

## Development of human resources -- Part 2

# NEEDS ASSESSMENT the first step

[Robert H. Rouda](#) & [Mitchell E. Kusy, Jr.](#)

---

(C) copyright 1995 by the [Technical Association of the Pulp and Paper Industry](#).

*This is the second in a [series of articles](#) which originally appeared in [Tappi Journal](#) in 1995-96, to introduce methods addressing the development of individuals and organizations through the field of Human Resource Development. (The article has been updated, and is reproduced with permission of the copyright owner.)*

---

A Needs Assessment is a systematic exploration of the way things are and the way they should be. These "things" are usually associated with organizational and/or individual performance (1).

WHY design and conduct a Needs Assessment? We need to consider the benefits of any [Human Resource Development](#) (HRD) intervention before we just go and do it:

- What learning will be accomplished?
- What changes in behavior and performance are expected?
- Will we get them?
- What are the expected economic costs and benefits of any projected solutions?

We are often in too much of a hurry. We implement a solution, sometimes but not always the correct intervention. But we plan, very carefully and cautiously, before making most other investments in process changes and in capital and operating expenditures. We need to do the same for Human Resource Development.

The largest expense for HRD programs, by far, is attributable to the time spent by the participants in training programs, career development, and/or organization development activities. In training, costs due to lost production and travel time can be as much as 90-95% of the total program costs. Direct and indirect costs for the delivery of training are about 6% of the total cost, and design and development count for only about 1-2% of the total (2). Realistically, it makes sense to invest in an assessment of needs to make sure we are making wise investments in [training](#) and [other possible interventions](#).

## FOUR STEPS TO CONDUCTING A NEEDS ASSESSMENT:

### Step 1. PERFORM A "GAP" ANALYSIS.

The first step is to check the actual performance of our organizations and our people against existing standards, or to set new standards. There are two parts to this:

- ***Current situation:*** We must determine the current state of skills, knowledge, and abilities of our current and/or future employees. This analysis also should examine our organizational goals, climate, and internal and external constraints.
- ***Desired or necessary situation:*** We must identify the desired or necessary conditions for organizational and personal success. This analysis focuses on the necessary job tasks/standards, as well as the skills, knowledge, and abilities needed to accomplish these successfully. It is important that we identify the critical tasks necessary, and not just observe our current practices. We also must distinguish our actual needs from our perceived needs, our wants.

The difference the "gap" between the current and the necessary will identify our needs, purposes, and objectives.

What are we looking for? Here are some questions to ask, to determine where HRD may be useful in providing solutions: (3)

- ***Problems or deficits.*** Are there problems in the organization which might be solved by training or other HRD activities?
- ***Impending change.*** Are there problems which do not currently exist but are foreseen due to changes, such as new processes and equipment, outside competition, and/or changes in staffing?
- ***Opportunities.*** Could we gain a competitive edge by taking advantage of new technologies, training programs, consultants or suppliers?
- ***Strengths.*** How can we take advantage of our organizational strengths, as opposed to reacting to our weaknesses? Are there opportunities to apply HRD to these areas?
- ***New directions.*** Could we take a proactive approach, applying HRD to move our organizations to new levels of performance? For example, could team building and related activities help improve our productivity?
- ***Mandated training.*** Are there internal or external forces dictating that training and/or organization development will take place? Are there policies or management decisions which might dictate the implementation of some program? Are there governmental mandates to which we must comply?

## Step 2. IDENTIFY PRIORITIES AND IMPORTANCE.

The first step should have produced a large list of needs for [training and development](#), [career development](#), [organization development](#), and/or other interventions. Now we must examine these in view of their importance to our organizational goals, realities, and constraints. We must determine if the identified needs are real, if they are worth addressing, and specify their importance and urgency in view of our organizational needs and requirements (4). For example (5):

- ***Cost-effectiveness:*** How does the cost of the problem compare to the cost of implementing a solution? In other words, we perform a cost-benefit analysis.
- ***Legal mandates:*** Are there laws requiring a solution? (For example, safety or regulatory compliance.)
- ***Executive pressure:*** Does top management expect a solution?
- ***Population:*** Are many people or key people involved?
- ***Customers:*** What influence is generated by customer specifications and expectations?

If some of our needs are of relatively low importance, we would do better to devote our energies to addressing other human performance problems with greater impact and greater value.

### **Step 3. IDENTIFY CAUSES OF PERFORMANCE PROBLEMS AND/OR OPPORTUNITIES.**

Now that we have prioritized and focused on critical organizational and personal needs, we will next identify specific problem areas and opportunities in our organization. We must know what our performance requirements are, if appropriate solutions are to be applied. We should ask two questions for every identified need: (6)

- Are our people doing their jobs effectively?
- Do they know how to do their jobs?

This will require detailed investigation and analysis of our people, their jobs, and our organizations - both for the current situation and in preparation for the future.

### **Step 4. IDENTIFY POSSIBLE SOLUTIONS AND GROWTH OPPORTUNITIES.**

If people are doing their jobs effectively, perhaps we should leave well enough alone. ("If it ain't broke, don't fix it.") However, some training and/or other interventions might be called for if sufficient importance is attached to moving our people and their performance into new directions.

But if our people ARE NOT doing their jobs effectively:

- **Training** may be the solution, IF there is a knowledge problem.
- **Organization development** activities may provide solutions when the problem is not based on a lack of knowledge and is primarily associated with systematic change. These interventions might include strategic planning, organization restructuring, performance management and/or effective team building.

We will look at these solutions including [training & development](#) and [organization development](#), in future [articles in this series](#).

### **TECHNIQUES FOR INVESTIGATING ORGANIZATIONAL AND PERSONAL NEEDS:**

Use multiple methods of Needs Assessment. To get a true picture, don't rely on one method. It is important to get a complete picture from many sources and viewpoints. Don't take some manager's word for what is needed.

There are several basic Needs Assessment techniques. Use a combination of some of these, as appropriate:

- direct observation
- questionnaires
- consultation with persons in key positions, and/or with specific knowledge
- review of relevant literature

- interviews
- focus groups
- tests
- records & report studies
- work samples

An excellent comparison of the advantages and disadvantages of each of these methods can be found in the Training and Development Journal. (7)

Remember that actual needs are not always the same as perceived needs, or "wants". Look for what the organization and people really need they may not know what they need, but may have strong opinions about what they want.

Use your collected data in proposing HRD solutions:

- Use your data to make your points. This avoids confronting management since your conclusions will follow from your Needs Assessment activities.
- Everybody should share the data collected. It is important to provide feedback to everyone who was solicited for information. This is necessary if everyone is to "buy into" any proposed training or organization development plan.

Having identified the problems and performance deficiencies, we must lay out the difference between the cost of any proposed solutions against the cost of not implementing the solution. Here's an economic "gap analysis":

- What are the costs if no solution is applied?
- What are the costs of conducting programs to change the situation?

The difference determines if intervention activities will be cost-effective, and therefore if it makes sense to design, develop, and implement the proposed HRD solutions.

## **SUMMARY STEPS IN A NEEDS ANALYSIS:**

- Perform a "gap" analysis to identify the current skills, knowledge, and abilities of your people, and the organizational and personal needs for HRD activities
- Identify your priorities and importance of possible activities
- Identify the causes of your performance problems and/or opportunities Identify possible solutions and growth opportunities.

and finally:

- Compare the consequences if the program is or is not implemented
- Generate and communicate your recommendations for training and development, organization development, career development, and/or other interventions

## **LITERATURE CITED**

1. Stout, D., "Performance Analysis for Training", Niagara Paper Company, Niagara, WI,1995.
2. Gilbert, T., "Performance Engineering", in What Works at Work: Lessons from the Masters,

- Lakewood Books, Minneapolis, 1988, p. 20.
3. Brinkerhoff, R.O., *Achieving Results from Training*, Jossey-Bass Inc., San Francisco, 1987, pp. 40-47.
  4. Brinkerhoff, R.O., *Achieving Results from Training*, Jossey-Bass Inc., San Francisco, 1987, p. 39.
  5. Zemke, R., & Gunkler, J., "Using Small Group Techniques for Needs Assessment, Data Gathering, and other Heinous Acts", seminar notes, American Society for Training and Development Southern Minnesota Chapter, Minneapolis, July 9, 1985.
  6. Margolis, F.H., and Bell, C.R., *Understanding Training: Perspectives & Practices*, University Associates, San Diego, 1989, pp 13-15.
  7. Steadham, S.V., "Learning to Select a Needs Assessment Strategy", *Training & Development Journal* 30, Jan. 1980, American Society for Training and Development, pp. 56-61.
- 

***Bob Rouda** is a consultant on human resource development and process engineering, and is a research associate and student of organization development and change management at the University of St. Thomas. He has practiced education and training in the paper industry for 20 years. Mitch Kusy is professor of organizational learning and development at the University of St. Thomas, and is a practicing organization development consultant.*

---

other articles in this series:

1. [Human Resource Development: Beyond training - a perspective on improving organizations and people](#)
  2. Needs Assessment - the first step (this article)
  3. [Organization Development - the management of change](#)
  4. [Career Development - personal career management and planning](#)
  5. [Managing Change with Large-Scale, Real-Time Interventions](#)
  6. [High Performance Training](#)
- 

This page is maintained by *Robert Rouda*.  
CONTACT [webmaster](#) for information. Last update 5/4/96.