that can measure all the variables that have an influence on results is likely to be impossibly costly and complex.

## **Using a Control Group**

Originally, the best solution seemed to be to set up a matched control group. This group would consist of salespeople who had not been through the training but who had a sales record, tenure, and other characteristics that exactly matched those of the trained group.

Because control groups have wide use in science and medicine, they were the most obvious and respectable way to measure change when there are a range of intervening variables that could have an impact on the end results. However, anyone who has tried to use matched control groups knows that they have two crippling disadvantages.

First, for control groups to be effective, the members of both the matched and the experimental groups must remain stable for the life of the study. That kind of stability is unrealistic for our study. Assume that you need about six months of sales results to establish a performance database for choosing the groups in the first place. Then you need a period of, say, one or two months to cover the training period, followed by a three- to six-month evaluation period. That's a whole