

SECTION 1

Needs Assessment: Frequently Asked Questions

Introduction

Since the 1960s, needs assessments have become a fairly common business practice. Consequently, the term *needs assessment* has taken on several definitions and has led to a number of related process models or approaches. Gap analysis, needs analysis, and performance analysis are occasionally used as synonyms for *needs assessment*, yet they are more frequently (and more accurately) defined as needs assessment tools.

Other tools—such as strategic planning, focus groups, and multicriteria analysis—have also been borrowed and customized from other disciplines to improve our ability to inform decisions. By applying these (and other) tools, needs assessments have arguably become part of the *science* in the *art and science* of many business decisions.

You have, therefore, probably read needs assessment reports (though potentially not given that title) or even participated in related processes—such as a survey or interview—used to inform a pending decision. Although such reports can provide valuable contexts for understanding the topic, there are a number of foundational constructs and relationships that can help you better use needs assessments to achieve desired results. In this section, we offer an introduction to needs assessments as we present many

of the most frequently asked questions that we get from colleagues, students, clients, and others. Responses to the questions then provide the basis for how needs assessments are conducted (see section 2), how tools and techniques are applied (see section 3), and how you can manage an assessment project (see appendix A).

Mind the Gaps

Gaps, either as opportunities or problems, are common instigators of action. Gaps lead to projects or programs, thereby steering us to change the status quo. They highlight—often in concrete terms—issues that would otherwise be obscured. Gaps also challenge us to find ways to improve personal and institutional performance. Gaps do not tell us what to do, but rather they characterize the measures we use to define success.

At the beginning of any project or program, there are gaps: gaps between the way things are and the way things could be. Terry Williams and Knut Samset (2010, 39) describe this as the time when a project “exists only conceptually, and before it is planned and implemented.” In this period, ideas are being generated, needs are being defined, options are being considered, relationships are being nurtured, and partners are weighing each other’s strengths and weaknesses. It is a dynamic period, leading up to a decision that will either lead to an action or not.

Because we live in an imperfect world, gaps exist—they guide our decisions; they define our goals. At their best, gaps determine what results should be achieved before actions are taken. Those gaps are the *needs* of needs assessments, and they help us make justifiable and informed decisions.

Ignoring gaps can be dangerous. When you make decisions about what to do (such as build a dam, start a new HIV/AIDS education program, offer training to a ministry’s staff) without a clear distinction between where you are and where you want to be, then the odds of achieving desired results are greatly diminished, and resources are lost. You have also missed the opportunity to compare alternatives. Likewise, it may be that the solution you propose is useful but that it is even more effective when paired with another activity. Each of these concepts is an important consideration that you miss when you ignore needs (gaps).

You should, therefore, pay attention to gaps in results. Let the gaps guide your decisions. Use the gaps to monitor your progress. View the gaps as opportunities rather than problems. Lead projects to close gaps.

Gaps in results (or needs) can then be compared, prioritized, and balanced. Ideas for achieving desired results can be generated. Solutions can be evaluated in differing combinations, thus using their ability to close gaps as one of the main criteria by which alternative activities are compared.

When you make decisions about what to do, it is essential to know the results you are trying to accomplish before trying to determine what actions might work best. Nevertheless, in our rush to get moving, we frequently lose sight of (or fail to ever identify) the desired results, which leaves us without a clear definition of where we are and where we want to go. In those situations, we often must rationalize decisions we have already made (which can lead to trouble), or we move ahead with implementing a solution for which there is no known problem (box 1.1). When this haste happens, we choose our next steps (whether writing a proposal to start a new project or deciding on a capacity development strategy) without the opportunity (a) to verify that they are capable of achieving desired results, (b) to compare among alternatives, (c) to combine a number of solutions to maximize overall effects, or (d) to prioritize the needs to most efficiently use resources.

Gaps in results are both opportunities and problems, depending on your perspective. In either case, they are the foundation that guides justifiable decisions. For instance, when a provincial ministry of education desires improved public education for its schoolchildren in a low-performing school system, it is pointless to choose between building schools or hiring more teachers without first having clear measures of the results that stakeholders want accomplished in comparison to current achievements. Often, development projects proceed with just a vague notion of what should be

Box 1.1 Activities, Not Needs

Often, we begin decisions with solutions already in mind, such as when we say,

- “What we really *need* is to hire more staff members.”
- “I *need* more resources.”
- “They *need* more training.”
- “They *need* new quality assurance practices.”
- “You should do a training needs assessment.”

Each of these statements begins with a solution before we understand the performance need or gaps in results to be addressed.

achieved—such as improving student performance or increasing educational access—yet this guesswork is not enough to justify significant investments of time and money.

Justifiable decisions are, therefore, best made when considering and comparing a number of alternatives and when assessing combinations of activities for their ability to accomplish desired results. This endeavor, of course, depends on having defined the gaps in results.

Why Call It Needs Assessment?

There are many aspects to the “front end” of any project or program, leading from concept to decision. The associated activities fill the space between strategic planning and project initiation, lead from crisis to the first response, and close the gap between what your boss asks for and the actions you take to meet that request. As such, no widely accepted and appropriate term links together all activities that might take place as precursors to action.

Although *strategic planning* plays a significant role in supporting many decisions, it is only part of the puzzle. Likewise, processes for making decisions, such as pair-wise comparisons (see page 187), are frequently included in the front end, though they are neither necessary nor sufficient by themselves. *Capacity development* is also related to the context in which decisions are frequently made in development projects, but the early front-end decisions we are focusing on in this book are the precursors to capacity development activities, rather than the activities themselves.

Nevertheless, for convenience, we want to use a term throughout this book that will represent the broad concept of the activities and actions that lead up to the point of making a decision. From the academic literature, we find that *needs assessment* is the best option—noting, however, that given its history, the term and related processes may have unwanted baggage derived from other applications. But what term or phrase doesn’t?

Allison Rossett (1987, 3), professor emeritus at San Diego State University, defines needs assessment as “The systematic study of a problem or innovation, incorporating data and opinions from varied sources, in order to make effective decisions or recommendations about what should happen next.” For our purposes, this is a sensible definition of the desired activities leading to a decision. After all, the earliest decisions of a development project should be guided by systematic steps that inform our decisions to take action (or, in some instances, decisions not to take action).

Because *needs assessment* is, however, a term that you may be familiar with from other applications (such as training needs assessment), we ask

that you try to suspend any conceptions (or misconceptions) you may have regarding what a needs assessment is and the results that it can achieve.

What Is a Needs Assessment?

A *needs assessment* is simply a tool for making better decisions. From choosing a new car or finding a house to call home, to selecting an appropriate HIV/AIDS intervention or determining when training will build institutional capacity, needs assessments are used to make informed personal and professional decisions. You may not necessarily refer to the steps you take to inform your decisions as a needs assessment, but whenever you start your decision making by examining what results you are achieving today and what results you want to accomplish tomorrow, you are conducting a needs assessment.

Physicians, for instance, use needs assessments to define and prioritize the critical injuries of people as they enter the emergency room. Plumbers use needs assessments to identify problems, weigh alternative solutions, and make decisions about which parts must be replaced first. Likewise, organizational managers and leaders use needs assessments to define those areas where performance can be improved in the near term and long term.

Roger Kaufman, professor emeritus at Florida State University, defines a *needs assessment* in terms of *gaps in results* (Kaufman, Oakley-Brown, Watkins, and Leigh 2003). From a performance perspective, this definition offers two useful formulas for assessing needs. In the first formula, needs are gaps between current results and desired results. The size and importance of the gaps can then be compared to inform your decisions. For instance, your desired result is perhaps to be in Point B, but your current results have left you in Point A. Therefore, your *need* is the gap between results at Point A and results at Point B.

As an example, your department is responsible for processing all travel reimbursements within 10 days of their arrival from field staff members; yet, current results within your department indicate that it takes 14 days, on average, for staff members to receive their reimbursements. The need, in this example, is then defined as the gap between the objective of a 10-day reimbursement cycle and the current performance of 14 days.

Kaufman's definition also provides a second formula for prioritizing needs. According to the definition, needs are prioritized through the comparison of (a) costs associated with addressing the needs (or closing the gap) and (b) costs associated with not addressing the needs (or leaving the gap). This comparison is the foundation for moving beyond merely identifying

problems or opportunities, thereby offering an approach for using information about the needs so you make decisions about what to do next.

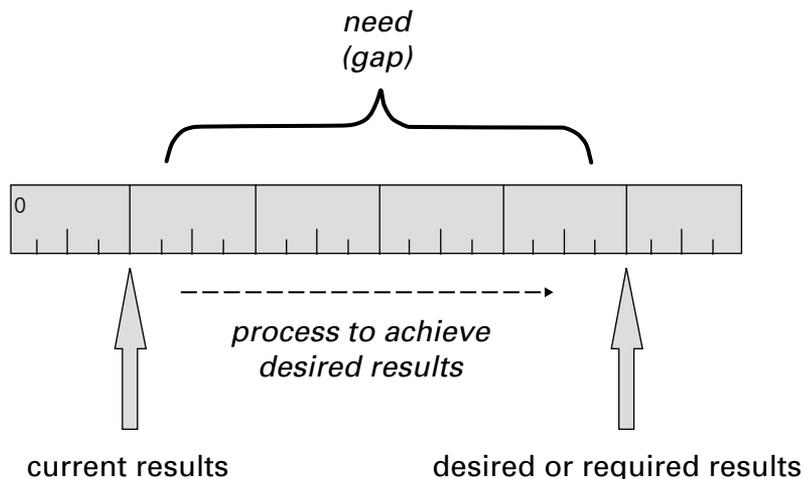
As you see, needs assessments are very familiar processes. You are likely most familiar with less-formal, nonsystematic needs assessments that are heuristics within many decision-making models. Although potentially less familiar, the more formalized and systematic needs assessments are also, however, common in most organizations.

What differentiates the needs assessments approach described in this book from the approach you likely already know is the focus on improving performance. This book's approach involves moving the achievement of current results to the accomplishment of desired results. According to Kaufman's definition of needs, this approach focuses each of the steps, tools, techniques, guides, and other resources on first defining what results to achieve before then determining what activities or solutions will best accomplish those results.

Then, What Is a Need?

Needs are simply the differences between your current achievements and your desired accomplishments (see figure 1.1). Thus, needs most commonly represent discrepancies—often deficits—between your ambitions and the

Figure 1.1 Relating Needs to Discrepancies between What Is (Current Results) and What Should Be (Desired Results)



Source: Based on Kaufman, Oakley-Brown, Watkins, and Leigh (2003) and Watkins (2007).

results of your current performance. In the same way, needs can signify an overabundance of success when your current achievements surpass your desired accomplishments, thereby possibly suggesting an excess of resources going toward the results.

Needs do not, however, include any mention or discussion of computers, budgets, training courses, irrigation systems, HIV/AIDS programs, urban development, executive coaching, leadership, incentives, policy analysis, microfinance strategies, holiday bonuses, reengineering, or any other techniques used to achieve results. Rather, your needs are the basic gaps between current and desired performance (see box 1.2).

When you have defined a need, and have determined that it is a priority for you and your organization, then you will want to look at all of the possible activities that could be done to improve performance and reach your goal (see box 1.3). You can systematically examine alternatives for improving performance and justify your decisions based on criteria related to the results to be achieved. This process ensures that you do not put the proverbial cart before the horse.

When the need is defined in terms of gaps in results, you can then look at the ideas offered by managers and others (such as hiring, building roads, training employees, or establishing new policies) to determine which idea(s) will best achieve the desired results. The suggestions of managers may end up being desirable activities to improve performance, but they are not needs.¹

When completing a needs assessment, you may find, for instance, that reducing poverty among rural farmers to your desired level requires a combination of direct financial assistance, updates to national agriculture poli-

Box 1.2 Needs (Example 1)

In 2009, the Ministry of Public Education in Lao People's Democratic Republic (with its development partners) established a five-year strategic plan to guide its educational programming: the Education Sector Development Framework (ESDF). The ESDF goals are directly linked to the government's long-term plans to exit from least-developed country economic status.

Goals from this report include, for example, 98 percent primary school gross intake rate by 2011 on the basis of completing incomplete schools. This rate is in contrast to a 2008 gross intake rate of 69 percent. The gap of nearly 30 percent is a need that can and should be addressed by a variety of coordinated activities.

Sources: Based on information available at http://www.educationfasttrack.org/media/library/Final_ESDF_19_January_Ready_for_FT1.pdf and <http://www.nationsencyclopedia.com/WorldStats/Edu-primary-net-intake-rate-grade-1.html>.

Box 1.3 Needs (Example 2)

In 2004, the United Nations Development Group completed a series of needs assessment case studies related to the Millennium Development Goals. The cases included sample needs from Bangladesh, Cambodia, Ghana, Tanzania, and Uganda. For example, in Bangladesh, 50 percent of the population was living in poverty in 2000, and the goal is

to lower the poverty rate to 30 percent by 2015.

This gap of 20 percent provides a clear performance need to be addressed. Many other needs are identified in these case studies, along with alternative solutions (and combinations of solutions) that could be considered.

Source: Based on information available at http://www.unmillenniumproject.org/documents/mp_ccpaper_jan1704.pdf.

cies, training in irrigation techniques, partnerships with local shipping companies, and other activities. With your need defined in terms of results to be accomplished, you can now compare differing combinations of these activities to determine where the knowledge, skills, and resources of your organization can best be applied and can partner with other organizations to fill in the remaining cracks. You cannot do this, however, if you defined your need as a solution (such as “we need policy reforms” or “we need high-speed rail”).

What Is Meant by Improving Performance?

The efforts of organizations vary widely—from producing farm equipment to making loans to low-income countries—and thus it is next to impossible to adequately describe the desirable results of all organizations with a universal term or phrase. Adding to the challenge, many development institutions apply unique definitions to the typical terms you may use to refer to results (including results, product, outputs, outcomes, or impacts); then the institutions create new ways to describe the relationships among the results.

Yet, for ease of discussing needs assessments in a manner that can communicate with readers from varied organizations, in this book we have settled on the phrase *improving performance* to represent the results that are the focus of a needs assessment. The phrase is not ideal in all contexts, but we hope it works for most readers.

Improving performance, as we use it here, is the move from achieving current results to accomplishing desired results. Thus, *improving* refers to

the measured progress from a less-than-desirable state to a desirable state, whereas *performance* refers to the results—no matter if your organization classifies them as products, outputs, outcomes, impacts, or some combination of these. Results are interrelated and interdependent; impacts depend on products, for instance, just as outputs should contribute to outcomes. Without the products of individual staff members, organizations would not have deliverables to provide to clients nor would communities benefit from the outcomes or effects of those deliverables. Therefore, alignment of results is critical to success, much more so than the titles we give those results.

Embedded in the phrase *improving performance* is the notion that improving how people perform is also essential to accomplishing results, although *performing* and *performance* are not equivalent. After all, we can each individually improve how well we *perform* our jobs but never achieve desired results—and at the same time, desired results are rarely accomplished without improvements in how people perform. *Performance* is, therefore, considered the combination of the process (that is, performing) and the desired results.² We can consider then three levels of performance: *individual or team*, *organizational*, and *societal*.

For some readers, the focus of your needs assessment will be the results achieved by individuals or groups in your organization, also known as *individual or team performance*.³ This first category of performance may deal with the preparation of reports, the production of equipment, or documenting the distribution of funds to local nonprofit groups. Individual performance may relate to the development of a project plan or the results of mentoring colleagues. In all cases, individual or team performance focuses on the accomplishment of desirable results by the individuals, teams, or working groups. Thus, it incorporates improvements in performance and the achievement of desired results.

For other readers, the focus of their needs assessments may relate directly to the results that their organizations accomplish and deliver to clients. *Organizational performance*, the second category of performance, is about the achievement of organizational objectives that lead to beneficial results for the organization, its clients, and its partners.⁴ From the delivery of goods or services to the achievement of long-term development objectives, organizational performance is achieved when there is alignment between what an organization uses, does, produces, and delivers. As such, organizational performance is forever bound to individual or team performance, thus making their alignment essential to success.

The third, and final, category of performance has an important role in every needs assessment—*societal performance*.⁵ Because individuals,

teams, and organizations do not exist in a vacuum, the results they produce are interwoven with the results achieved by the society (from local communities to our shared global society) that they exist within or that they serve. Although the societal connections are not always direct and observable from the level of individual or team performance (for example, as with team results, when an internal report on customer satisfaction is your product), improvements in performance are most valued when there is alignment between individual, team, organizational, and societal results.

Hence, *improving performance* covers a vast array of topics, disciplines, fields, sectors, technologies, and business models. As such, it is an expedient and pragmatic phrase to use in relation to a needs assessment, because it too can be applied in a host of arenas. From internal decisions about when to develop training, to external choices about how to assist impoverished communities rebuild after a natural disaster, need assessments play a vital role in making informed decisions.

Fundamental to improving performance is the *equifinality principle* of systems theory, which states that in an open system there are always alternatives for achieving desired results. In practical terms, this principle tells you that even when one solution or activity initially seems to be the only way to accomplish results, in reality there are always other options that should be considered (even if you decide in the end to go with your initial selection). This requires a needs assessment approach that focuses on results and that collects data to inform decisions rather than data to justify decisions that have already been made.

At the same time, it is important to remember that all performance is not worth improving. As Doug Leigh (2003) of Pepperdine University points out, “Some results should be improved, some maintained, and some reduced or eliminated.” In their book *Performance-Based Instruction*, Brethower and Smalley (1998) point out that “performance improvement interventions always add cost, and only sometimes add value.” A needs assessment is a valuable tool for systematically justifying when and where to invest resources after first defining which results are worth accomplishing and then selecting appropriate activities for achieving those results.

The findings of your needs assessment might, for example, determine that although a country’s ministry officials are not fully prepared to sustain a development project over time, the cost of training the officials (especially given the high turnover in the ministry) is not a wise investment. In response, you may consider (a) building more partnerships into the project to reduce the long-term dependence on a single ministry or

(b) developing a series of job aids that ministry officials can use as an alternative training program. There are always choices for how to accomplish desired results, including the option of doing nothing at the time. Needs assessments can help you weigh your options, thereby ensuring that you can justify your choices.

What Are the Benefits of a Needs Assessment?

*Needs assessments can be a **systematic** process to guide decision making.* No matter how big or small your choices, the decisions you make each day influence your performance, the performance of others around you, and the performance of your organization and its contribution to society. Systematic processes not only provide initial step-by-step guides, but also offer a foundational set of procedures that you can reflect on, customize, and continually improve in order to enrich your decisions later on.

*Needs assessments can provide **justification** for decisions before they are made.* After all, once a decision is made, it is typically too late to start justifying your choices. Rather, needs assessments proactively identify (a) the performance data that define your needs, (b) the prioritization of your needs, (c) the performance criteria for assessing potential interventions, and (d) the information necessary to justify your selection of one or more activities to improve performance.

*Needs assessments can be **scalable** for any size project, time frame, or budget.* There is no reason to spend US\$1,000 to resolve a US\$10 performance problem. Likewise, you would not want to take a year and spend thousands of dollars to implement a rigid needs assessment process that would only moderately improve the performance on a small project or program that is about to end. What you want is a process that can be appropriately scaled for the scope of your improvement efforts.

*Needs assessments can offer a **replicable** model that can be applied by novices or experts.* If you build on the lessons learned from previous decisions, needs assessments can offer a replicable process that can be used over and over again and that can be systematically improved upon over time. The fundamental framework for needs assessments provides a flexible structure that you can apply today, tomorrow, and in the future to guide your decisions.

*Needs assessments can provide a **systemic** perspective for decision makers.* Organizations are built around interdependent systems, systems of subsystems, and even social systems that you will never find in an organizational directory. As a consequence, your decisions constantly have rippling effects that move from one system to the next (see box 1.4).

Box 1.4 Example of a Systemic Perspective

The introduction of performance appraisals in your project team is intended to improve the results of your project. This new performance appraisal process, however, could influence what is required of team members as they work in procurement, quality assurance, and technical support. If the systems within the organization are not prepared to support changes in your project team, an overall net-negative effect could occur.

For instance, if organization employees do not have the capacity to complete an increasing number of procurement requests in a timely manner, then improvements to one system—in this case your project team—can influence the performance of other systems inside and outside of your organization.

*Needs assessments can allow for **interdisciplinary** solutions to complex problems.* Unsatisfactory performance in organizations is rarely the result of single problems, issues, or causes. Therefore, performance is rarely improved by single solutions, interventions, or activities. Through their processes, needs assessments encourage you to identify, compare, and—when appropriate—combine the activities that will best accomplish the desired results.

Aren't We Already Doing This?

Yes, no, sometimes, maybe. Most people do use informal or incomplete needs assessment steps to make some decisions in their lives. When you buy a new home, for instance, you will likely take time to collect information on school performance, resale values, neighborhood crime rates, and other essential performance criteria to be used in making your final choice. But when selecting a primary care physician, you may simply go with the one that is most conveniently located to your work or home.

Likewise, sometimes you may use more formal decision-making steps in your professional choices although—more often than not, if you are like most people—you frequently begin your professional decision making with an answer or a solution already in mind.

In most cases, the quality of your informal decision making has been good—and that has likely contributed to your success in the past. Yet, for most of us, decisions are becoming increasingly complex. Most likely, you are often asked to make complicated decisions on a daily basis to keep pace with organizational and global changes and to stay one step ahead of the competition. Although developing a new workshop or creating a new mis-

sion statement may have been the answer to many challenges in the past, improving performance now requires the development of sustainable performance systems that address multiple factors that influence individual, team, organizational, client, and societal results.

Dimensions of performance now include individual and organizational capacity; motivation and self-concept; expectations and feedback; rewards, incentives, and recognition; environment, resources, and processes; skills and knowledge; organizational culture; and strategic, tactical, and operational directions.⁶

Solutions presented may include things such as new roads, new computers, more money, more staff members, policy reforms, or any of a thousand ideas that may be useful in improving performance. The challenge is not to find out what ideas people have for improving performance; rather, the challenge is to identify and measure the true gap that exists between the results that should be accomplished and the current achievements and then to match useful solutions to those needs.

Formal and informal needs assessments can—and should—be part of your professional decision making although those systematic processes are not intrinsic to most organizational practice. By regularly conducting formal needs assessments, you can build expertise in the related procedures, customize standardized models for application in your decisions, and then include those steps as inherent characteristics of your informal daily decision making. In this manner, not only can you improve your decisions about what activities to undertake, but you can also internalize informal processes that will improve the results of all decisions you make.

When Should We Conduct a Needs Assessment?

Needs assessments, either formally as part of a major business decision or informally when weighing alternatives, can be of value most days. From determining if (and how) economic policy reforms can be of value to a client country, to deciding when to provide performance feedback to your project staff members, many decisions can benefit from the collection of additional information and the systematic application of that information to your decision making; needs assessments do just that.

Because needs assessments help inform decisions, they can be used *proactively* to identify opportunities to improve performance, *reactively* in response to the consequences of less-than-desirable results, or *continuously* as an integrated component of an ongoing improvement program. Hence, needs assessments are a valuable tool for decision makers at all levels of an

organization and in almost any role. From decision makers working to create a new development initiative with other donors, to those charged with improving current efforts (and all combinations in between), needs assessments can be used to guide decisions.

Many conversations can lead to a needs assessment (see table 1.1). Sometimes these conversations are within your organization, and at other times they are with your clients or partners. In the latter case, needs assessment tools may be applied to assist others in identifying their needs and making decisions about what should happen next (potentially leading to new projects). Clients sometimes have well-defined needs, although many times they do not. Other times they may think that they do when, in fact, they do not. Clients usually have a list of desired projects (processes and products, or wants), yet that doesn't mean they have the information to guide useful decisions that achieve results.

Needs assessments, or even the underlying logic of a needs assessment approach, are not however always used to guide decisions. Consequently, decision makers frequently struggle to make justifiable choices. This situation happens for many reasons, including (a) they don't have a clear, mea-

Table 1.1 Sample Paths That Lead to a Needs Assessment

	External examples	Internal examples
Proactive contexts	The minister of education is new to the job and struggling with how to prioritize the national needs, given a very limited budget. His predecessor had initiated many "pet projects" that were based on what he thought would work, but few of the projects achieved any measurable results. The new minister does not want to take that same path.	As a manager, you see the performance requirements of your department changing in the coming years to respond to client realities. In this context, you complete an assessment to determine current and future needs of staff members and their ability to achieve results in the new context.
Reactive contexts	A ministry official is attempting to make a number of informed decisions concerning tax reform as a tool for meeting the debt sustainability goals of her country, but she requires some additional objective inputs from a number of partners.	With a relatively high turnover rate and problems with new staff members not completing assignments, your manager asks you to complete an assessment related to the current orientation program for new staff members.

asurable definition of what results are desired or required; (b) they don't have a good measurement of what results are currently being achieved; (c) they are focused only on a single solution that they "want" and are not thinking in terms of alternative solutions; (d) they have very limited information on the options; or (e) they don't have clear criteria for comparing their options. Each of these reasons probably sounds familiar because they are true, to some degree, in almost every organization.

Although assessment opportunities are frequent in conversations, a keen ear is required to note the opportunity (and the value to be added by an assessment). Listen carefully when talking with colleagues, clients, and partners about decisions that could benefit from a clear identification of needs, alternatives, and criteria for making choices.

Needs assessment can also help you avoid missteps. Simple answers to your professional challenges usually won't provide the sustainable results that you are ethically responsible to provide. After all, for every performance problem, there is a solution that is simple, straightforward, acceptable, understandable—and WRONG.⁷

For instance, human resource officers commonly hear managers requesting new or additional training in a variety of organizational areas. Although training may initially seem to be a reasonable solution to the problems being faced by the manager, an informed decision about how to improve performance requires that additional information be considered before rushing ahead with any single solution. Most often, organizational challenges are not linked to any single cause such as the perceived inadequate knowledge or skills of others. Rather, they are brought about by a combination of issues such as misguided incentives, inadequate processes, miscommunication on performance expectations, and other problems.

The following sample statements are good indicators that a needs assessment may be the appropriate next step before making any decisions:

"We *need* to provide more training to people working in the Ministry of Agriculture."

"They really must have this program in place by next year."

"Last week, I decided that introducing [*insert idea*] would be a good place to start building capacity."

"They *need* to go to leadership training."

"If you had [*insert latest technology gadget*], then you would be more productive."

"You *need* to build X, Y, and Z into your project proposal."

Box 1.5 From A to Z: An Example (Part 1)

New employees in your unit are expected to submit a fundable project proposal within six months of starting. Yet, when data illustrate that 50 percent of new employees are still struggling to achieve this result after one year, then you have identified a performance gap, or *need*. The need, in this case, is defined by the number of months it takes for a new employee to submit a fundable project proposal. Other information, such as management feedback on draft proposals or the number of ongoing projects that new employees supervise, may also be used to further define your need.

Not included in the need are the possible solutions. The need, for instance, is not for more training on proposal writing or partner relationship management, nor is the need for mentoring or new recruiting policies. Each of those solutions may end up being possible activities to improve performance in relation to the need, but

they are not the initial focus of your needs assessment.

Continuing the example, let's say that your needs assessment determines that delays in new employee performance were costing the unit US\$500,000 each fiscal quarter (in terms of salary and benefits without achieving desired results). In comparison, a second need that your needs assessment identified was a discrepancy between the current and desired number of projects that engaged partners from multiple sectors. This second need, although not typically measured in quarterly budget reports, must be considered at the same time as the previous need because limited resources will have to be allocated. The second need may be measured in terms of reduced aid effectiveness of development projects and the associated long-term budget implications for the unit in order to draw some general comparisons and to prioritize the two needs.

When you hear these or similar statements about what should be done, it is usually a good time to step back and ensure that you know where you are headed before you take the first step. After all, if you are not headed in the right direction, then you could end up someplace other than where you want to be (see box 1.5).

Are Needs Assessments Just for Reacting to Problems?

In addition to being reactive, needs assessments can, and should, be a proactive tool. You can, for instance, use a needs assessment as a process for working with clients and partners to define future projects. An example of where a proactive approach could be taken would be as part of a government strat-

egy paper designed to look ahead for 20 years to examine possible regional transportation requirements and options. In such situations, the needs assessment provides continual feedback to the planning process about the gaps between current and desired results. The gaps will commonly fluctuate either from year to year or as organizational goals and objectives shift in relation to external pressures or opportunities.

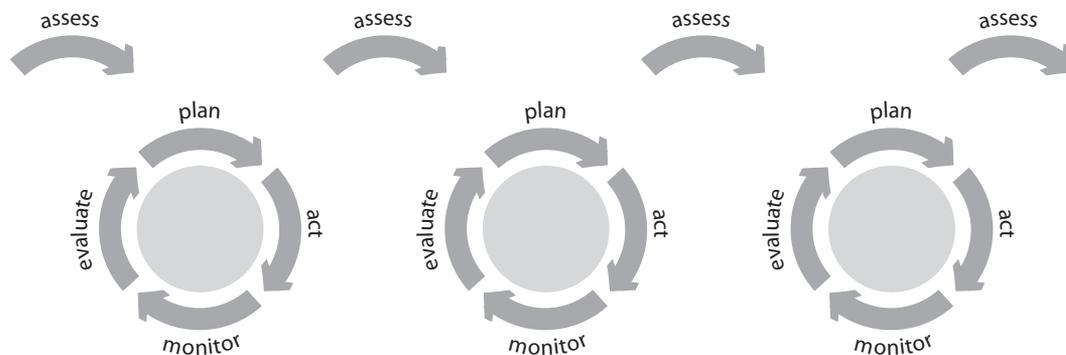
Needs assessments can also be used when working with clients to define new opportunities—that is, opportunities driven by the desired results of the society, community partners, clients, and others (rather than driven by solutions in search of problems).

Continual needs assessments, typically much less formal than initial assessments, can also be used to inform practical and justifiable decisions (see figure 1.2). The monitoring and evaluation results of one project cycle can, for instance, be integrated into a needs assessment that informs the next project cycle. But rather than just building on past project cycles, the needs assessment also infuses new data from internal and external partners into the decision making. If you simply relied on past evaluation reports, then you would probably miss the internal and external changes that are currently shaping the future.

Use needs assessments proactively, continually, and reactively in your organization:

- ✓ *Proactively* to identify potential opportunities for improving individual or organizational performance

Figure 1.2 Needs Assessment Cycles



Source: Authors.

- ✓ *Continually* to monitor your progress toward accomplishing desired results
- ✓ *Reactively* when new strategic, tactical, or operational objectives are to be achieved

Aren't Needs Assessments Too Rigid?

From practical experience most of us have learned that rigid planning just doesn't work. Life is messy; from natural disasters to changes in government leadership, there are just too many variables to accurately predict or control the future. As the saying goes, "Men plan; God laughs."

Henry Mintzberg (2000), the preeminent management researcher from McGill University, first described this problem in his book *The Rise and Fall of Strategic Planning*, which shed light on how many traditional approaches to planning do not offer the flexibility required for real-world application. More recently, in his book *Tracking Strategies*, Mintzberg (2008) illustrates through a number of case examples how most strategic plans change over time—with some specific objectives being achieved as planned, some dropped as new (or more) information is learned, and some new objectives being created as opportunities arise.

In response, needs assessments (which frequently rely on strategic plans to help define the desired results) cannot afford to be rigid or closed-minded. They must demonstrate, from beginning to end, the flexibility required to inform decisions in complex and ever-changing realities. Your needs assessments should gather information from multiple perspectives, consider a range of alternative activities, and use techniques that give all partners a voice in the decision-making process. Your assessments should do so while maintaining a focus on what desired results are to be achieved (see box 1.6).

In contrast, solution-driven decisions are quite rigid; a solution is selected and then defended against all information that may suggest that alternatives could be of more value. In many organizations, the risks associated with dropping a solution that is already committed to make it very difficult to adjust decisions in response to new realities, thereby leaving many projects to suffer until they are one day forgotten. Use information from ongoing needs assessment activities to continually inform decisions at all stages in the project's life cycle, increasing your agility and your ability to achieve results.

Box 1.6 Gaining Flexibility

1. View needs along a continuum from emerging needs to stable needs.
2. Postpone the selection of a solution until after the needs are well defined.
3. Rely on a diverse set of partners, tools, and techniques to collect information and inform decisions.
4. Compare a number of alternative activities against agreed-upon performance criteria.
5. Focus on systems of improvement activities rather than on single solutions (that is, don't put all your eggs in one basket).

How Does a Needs Assessment Relate to Other Tools You Are Already Using?

Needs assessments are often associated with (that is, drawing on and contributing to) process improvement efforts—including front-end analysis, root cause analysis, and performance analysis. Each of the processes provides a distinct perspective to the analysis of results generated by the needs assessment. For instance, a root-cause analysis will dissect the individual needs derived from the needs assessment to identify and compare the causal factors in an effort to determine which factors are at the foundation of the performance gap and deserve attention. A root-cause analysis is most valuable when you have a well-defined process in place and when you are searching for a human, procedural, equipment, or environment failure in the process that can be improved upon (see box 1.7).

Similarly, front-end and performance analyses build on findings from a needs assessment (and needs analysis) to link the identified and prioritized needs to specific performance improvement activities. From infrastructure investments to training, to recruitment strategies and environmental policy, such analysis procedures can help guide your decisions about what to do in response to priority needs.

Consequently, formal and informal needs assessments are common partners in many (if not most) other essential organizational processes. With needs assessment processes contributing to the foundation, you can then effectively use a variety of analysis procedures and potential improvement activities together to create a multifaceted initiative that improves performance from many angles and perspectives.

Box 1.7 From A to Z: An Example (Part 2)

Most often, you can't prioritize needs without beginning to consider the possible solutions. At this point, the needs assessment transitions from a singular focus on results to a combined focus on results and possible activities. This change in focus is necessary because the estimated cost of activities and their ability to achieve desired results must be weighed when setting priorities—as well as when making decisions about what to do.

Continuing the example (see page 30), your assessment determines that the cost of improving new employee performance is relatively small and that its likely effect on unit performance is significant although the cost of increasing the number of multisector projects is significant and the probable effect on unit performance is moderate at best. This type of information, when associated with well-defined and measured needs, is extremely valuable in making informed decisions about where to place limited resources.

Analyze each need to determine why it is occurring and what potential activities (or solutions) could be of value in closing the gap.

Using this information, along with other useful performance data, begin to set priorities among the multiple needs identified in your assessment. Then begin to compare alternative activities for improving performance.

Your analysis, for instance, of the gap in time required to submit a fundable proposal may have indicated that new employees have the knowledge and skills required to complete the inventory, thus more training for new employees is not going to improve performance. In addition, you may have found that new employees were not being given any feedback on draft proposals for up to six months after the proposals were submitted. Moreover, new employees were more likely to get high scores on their annual performance reviews (and the associated pay increases) if they focused on managing current projects rather than on submitting proposals for new projects. With this information in hand, you could start to identify the factors leading to poor performance and the range of potential activities that may be valuable to improving results.

Isn't an Evaluation the Same Thing?

Not really, though there are similarities. Both assessment and evaluation are important to improving results, but they serve different functions. The distinctive processes differ in the perspectives that they apply when collecting information and guiding decisions. Although many of the same tools are applied in both assessments and evaluations, understanding the difference about how the perspectives are translated into practice requires particular attention.⁸

An assessment perspective, which you apply when conducting a needs assessment, collects information that identifies the gaps between the current results and the required or desired results (or needs), and then it

appraises those needs for determining priorities and comparing alternative activities that may help improve performance. Hence, this approach to collecting and analyzing information takes place before any decisions are made about what to do, which vendors to use, or even what products are to be expected. Needs assessments are frequently completed in partnership with planning efforts (such as strategic planning or project planning) to define where a group or organization is headed and how it plans to get there.

In contrast, an evaluation perspective is most commonly applied when initial decisions about what to do (for example, build schools, reform policies, expand HIV/AIDS services) may have already been made and when you are trying to either improve performance (as with developmental or formative evaluations) or determine the value added by current processes (as with summative or impact evaluation). You, therefore, approach an evaluation from a different vantage point than you would for a needs assessment. Your processes and results serve a different, though equally important, function within an organization.

The Organisation for Economic Co-operation and Development's Development Assistance Committee has provided five criteria to consider when evaluating projects: relevance, effectiveness, efficiency, impact, and sustainability (OECD 2011). Evaluations frequently inform, for example, decisions about how (or whether) to improve performance of current efforts; and evaluations are, therefore, sometimes done in partnership with other cost-value analyses (such as cost-benefit, cost-effectiveness, return-on-investment, or cost-efficiency analysis) or ongoing needs assessment efforts.⁹

It is important to note that, in recent years, given an emphasis on achieving results (that is, products, outputs, outcomes, and impacts), more attention has been given by project planners and funders to see evaluation planning as part of the project planning process. Consequently, for those who rightly consider that evaluation efforts start at the beginning of project planning and not at the project's end, we see cases where evaluation and needs assessment are more closely linked even as their functions differ.

If you apply both approaches when they are appropriate, then you are on the way to improving results. Throughout this book, nevertheless, we have made a conscious effort to describe each of the tools and techniques from a decidedly needs assessment perspective.

Don't We Already Know What Works?

Relying on past success is no guarantee of future success. Although decisions should consider the results of past solutions (just as they should look

at what others are doing to achieve results), past successes should provide context for decisions rather than constrain them. Too often organizations continue to apply “the same old” solutions well after the solutions have lost their effectiveness—assuming that they were effective to begin with. Successful solutions exist in a point in time and in a certain context, and they have limited transferability to different times and contexts.

Can’t You Just Send Out a Survey Asking People What They Want?

No. A survey is not a needs assessment. It is only a tool that may be used in a needs assessment if the circumstances are right to use a survey. Although the individual perspective on what people want to have done is quite valuable in making informed decisions, by itself it is of little value when making decisions. Asking people what they want also sets up the expectation—likely false—that they will get exactly what they want. Thus, we strongly recommend that you don’t go down that path.

By going far beyond simply asking people what they want, you can create a needs assessment that collects valuable information from multiple perspectives and that guides justifiable decisions. Use multiple tools and techniques, and stay away from questions that may build unrealistic expectations.

Section Summary

As you can see, needs assessments can be used in many different ways to improve performance. They are distinctive from most other management tools in that they focus on performance (measured gaps in results) and are the precursor to decisions about what to do next. Nevertheless, we use them formally and informally in organizations every day.

In section 2, we will turn our attention from what a needs assessment is (or is not) and will focus on what makes for a useful assessment. From determining the scope of your needs assessment to managing the process, the next section summarizes the steps that can guide a successful assessment.

Notes

1. Roger Kaufman uses *what is* and *what should be*, rather than *current* and *desired*, because the desired results may not always represent what is best for the individual, organization, or society. Although the authors agree with this

perspective, we simply find that the term *desired results* communicates more effectively with development colleagues and partners.

2. Doug Leigh of Pepperdine University refers to *improving performance* as the activities used to accomplish *performance improvement*. Thus, from this perspective, your needs assessment would focus on *performance improvement* (that is, the results) before it would examine alternative methods for improving performance.
3. What Roger Kaufman refers to as Micro Level results or products; planning at this level is operational.
4. What Roger Kaufman refers to as Macro Level results or outputs; planning at this level is tactical.
5. What Roger Kaufman refers to as Mega Level results or outcomes; planning at this level is strategic.
6. Based on John Wedman's performance pyramid model, as found in Watkins and Leigh (2010).
7. An unreferenced phrase frequently used by Roger Kaufman.
8. Based on Watkins and Guerra (2003).
9. A notable exception is *prospective* evaluations. These are, however, less common than the evaluations described here, and they typically serve limited functions in most organizations.

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