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Malopolska Regional
Development Agency

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Training needs analysis in SME



Education and Culture DG

Lifelong Learning Programme

Leonardo da Vinci

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Information on

the Project

The project “Best practices in vocational needs analysis of SMEs” was realised between August 2008 and July 2010.

Main objectives of the project were following: transfer, improvement, updating of competences, methods and practices within the scope of the analysis of employees’ vocational needs.

A significant emphasis was given to the exchange of experience concerning methods and tools used in vocational needs analysis, taking into account two levels:

- a. the management level: managing directors of companies, responsible for training, motivation and lifelong learning promotion,
- b. the operational level: personnel of companies making use of the market offer of training companies.

A special attention was given to experience exchange concerning methods of identification the objectives and needs on 4 levels: organisation, team, individual and environment.

In order to achieve the foreseen objectives, 5 partner organisations with different profiles (training centres, consulting companies and regional development agencies) and diverse cultural background and professional experience have joined into a Consortium. Partners come from: Italy, Spain, Portugal, the Netherlands and Poland.

Project Partners

Malopolska Regional Development Agency - project leader - was established in 1993 and is a leading regional institution in the field of business development. The Agency specializes in providing comprehensive know-how and modern financial solutions to businesses. It provides services related to the acquisition of EU funds and helps entrepreneurs invest safely in the Malopolska Region. It actively supports export, offering professional consulting services and access to an international network of business contacts.

Moreover, MARR coordinates and financially supports cooperation between education and business, and promotes new technologies and the application of innovative concepts in business. The 14.000 m² MARR BUSINESS PARK offers companies searching for a modern space for warehousing, production parks and logistic centres a functional infrastructure, in the vicinity of transport nodes, and the possibility of individual space adaptation, constituting a zone for successful investments. MARR’s brand on the property market has gained the trust of nearly 200 companies such as Carrefour Poland, Kreisler Poland, etc.

META Group srl operates both at regional and international level providing support services to SMEs. Concerning the regional context within the company is located, it

Skill

is characterized on one side by a huge number of small and micro companies and on the other by some big national or multinational companies.

In both the cases companies struggle with funding and recruiting qualified personnel (especially those working in high tech fields or those working in construction fields) and demonstrate a very low interest toward the regional vocational training offer (very low participation to vocational training course available), whether because of a mismatch between actual training needs and training offers or because of a low awareness of the importance of lifelong training for sustaining company competitiveness on a global market.

La'Met Consultancy is an international, multi-cultural, full-service agency supporting businesses from diverse sectors with their international development. It guides and supports open-minded, forward-thinking SMEs with solutions in the fields of Sales, Marketing & Communication.

La'Met also provides in-house and external coaching and training to young professional students, new starts and established businesses requiring assistance with new processes, sales and marketing to prepare them for growth and development on an international level. With particu-

lar involvement in the higher education process, La'Met's "Live International Future Experience" concept is an opportunity to assist students with international training whilst advisors and students compose a market entry report for businesses with the ambition to expand into non-domestic markets.

La'Met Consultancy embraces diversity to connect people and businesses and is passionately committed to the highest level of personal performance and service. La'Met Consultancy provide a one-stop solution for business needs backed-up by a network of dedicated international consultants in local markets with the knowledge and language skills required to ensure cultural differences are never an obstacle to expanding into new market territories. La'Met's Consultancy's network covers an extensive portion of Europe, North America, Asia and Africa.

Skill Estrategia sl designs and develops programmes for public organisation that work directly with SME and employment offices. Skill has an extensive experience studying the demands from SME on employees training capacities. Due to the business activity, Skill has the capacity to influence on regional and local governments to apply new methods and tool to analyze and match both, employees and SME, needs and demands.

Skill has experience leading projects on:

- Studies on improvement unemployment skills to find job,
- Studies on employees training needs to cover the demand of SME,
- Employment and training programmes to satisfy the needs of businesses,
- Support technical schools and employment workshops,
- Business report on employment needs,
- Training manager and employees to develop performance skill,
- Developing tools and methodologies for entrepreneurship programmes,
- Supporting local and regional governments to lunch business training programmes.

CENFIM - Centro de Formação Profissional da Indústria Metalúrgica e Metalomecânica, is a Portuguese Professional Educational Vocational Training on the Metalwork Sector, for both Initial Vocational Training and Continuous Vocational Training for unemployed and employed people that want a professional qualification and certification, with a total of 13 (thirteen) Nationwide Training Units (Centres).

To achieve the best results in Professional Vocational Training, CENFIM cooperates with the labour market associations in the sector, in order that the activity in training will be the direct consequence of the real needs in the industrial sector;

Also there is a co-operation with universities, R&D institutions, with whom protocols are established in order that the higher education at University level is well supported and synchronized with level IV of professional education and training, the level up to which CENFIM develops its training activity with a qualification and certification.

Life Long Learning and Education is an important task in CENFIM as technology develops and so learning and knowledge must be in accordance to this reality through continuous training for employed people that need to update their knowledge and skills.

Counselling for young entrepreneurs is another area in which CENFIM is involved and more applied to qualified trainees, that after a certain time in the labour market find out competences to create their own job/company; cooperation with local administrative governmental bodies, gives rise to the implementation of regional strategy, as for instance a reduction of unemployment by means of a professional qualification or requalification of people that due to their unskilled condition find themselves in an unemployed situation, as the market in the metal work sector more and more asks for qualified personnel.

CENFIM promotes a close and multi level co-operation with enterprises, mainly SMEs, the motor of economic development.

competences



Introduction– a summary of the paper

Social and economic conditions, created by information society, impose on organizations and their employees an obligation of continuous improvement of their professional skills and qualifications. Knowledge and professional skills become one of the key factors enhancing the adaptation process to the rules of a given organization, as well as of the functioning in a dynamically changing working environment. Both organizations and individual employees, taking into consideration professional development, have already understood since a decade ago, that professional educational vocational training is an essential tool to upgrade qualifications, and therefore contribute to each individual's own development, as well as a National/European improvement of skills and competences, a key condition for competition on a global market. As a result, Training Needs Analysis becomes a key element influencing human capital management in modern organizations.

What is vocational training needs analysis?

Training in an organization is supposed to support its mission and development objectives. Therefore, while planning any training activity one should take into account the real needs (the gap) between the present and the desired level of skills and knowledge in the organization. Such diagnosis is in fact an attempt to answer a number of questions by key actors of the process: what for is the given training needed by the employee and the whole organization, in what condition is the organization and what should be changed, what is expected by the employees and the organization by the training and what could influence the real effectiveness of the training? Training needs analysis constitutes a base for preparation and processing training projects necessary for employees, taking the organization, team and individual point of view. Furthermore, it is vital to have a proper TNA while applying for external funding for training projects.

Why is TNA so important and what should be its results?

A proper vocational training needs analysis is a base for all the activities connected with human capital management. It is intended to initiate desired changes in the scope of competences, attitudes, knowledge and skills. Moreover, it highlights strong and weak points of an organization and its employees. In addition, it increases motivation and satisfaction of individuals and inclines them to undertake adequate development activities. At the same time, management has the guarantee that the financial means devoted to the organization development have been well invested.

Key elements and thesis of the work

In the introductory part, authors defined TNA and answered the questions to how it is addressed and what are

its advantages. In the following sections the TNA process is discussed with a definition of, and the need for, job profiles (required skill set), identification of actual skills sets, evaluation of the gap between the required and actual skills set and the design of an action plan. Subsequently, optimal tools and methodology of TNA are presented with remarks on how to choose a proper approach (tools and methodology) depending on the type of enterprise. This study is designed to be a basis for institutions and private bodies, both employers and employees, that are interested in self and organization development.

Thesis and information found in the study result from experience of business support institutions coming from various European countries. Its objective is to answer a number of questions connected with vocational training needs analysis and to indicate the optimal tools and methods used in this field.

6

Necessity of effective
implementation of
organisation's
aims

Competitive impact
coming from labour and
goods market

Impact from the social, economic, political environment –
e.g. professional associations, trade unions etc.

Impacts exerted on an organisation in order to implement effective policy of staff training.
Source: Król H., Human resources management, Creating human capital within an organisation, PWN, Warsaw 2007

Impact
connected with aiming
at improving methods, ways of
conduct etc.



Training needs analysis

Human capital development is a result of two factors. Firstly, an organisation aims at increasing the qualifications of its employees in order to gain an increase in competitive advantage. Secondly, employees themselves aim at increasing their qualifications in order to strengthen their position in the labour market. Human capital development in the most optimal combination provides professional development of employees, adequate for the aims of the organisation.

While planning human capital development, the theory of human capital is taken into consideration. It is assumed that people, due to inheritance factors, possess certain features and characteristics though they do not have to be developed independently. Taking human capital as the object for investment requires conducting an economic analysis of the expenses incurred for such purposes by an enterprise in comparison to its value and use in the future.

Introducing effective training policy constitutes the key of a competitive advantage. In a dynamically changing environment, flexibility and an ability to adjust play key roles. An organisation acting in the market undergoes external and internal impacts. These are impacts coming from the goods market, labour market i.e. competitive, social, economic and political. Moreover, the impact results also from implementing the mission of an organisation and adjusting the way of acting and methods applied.

The extended process of recognising training needs begins with collecting information on problems and finishes with creating a training programme.

In correctly performed identification and analysis of training needs, one can be positive that the choice of investment in human capital is optimal. Introduced trainings are necessary for better fulfilment of duties and

increased effectiveness of employees. However, all is compliant with the strategy of the entire organisation - with its mission.

Identification and analysis of training needs is performed by means of collecting information at different levels of an enterprise's functioning. It is carried out at the level of particular employees, teams or the entire organisation.

Potential sources of information on organisation training needs

Source: Król H., *Human resources management, Creating human capital within an organisation*, PWN, Warsaw 2007

Sources at the level of an organisation	
Mission, vision Organisation strategy Turnover, profit Structure Range of skills Work schedule Quality control Business plan Opinions of the leaving employees	Management's requests for trainings Action effectiveness ratios Customers' complaints Organisation characteristics on the grounds of: <ul style="list-style-type: none"> • efficiency • employee turnover • sicknesses • absence • accidents
Sources at the level of employee teams	
Description of workplaces Quality, work efficiency standards Working process Working quality Team structure	Personal profile of the model employee Co-workers, superiors, higher rank managers Interpersonal relationship
Sources at the level of an employee	
Absence Number of accidents Praises, achievements Awards, punishments Career plan	Employee's requests for training Knowledge level, skills Periodic evaluation results Customers' complaints

Proper identification and analysis of training needs constitute its fundament. Having limited training funds, it seems significant to identify proper needs. In literature, a training need is defined as the difference between the currently possessed state of knowledge, skills and attitudes of an employee and the level of knowledge, skills and attitudes necessary during present work and in the future. The analysis of training needs is created for the benefits

of an organisation. It is correlated with the human capital management strategy. It allows précising the training needs and assuming its optimal implementation in the form of a training plan. The aims of the analysis in the dimensions of individual, organisation and environment merge mutually. However, making an attempt to divide and specify them, the following aims can be set based on the diagram below.

Individual	Team	Organisation	Environment
<ul style="list-style-type: none"> • Increase in competences • Identification of problems 	<ul style="list-style-type: none"> • Identification of problems • Levelling competences 	<ul style="list-style-type: none"> • Identification of staff strengths and weaknesses • Optimal use of the training funds • Effective course of training 	<ul style="list-style-type: none"> • Adjusting resources to the market needs

The aim and value of the identification and analysis of training needs result from the presented determinants:

- confirms or denies the problems,
- provides an effective course of training.

TNA defines the type of a problem, its scope and defines the best ways of solution. Most importantly, it allows to identify the solutions that require training and those that do not. Not every problem can be solved by training. However, if such solution is the best for a given situation, TNA defines the topic and scope of such training. It specifies its aims in detail and it helps significantly in designing and planning trainings.

Human capital development is constantly recognised as being more and more important. Moreover, it does not matter if it concerns employees or company owners. In the sector of small

and medium-sized enterprises, knowledge within the scope of effectively conducting an economic activity increases. The key element is well-educated staff and this contributes directly to the competitive advantage of a company. Organisations possess a whole range of means for increasing the knowledge of a company. These are internal, external, closed, compulsory, restructuring, sustaining, pre-promotion and adaptive trainings. More and more enterprises create their own internal libraries. All of these actions limit the ‘time of accommodation’ reaction of the staff to new conditions.

In such dynamically changing market conditions, fast and correct accommodation to the market requirements often decides on the existence of an enterprise. Gaining knowledge and its management constitutes the key to acquiring a significant competitive advantage.

The role of TNA in the framework of the Training process

“Training has to be conceived, designed and implemented as a process”¹. The Training Needs Analysis, in fact, represents the starting point of a multi-step process, whose main components are strictly inter-related among themselves.

The logical flow of the training process can be articulated in the following four sub-components:

- a. Needs analysis,
- b. Design,
- c. Delivery,
- d. Evaluation.

The first and the fourth step require the presence within the organisation of a *sound information system* to collect, process, elaborate, analyse and present the information about the revealed training needs and the impact of the training once the process comes to the end of its cycle.

The second and the third step are more related to the presence of an effective *operational system*, which is capable of putting in place appropriate actions on the basis of the outcome of the analysis.

The overall effectiveness of the whole training process depends on the “*instructions, rules, techniques, languages and procedures of these two systems*”².

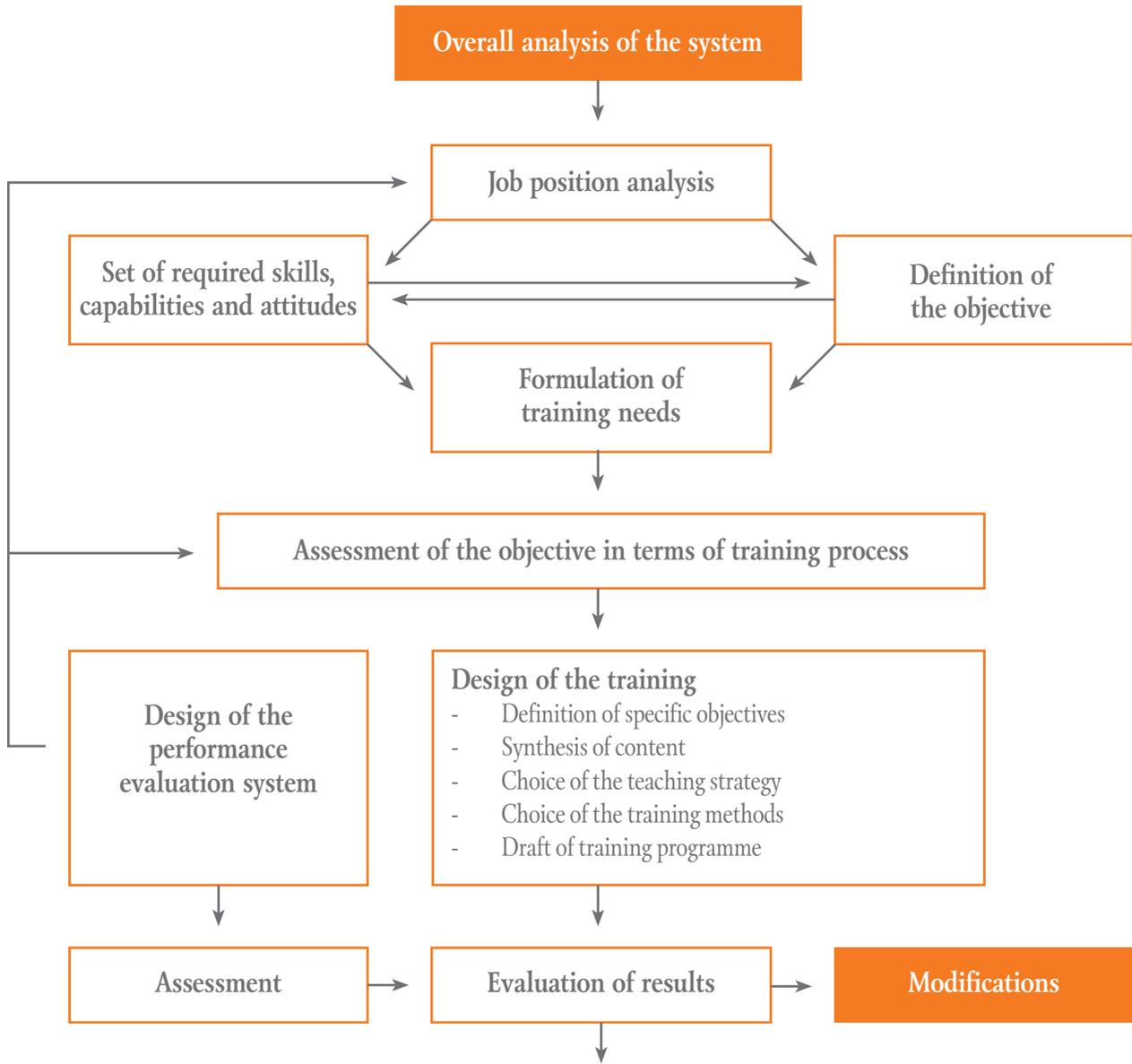
The figure X below shows the relationships among the training needs analysis and the other steps of the training process and also how the TNA itself consists of several components (which this manual will more extensively deal with in the following sections).

Starting from an overall analysis of the system (the organisation and the possible training activities already put in place by the management), an analysis of the job positions will allow identification and definition of the set of required skills, capabilities and attitudes and the objective for the job position. This leads to the actual definition of the training needs. The latter will be translated into objectives for the training needs to be designed in its specific objectives, content, teaching strategy and training methods. From the analysis of the job position, it is necessary to derive also the performance evaluation system through which the target of the training activity will be evaluated. The analysis of the results of the training will then constitute the basis for possible changes within the organisation and for a fine-tuning of the training process.



1 “Il processo di formazione. Dall’analisi dei bisogni alla valutazione dei risultati”, Quaglino G. Piero, Carrozzini G. Piera - Franco Angeli - 2003

2 ibid.



Fine-tuning of the training system

Training Needs: definitions and evolution of the concept

In the early 70s, when human capital started to emerge as a crucial issue for every organisation, training activities were merely asked to close a **gap of competences**. Starting from this definition, the analysis of training needs barely consisted in an appraisal of the differences existing between the set of competences which were required to accomplish the job's tasks and the path followed by the individuals along their educational life (from secondary up to tertiary level). Under this paradigm, training was still considered mainly as a spot action rather than a continuous process accompanying individuals along their whole professional career.

The training needs analysis was made from outside of the organisation and training activities were planned on the basis of a set of needs which was estimated and not actually surveyed. This can help explain why literature on the specific subject of TNA was not at that time particularly rich.

Later, as soon as it became clearer that training plays a fundamental role in the development strategies of organisations (and along with some more rigidities in labour legislation that asked top managers to pay the greatest attention to the trade-off between HR acquisition and HR “recycling”), such a model of TNA plainly revealed to be insufficient.

It appeared finally obvious that the efficacy and effectiveness of training could largely benefit from an actual survey of

needs within the organisation. Also TNA techniques had to be improved to make sure that the trainer could play its twofold role of “consultant” to the top management and of “capacity builder” to individuals. The analysis of the needs of training therefore entered the organisation and was directed not only to appraise the consistency between the skills required by the job positions and those provided to individuals by the available educational paths, but also the concrete performance of individuals with respect to the tasks assigned to them. This evolution of the concept of TNA reflects a correspondent broadening of the scope and the role of training itself. The appraisal of how much individuals are concretely able to play the organizational role they have been given makes it unavoidable that training is a continuous process capable to upgrade and maintain the skills and the competences of human capital all along its working life.

In this framework, the TNA is the activity through which training can act as a tool for the development of the organisation and as an action to provide additional competences to individuals. It will be therefore up to the trainer to find out a suitable synthesis (that can be operationally translated into concrete sets of actions) between these two alternative sets of needs.

In order to accomplish the broader role that training is being asked to play in the management of organisations, it is important that training activities take into account the relationships among individuals, as they are not to be performed in a “*social vacuum*”. Consequently, training needs also have to be explored in the framework of the relationships linking the involved individuals.

traini

Thus, the concept of “training need” it is safe to refer to calls for a more comprehensive vision that starts considering individuals not exclusively in terms of the tasks and functions they are accomplishing in a organisation. Beyond that, an individual has personal experience of complex actions and operations and his/her own way to think and look at the organisation, the profit, his/her career, the power, his/her role, the interpersonal relationships, his/her emotions, his/her projects and plans etc. It is possible to define the **training needs** as specific needs related to the training of individuals regarding: i) their tasks, i.e. what individuals do in their job; ii) the role the individual is expected to play within the organisation; iii) their projects and plans, i.e. their expectations; iv) their cultural and social world.

Training Needs Analysis: a model

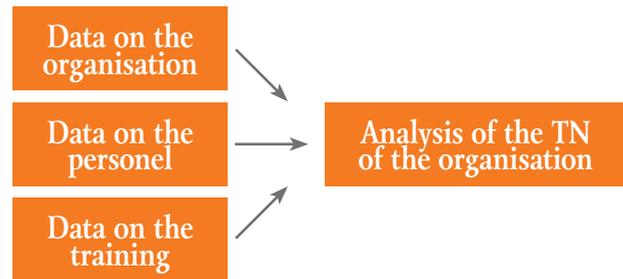
From the above considerations, the analysis of training needs can be defined as a research activity aimed at the acquisition of information and data that are useful and reliable to define the next steps in the training process: the training design; the identification of the training objectives, of the training content and of the teaching tools and methods; the actual implementation of the training through a course.

Consequently, an effective model for TNA has to design activities as a data collection at two different levels: i) organisation and ii) individual level. It has to be envisaged to proceed in the two cases adopting approaches and criteria that can be different but coherent between them.

TNA analysis at organisation level

It is necessary to design a survey aimed at the collection of three different typologies of information (see the figure 1 below).

Figure 1 Analysis of TN of the organisation



General data on the organisation, which can be at the basis of a sufficiently detailed description of the different aspects of the “organisational environment” where it is envisaged to promote and perform training initiatives, relative to:

- a. the training design,
- b. the specification of tasks and objectives,
- c. the tools to accomplish the above mentioned tasks and to monitor the achievement of the objectives,
- d. the plans and programmes of the organisation that have an impact on the training,
- e. the complex processes occurring i) internally to the organisation and ii) as a response to the external environment.

Data on the personnel, through which it is possible to obtain a description of the actual features that individuals operating within the organisation have (age, educational level, experience within the organisation, experience in the job position, professional career, etc.) as well as of the features related to what it is currently called “organisational behaviour” (absenteeism, resignations, turnover, etc.).

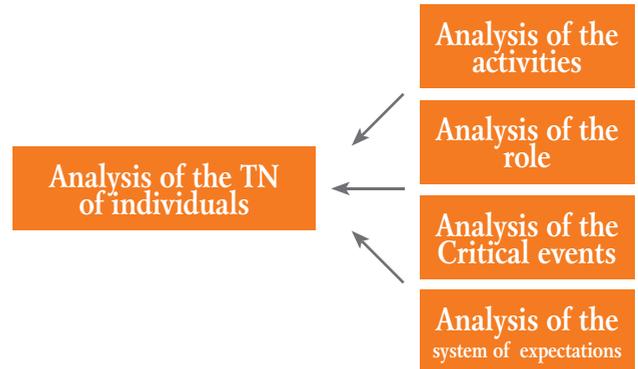
Data on the training, on the basis of which it is possible to have a sufficiently detailed profile (with data in time series) of:

- a. the training initiatives carried out by the organisation, both through internal resources and through external consultants,
- b. the training paths of the single individuals within the organisation.

It will be possible to retrieve such data both through the analysis of existing documents within the organisation and through specific question lists for the organisational analysis.

TNA analysis at individual level. The final objective of this kind of analysis is to retrieve appropriate and relevant information on the need of training expressed by individuals. To this effect, it is necessary to set-up a research activity to be performed among the potential final beneficiaries of the training and aimed at exploring specific thematic areas and problems, four of which are presented in the figure 2.

Figure 2 - Analysis of TN of individuals



1. Analysis of the activities: information regarding the training needs is elaborated starting from a sufficiently detailed and articulated description of what individuals “do”, of their job, of the tasks they accomplish, of the operations they do every day.

2. Analysis of the role: in this case, the analysis aims at collecting the information on how individuals perceive their role in the organisation, both in general and in the different aspects related to:

- a. the achievement of the assigned objectives,
- b. the inter-personal and hierarchical relationships,
- c. their personal opinions and evaluations they express, about these aspects.

analysis

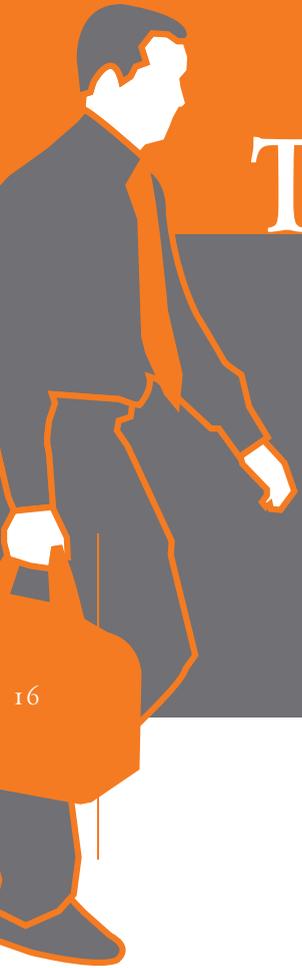
3. Analysis of critical events: particularly useful information can come from the in-depth and analytical reconstruction of situations that individuals consider as particularly critical and that happen frequently when they carry out their working activity.

4. Analysis of the system of expectations: in this case, information is sought on the relation between individuals and the organisation as far as the following elements are concerned:

- a. the (implicit and explicit) mutual expectations, as they are perceived from the individuals together with the set of “needs” they are related to (career, personal development, sense of belonging, etc.),
- b. the plans and projects that inspire their everyday behaviour within the organisation, with respect to the different teams the individual belongs to, both within and outside the organisation itself.

As will be specified later in this document, it is possible to collect such information through a number of tools, keeping in mind the above recalled methodological considerations.

The researcher who is performing the TNA will have an additional task to accomplish. In fact, it will be up to them to compare and reconcile the collected data and to distil useful elements to draw a set of training needs. This activity will largely rest upon the trainer’s *esprit de finesse* and on the use of basically empirical criteria, since a direct, formalized and automatic translation of the collected information into training needs cannot exist.



Tools & methodology

The Questionnaire

The Training Needs Analysis questionnaire covers a variety of suggested areas to give a clear view of the business, its employees, the current situation and where the business wants to, or needs to, develop.

Personnel questionnaires have a tendency to indicate the personal training 'wants' of an individual rather than the specific requirements of an organisation. Results must be analysed with reference to the core objectives of the business to ensure training is not provided to benefit the individual only. There must be a benefit to the organisation.

Key benefits:

- detailed analysis of the organisation, team and individual,
- varied input/responses from an entire workforce,
- management and employees are engaged leading to a common commitment to the TNA,
- identifies common areas for improvement as well as topics for future discussion.

Depending on the focus of the analysis the below example areas may be reduced to receive the required detail.

Basic information of the company

- Age of company,
- Number of employees and status (full-time, part-time, job-share),
- Staff turnover rate,
- Professional qualification level of employees,
- Academic level of employees,
- Ages of employees,
- Gender mix of employees.

- Structure of organization,
- Company objectives and policies (from the business plan),
- HR Policy & Mission:
 - └ Training and procedures,
 - └ Skills increasing,
- Trainings already made,
- Financial data / Budget available for training needs analysis and training.

Details Required

- The company's willingness to undertake TNA,
- Trainings already undertaking:
 - └ New skills,
 - └ Re-training,
- Number of employees to receive training & timeframes,
- Motivation for training:
 - └ Financial,
 - └ Investment,
 - └ Subsidies,
- Priorities:
 - └ Initial vocational training,
 - └ Continuous training,
 - └ Re-qualification,
 - └ Conversion training,
 - └ Mix of the above,
- Location of training:
 - └ Internal,
 - └ External,
 - └ Virtual (e-learning),
 - └ A mix of the above,
- Impression of training on trainee,
- Motivation of trainee:
 - └ Financial,
 - └ Promotion,
 - └ Personal improvement.

The Focus Group

A group of selected employees discuss and decide the focus of training needs. It is suggested, where possible, to select members of the team from diverse areas of the business to ensure all needs and possibilities are covered by the group. A team leader should be appointed to ensure the team remains focused on the topic and is not side-lined to related issues. Areas of training needs are discussed with reference to a business plan and the opinions of the group to reach a plan for implementing training within the organisation.

Key benefits:

- observations from employees from different areas of the business,
- concentrated focus on the issue with a limited number of employees,
- minimal disruption to the majority of the workforce.

Role play

Individuals act out a role in order to learn the areas where they succeed and where training is required. This should be organised in small groups from different areas of the business to ensure all participants receive the maximum benefit and involvement. This can also be accomplished by linking small businesses together to increase the pool of individuals participating. A coach usually leads these groups with activities planned to stretch the abilities of the participants and highlight areas requiring improvement and training. Discussion of the various participant's performance is used to identify training needs through self and peer analysis.

Key benefits:

- real practice experience,
- interaction between diverse colleagues,
- self and peer identification of skill-sets, and training needs.

Job shadowing

Following someone else while they are at work in order to learn about that person's job. This is especially useful when an employee is new to an organisation or has recently changed roles. Feedback and reviews are incorporated to maintain records of training needs and trainings undertaken to evaluate the effectiveness of the job shadowing as well as the participants.

Key benefits:

- real practice experience,
- builds understanding and confidence,
- one on one instruction and observation.

Real-time Mentoring

Assigning a junior member of staff to the care of a more experienced person. This method is useful to promote best practice in business. Through close monitoring, some training needs are resolved as they are identified whilst a more involved training schedule is created for the longer term needs of the junior employee.

Key benefits:

- real practice experience,
- one on one instruction and observation,
- builds understanding and confidence.

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observation

Observation

Watching employees and making notes to record actual performance and behaviour against a standard or desired level of performance. This is a common method used to audit abilities against required standards. Prior to undertaking this form of training needs analysis, management and/or a focus team will discuss and agree the required standards to be measured.

Key benefits:

- objective results measured against a required standard,
- deeper understanding of how tasks are currently being completed,
- results can be used to directly organise a training structure.

Interview

A meeting in which someone asks questions to ascertain skills and gauge training needs. To ensure needs, and not 'wants', are discussed, the interviewer must agree available trainings with the employee and have access to all available trainings.

Key benefits:

- results agreed with the interviewee,
- deeper understanding of the interviewee and trainings required,
- results can be used to directly organise a training structure for the individual,
- consider multiple interview results together to identify common training needs.

Self Assessment

A personal judgment which an individual makes about their own abilities and skill-set. Useful tools for self assessment include Capability Cards and the Strengths Finder Worksheet

(examples below) These should be tailored to fit the needs of the target group and should be reflected upon and referenced to monitor self-improvement and areas requiring additional training and/or development.

Key benefits:

- actively involves the individual in their own development,
- results provide insight for individual,
- objectives are monitored to ensure improvement,
- comparing individual's self-assessments can identify common areas for development.

Whichever tool or combination of tools is adopted, by looking at existing skills and competencies compared to the skills required to meet organisational objectives / needs, an informed estimate of training that needs to be delivered can be created. From this start point, a training programme is developed to address organisational objectives, and tie into the strategic operations of the organisation. Training programmes should not be limited to formal training and must include development opportunities. A two prong approach is suggested to engage management and employees and ensure that the entire organisation population is dedicated to the analysis as well as the output training. To summarise, there will be some training which is required at all levels; for example, legal/employment – gender/age legislation, health and safety legislation; and some specific to particular roles and responsibilities; for example, improving leadership skills, IT skills, machinery operation. A summary which organises and prioritises the training needs of the organisation is created and agreed with the organisation and a training plan and timetable is implemented. There is also the decision of how the training should be implemented whether; in labour time, after labour time, both in labour time and after labour time, a mix of in labour time and after labour time. The timing of the training and form of presentation should also be agreed to ensure the engagement and commitment of all participants.

Remarks on tools and methodology

Once identified all the possible tools suited to each box in the matrix, the choices were narrowed to an agreed opinion of best practice tools for each company size and sector. The following resulting completed matrix shows the partners best practice for the different company sizes, industry sectors and type of assessment.

Size	Service	Manufacturing
Micro	Interview	Job shadowing/mentoring/observation
Small	Capability Cards	Role Play
Medium	Questionnaire	Questionnaire

As it can be observed from the above matrix, when the organisation has fewer employees, it is more efficient to apply TNA tools that are more personal. On the other hand, for larger companies the best applied tool would be a questionnaire because it is less time consuming and, for instance, less expensive.

Analysis by Assessment

Having identified TNA tools by sector and size, it was further identified whether the training needs analysis was intended as self assessment, peer assessment or self/peer assessment.

- Self-Assessment tools: It is the process of gathering information about oneself in order to make an informed TNA. A self assessment analysis usually includes a look at the following: values, interests, personality, and skills. The TNA tools intended for self assessment analysis are capability cards and self assessment questionnaire.
- Peer Assessment tools: The information of someone needs is gathered and analyzed by someone else. The tools intended for peer assessment are job shadowing, mentoring and observation.
- Self/Peer Assessment tools: There are some tools that can be applied under any of the above conditions, such as focus group, role play, games, interview, and questionnaire.

In order to have an objective and clear point of view of the training needs, it would be a good idea for any business to take advantage of the results that both types of tools have to offer to the analysis. The matrix below recommends the tools used according to the intended analysis, whether this is self or/and peer assessment, and the size of the business.

Size	Self assessment	Peer assessment	Both
Micro	Capability cards Self questionnaire	Observation	Interview
Small	Capability cards Self questionnaire	Job Shadowing Observation	Focus Group
Medium	Questionnaire	Interview middle management	Role Play Focus Group Games

For the three type of enterprises the questionnaire is the most common recommended tool to run a self assessment evaluation. The capability cards suit better for small groups when a self assessment approach is the objective. For peer assessment evaluation the best options are observation and job shadowing for small size business, nevertheless for medium size businesses it is suggested to use interviews delivered by the middle management because their capacity to evaluate the need of training according to the job position.

There are some tools that cover both, self and peer assessment, depending how the interview is designed and delivered, it could be a self or peer assessment. Group analysis tools such as focus group, role play, and analysis games do well accomplishing the objectives of both type of assessment.

Resume

In resume, it is recommended to define what types of TNA tools are more suitable to apply according to the specific characteristic of the organisation. Therefore it is important to consider the size and the sector of enterprise. And also, in order to obtain more objective results, it is critical to apply TNA tools that combine both self and peer assessment.

Conclusion

Why should a company run Training Needs Analysis?

Over the past decade, along with the emersion of the knowledge economy, human capital, i.e. individuals, have become the main and the foremost “production factor” in western advanced economies. Consequently, Education and Training, as means to upgrade and maintain the human capital, have been asked to broaden their scope well beyond the traditional definition of “provision of competences”.

Organisations can be considered as structured and orientated sets of competences. The management of the competences that are available into an organisation has become a crucial topic, strongly affecting the overall functioning of the organisation and its relationships with the outer socio-economic environment.

Training is a complex and multi-faceted phenomenon for which several definitions can be given, each one of which is correct but insufficient to be comprehensive:

1. Training as an “**individual**” fact, i.e. as the set of activities providing the individuals with the competences they miss to accomplish their duties within the organisation,
2. Training as an “**organisation**” fact, i.e. as the set of activities providing the organisation with the competences needed to successfully achieve its objectives and accomplish its mission,

3. Training as a “**relationship**” fact, i.e. as the set of activities through which it can be closed or significantly reduced the mismatch between the expectations (and consequently the training objectives) of individuals and organisations.

Experience suggests that training has grown to be a pillar to sustain over the time the development and growth of organisations. Due to the above recalled complexity of the “training” phenomenon and to the width of the impact it has on the whole of the organisation’s life, it has become essential as never before that activities in this field are structured in such a way to respond to the actual needs of the individuals, of the organisation and of the nexus of relationships established among individuals and between the individual and the organisation.

In a nutshell, the evolution of the role of training within organisations brought as a consequence the necessity to further investigate and specify the concept of **training needs analysis** (TNA) and to develop a theoretic approach and adequate tools and methods to capture and synthesize the needs coming from the different organisation’s levels.

The analysis of training needs represents the first step in the definition of every training path within a given environment. The success of the training activities, irrespectively to the level they are performed (individual, team – i.e. group of individuals, organisation or environment) largely depends on the possibility (and the ability) to carry out a sound, unbiased and correct TNA.



Nowadays it makes little sense to talk about competitiveness, innovation and working with a vision of the future without taking into account a fundamental part of the process that are the Human Capital. People make the organizations, and that's why it is imperative to have the right people in the right place, for them to succeed.

TNA is a tool that allows the identification of the gap between the knowledge, skills and attitudes that people in the organization currently possess and the knowledge, skills and attitudes that are required to meet the organization's objectives. Therefore, it can not only identify present deficiencies, but also work as a developmental tool to orient managers to effectively anticipate future trends, according to the strategy of the enterprise, predict which skills will be required in tomorrow's labour markets and, with this knowledge, develop and adapt education and training so that the workers gain the skills required to meet the objectives of the organization.

Training allows companies to be and stay competitive, as well as to acquire and master new knowledge and personal skills. To an organization, an effectiveness training is what makes it possible to adapt to economic, technological and social changes. The valorization of the human capital of an institution is a way of increasing its value, providing workers with the opportunity of acquiring new knowledge and developing skills and competencies necessary for a best performance of their activities or new ones, continuous improvement.

A motivated worker maintains organizational culture stronger, with emphasis on loyalty, commitment and involvement as far as the institutional goals are concerned. Overall, this improves productivity and enhances quality - the greater staff motivation is, the better is the morale, leading to reduced absenteeism and staff turnover. Optimizing the performance and commitment of human capital are the success of companies and institutions.

Research shows that the jobs of tomorrow will require new and higher levels of skills. Globalization, technological changes, competitiveness and sustainable economy are all contributing to a rapid change in the labour markets. For this reason companies need a highly skilled workforce, capable of meeting current and future challenges. Change is constant in organizational environments, technology is cheap and skill shortages are commonplace, and that's why investing in people is a key to distinguish the enterprises that succeed from those that don't. A culture of training and continuous improvement plays a vital role in leading an organization forward, by achieving higher levels of performance and being competitively ready to face change.

Companies that have an active policy of development, through training, of their human capital prove to be the most competitive and better adaptable to new circumstances. A TNA allows to identify the training needs and deliver the solutions, specifying why, what, who, when, where and how.

Examples of TNA tools

Example Capability Cards

The capability cards listed below:

- are grouped by skills, personal qualities and specific knowledge,
- (add relevant specific knowledge capabilities on additional cards),
- provide behavioural indicators for each capability,
- are numbered for ease of use,
- are used with the strength finder tool to link roles with skills,
- focus group, role play, games, interview, and questionnaire.

Skill	Individuals who demonstrate this capability:
1: Organisational awareness	<ul style="list-style-type: none">• are attuned to changing organisational dynamics• make links with other teams and business areas• take account of different functions in developing plans and activities
2: Client service orientation	<ul style="list-style-type: none">• provide a prompt, efficient and personalised service to clients• respond flexibly to client needs• are committed to delivering a high quality output to clients
3: Problem solving	<ul style="list-style-type: none">• seek all relevant information when problem solving• investigate all the facts• approach issues from different perspectives• are analytically minded• draw sound conclusions from available information
4: Project management	<ul style="list-style-type: none">• refer to and liaise with key stakeholders• schedule activities to ensure most advantageous use of time and resources• monitor and measure performance against objectives• produce detailed project plans with clearly defined objectives and clearly specified action steps• ensure that key project objectives are achieved

Skill	Individuals who demonstrate this capability:
5: Decision making	<ul style="list-style-type: none"> • make rational and sound decisions based on a consideration of all facts and available alternatives • make quick decisions when required • show commitment to definite courses of action
6: Persuasion and influencing skills	<ul style="list-style-type: none"> • are able to create consensus and gain agreement to proposals and ideas • are able to stand their ground in the face of opposition • produce clear & concise written communication which is easily understood by its intended audience • demonstrate skilful negotiation
7: Presentation skills	<ul style="list-style-type: none"> • create an immediate positive impression on others • present themselves with presence and credibility • communicate orally in a clear & fluent manner which holds audience attention
8: Leadership skills	<ul style="list-style-type: none"> • provide the team with a clear sense of direction • inspire a positive attitude to work • build a strong desire to succeed among team members • guide others towards success • promotes and encourages diversity in the team
9: Strategic thinking	<ul style="list-style-type: none"> • think at a 'big picture' level • acknowledge and embrace a long term view • consider wide ranging possibilities in developing a vision for the future
10: Written communication skills	<ul style="list-style-type: none"> • write in a clear, fluent and concise manner • produce written communications which are appropriate and readily understood by the intended audience • organise information in a logical sequence
11: Business focus	<ul style="list-style-type: none"> • show knowledge on financial issues and responsibilities • focus on knowing the business of the organisation • focus on delivering the best outcome with the available resources • proactively seek more efficient ways of working • focus on activities and projects that will bring the best return for the organisation

Personal quality	Individuals who demonstrate this capability:
12: Cross cultural awareness	<ul style="list-style-type: none"> • Communicate well with and relate to issues from the perspective of people from a diverse range of cultures and backgrounds
13: Building productive networks	<ul style="list-style-type: none"> • establish and maintain relationships with people at all levels • promote harmony and consensus through diplomacy when handling disagreements • are able to forge useful partnerships with partners across business areas, functions and organisations
14: Flexibility	<ul style="list-style-type: none"> • are adaptable • are receptive to new ideas • respond and adjust easily to changing roles and circumstances • are not limited by 'old ways' of doing things
15: Teamwork	<ul style="list-style-type: none"> • cooperate and work well with the team in the pursuit of common goals • readily share information • are keen to support others • show consideration, concern and respect for the feelings and ideas of others • accommodate and work well with different working styles
16: Drive and Commitment	<ul style="list-style-type: none"> • are enthusiastic and committed • demonstrate a capacity for sustained effort • sets high standards of performance for self and others
17: Initiative	<ul style="list-style-type: none"> • are proactive self-starters • seize opportunities & act upon them • initiate action and actively lead meetings
18: Coaching and developing others	<ul style="list-style-type: none"> • actively seek to improve the skills and talents of others by supplying constructive feedback, coaching and training opportunities • effectively empower others by investing authority in them to accomplish tasks effectively • delegate responsibilities appropriately to further the development of others

19: Ethics and values	<ul style="list-style-type: none"> • model the organisation's Values and Code of Conduct • act with integrity and have high ethical standards • inspire trust by treating all individuals fairly
20: Resilience	<ul style="list-style-type: none"> • persevere to achieve goals even in difficult situations and /or circumstances
21: Specific knowledge	<ul style="list-style-type: none"> • have detailed knowledge and expertise in relation to their role • are committed to keeping up to date in specialist knowledge

Example Strength Finder Tool

1. In the first column make a list of the five most important things you get paid to do beginning with the most important. (refer to job description).
2. Sort through the Capability cards and divide into three piles: 'What I do best', 'What I do quite well' and 'What I don't do well'.
3. Put the 'What I do quite well' and 'What I don't do well' piles aside.
4. Pick the five or ten most important cards from the 'What I do best' pile.
5. Write the header statements from these cards in the 'What I do best' column.
6. From each item in the 'What I get paid to do' column, draw a line to any of the 'What I do best' statements. Draw as many lines as you see fit.

Strength Finder sheet

Most Important things I get paid to do		What I do best	
1		1	
		2	
2		3	
		4	
3		5	
		6	
4		7	
		8	
5		9	
		10	

The outcome of the strength finder tool illustrates the link between individual skills and highlights tasks which are lacking a 'what I do best' match. Cards discarded as 'What I do quite well' and 'What I don't do well' are used to analyse individual training needs and skill gaps.

Peer Assessment

A judgment by co-worker(s) about an individual's abilities and skill-set. By referring to a colleagues assessment, individuals receive a balanced opinion of their skill set and training needs.

Key benefits:

- subjective/objective results balance,
- builds understanding between colleagues,
- one on one assessment and feedback encourages discussion to agree needs.

Self/Peer Assessment

These assessments are commonly run concurrently to achieve a common agreement and consensus of needs for the individual. Receiving feedback from peers provides an objective perspective and opens areas for discussion between the participants to reach an agreed assessment and areas requiring training and/or personal development.

Alternative Strength Finder Tool Assessment - Personal/Peer Assessment

Name :

Role :

Line Manager :

Date:

Evaluate yourself out of 10 for each line. Validate your scores by discussing them with a line manager or team member (these scores go in the '2nd view' column and form the basis of the assessment). At the same time agree with the other person whether each skill and behaviour is essential or desirable for the effective performance of your role. Your personal development priorities are therefore the lowest scores in the essential skills and behaviours. Adapt or change the elements above to suit the job role(s).

Skills		Self-assess	2nd view validate	Essential /Desirable (E/D)
1	Organisational awareness			
2	Client service orientation			
3	Problem solving			
4	Project management			
5	Decision making			
6	Persuasion and influencing skills			
7	Presentation skills			
8	Leadership skills			
9	Strategic thinking			
10	Written communication skills			
11	Business focus			

Personal qualities		Self-assess	2nd view validate	Essential /Desirable (E/D)
12	Cross cultural awareness			
13	Building productive networks			
14	Flexibility			
15	Teamwork			
16	Drive and commitment			
17	Initiative			
18	Coaching and developing others			
19	Ethics and values			
20	Resilience			

Knowledge		Self-assess	2nd view validate	Essential /Desirable (E/D)
21	Specific Knowledge 1 – to be completed as required			
22	Specific Knowledge 2 – to be completed as required			
23	Specific Knowledge 3 – to be completed as required			



*Training needs
analysis in SME*

*Analiza potrzeb
szkoleniowych w MŚP*