

# TRENDLINES

*The Employers' Association's monthly whitepaper on essential Business/Human Resources practices*

The Employers' Association (TEA) delivers reports for businesses that contain relevant and up-to-date information based on our work with hundreds of employers each month. TEA is known to produce a number of essential benchmark survey reports every year and we also compile data and observations that provide organizations practical perspectives on important business trends.

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## Training Needs Assessment

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### What you should know

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A Training Needs Assessment is the intentional process of identifying gaps between current and desired employee performance and its connection with organizational goals and results. When a Training Needs Assessment is done effectively, an organization is more likely to improve employee, departmental, and overall organizational performance. When done ineffectively (using inadequate or insufficient rigor), organizations risk squandering money, time, and opportunity, thus reducing overall organizational effectiveness of learning & development initiatives. The lack of a full learning and development analysis can significantly burden profitability and erode trust and confidence by training to the wrong competencies or by attempting to develop skills and knowledge employees already have.

Training Needs Assessments address four primary objectives:

- They identify problems and opportunities to improve individual, group, and organizational performance.
- They provide data to obtain management support for strategic investments in training.
- They establish training success measures or outcomes critical for demonstrating the impact of training on operations and determining its return on investment.
- They align everyone's understanding of training benefits and help establish and maintain commitment to the planned initiatives.

Several factors may indicate the need for a training solution. A few of those typically considered include:

- The development of skills to fulfill a specific need such as promotions, reassignments, new employees or internal performance review data
- Organizational problems relating to production, safety, quality, or other operational challenges (e.g. new product time to market)
- Change caused by the advancement of technology, new or upgraded equipment, organizational strategy, or laws and regulations (e.g. those created to improve public health specific to COVID-19)
- Career Development/Succession Planning that help to identify skills needed for future opportunities within the Organization typically identified through strategic planning

## What we know

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Training Needs Assessments provide valuable insight into opportunities for employee, group, and organizational performance improvement. They reflect the alignment (or misalignment) of behaviors and competencies intended to drive current and future performance. Relevant training and development programs resulting from effective Training Need Assessment methods can send a resounding message of credibility, value, and positive regard to employees thereby differentiating one organization from another. This can improve both talent acquisition and employee retention objectives.

The quest for essential data must drive the Training Needs Assessment process. Simply stated, collecting quality data requires time to collect the correct data and planning to ask the right questions. Careful planning helps to overcome the mistake of making decisions based simply on intuition, hearsay, or opinion. Properly identifying current and future needs “up front” precludes the need to spend valuable time correcting the process later. The right assessment questions should define the audience, current performance, expected or desired performance, and the impact the enhanced performance will achieve. Specifically, the following Training Needs Assessment planning questions should be considered:

- Who needs training?
- Which outcomes are the preliminary training solutions expected to improve?
- Which methods have been used in the past to identify a training need and how effective have they been?
- What are the resources (time, budget, labor) needed and available to conduct the Training Needs Assessment?
- What is the organization’s perception of Training Needs Assessments? What do/will employees think?
- How will the Training Needs Assessment be evaluated (what is/are its success measures)?
- How (and to whom) should the results be communicated?

While TEA offers a respected blend of relevant and impactful employee and leadership development training solutions, we realize they are the most effective when each directly addresses the root cause of performance gaps or employee development needs. In a majority of our Needs Assessments, TEA works with members to define “training solvable” needs, as well as those in which training is not the best solution. “Non-training solvable” solutions are business-relevant and together with training can significantly reduce knowledge and skill gaps while helping to improve performance and business results. Non-training solutions include providing clear direction and expectations, ensuring proper resources are in place (e.g. time, equipment, job aids), providing appropriate incentives, and delivering positive and corrective feedback. Needs Assessment processes that only recommend training fail to consider these other solutions and, as a result, do not adequately inform the planning process and can inhibit desired improvements in performance.

TEA’s strategic training consultations start with the business need(s) and work backward to identify the knowledge, skills, and abilities that will best address and resolve the need. This may result in a single workshop with detailed application guidance or a series (curriculum) of highly relevant learning solutions and activities targeted to improve performance and expand skill repertoires.

Comprehensive Training Needs Assessment data can be gathered through a variety of means inclusive of:

- Surveys and Questionnaires (targeted to specific groups or entire employee-base)
- Interviews (formal, informal, individual, or group)
- Document Reviews (planning, operations, performance reviews, audits, and employee records)
- Direct Observation of Performance (Individual and Group)
- Tests, Competency Assessments, and Profiles (various, depending on job and role)

- Assessment Centers (used primarily for management development and career planning)
- Focus Groups (often focused on specific problems or assumed needs)
- Advisory Committees (secure information from people with reliable insight regarding potential training needs)

## What it means

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Training is an investment and some organizations allocate significant funding for training annually. Whether based on anecdotal or empirical evidence, all organizational decisions require insight to be effective and to deliver acceptable returns-on-investment. The problem with some training decisions stems directly from the quality of the data from which the decisions are based. Training investments, like other organizational investments, are affected by this same reality. A study by McKinsey and Company (2010) reported that up to 70% of employee training had little or no effect on subsequent performance. In many cases, this is not due to the quality of the trainings, but is a result of irrelevant training content or solution (AssessHub 2018). Additionally the true costs of training sometimes transcends the price of specific workshops and is often difficult to pinpoint when the whole picture is viewed. Three realities support this true cost misunderstanding:

1. Training is largely an “off-line” activity which means employees are not doing their normal work when they are being trained.
2. Trainees are often required to participate in “one-size fits all” training solutions which exposes them to concepts or skills they may sufficiently have or that may not be particularly relevant to their job or role, and
3. Organizations hesitate to commit post-training support to encourage the application of newly acquired knowledge and skills back on the job. As a result, the investment in training does not fully pay off.

Effective Training Needs Analyses are driven by clear objectives, empirical data, and a willingness by the researcher to remain open to new insights. Preconceived opinions of training solutions not anchored in a valid process of data collection should be intentionally avoided.

## What you can do

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Effective Training Needs Assessments starts with being clear about the problem or opportunity to be addressed and the audience under consideration. They must show a connection with organizational goals, mission and initiatives, along with the competencies that are expected to produce desired behavior and performance.

These strategic steps will guide the Needs Assessment process:

1. Get commitments from individuals or the team that will be implementing the Training Needs Assessment.
2. Clarify and confirm the organization, division, business unit goals and understand current levels of performance/results.
3. Identify the knowledge, skills, and abilities needed to meet the goals (including position, role, and other relevant competencies). If these are not defined in performance plans, job descriptions, or existing competency models, then they should be defined for the target audience.
4. Create the research (needs assessment) questions that best assess the gaps for the target audience (at either the organization, business unit or individual performer levels).

5. Obtain management support for function specific needs assessments and C-suite support for organization-wide needs assessments.
6. Select the assessment method that will produce valid data while also being cost-effective to execute. Many needs assessments break down because they are too complicated and take too much time and effort to complete. Good research uses data sampling techniques to infer valid and accurate conclusions without the need to collect every single data point.
7. Gather and analyze the data. Involve others (e.g. the needs assessment team) in the review process.
8. Determine which needs can be best met by training & development. Evaluate what is currently in place, including not only training methods but the clarity of expectations and the availability of essential resources, feedback, and proper incentives.
9. Leverage innovative training methods. Consider the learning styles, interests, and restraints which could impact the success of the training solution (e.g. work at home requirements during a pandemic). Technology and distance learning methods (e.g. web-based, virtual, micro-learning, or gamification) are important in the learning program design and delivery.
10. Infer conclusions and create a summary report of the findings. Needs assessment data and reports should be shared openly and transparently with constituents and stakeholders in a clear and informative way. Reports should “map” the connection of all needs and solutions with organization, division, and business unit goals and objectives. Doing so will make a stronger case for the recommended training investment.

Engaging in a well-designed Training Needs Assessment increases the likelihood of successful outcomes. The time spent building and managing the process is well worth it by addressing the right challenges, in the right ways, and at the right time.