

The Business Imperative for a Workforce Training and Development Needs Assessment

EXECUTIVE SUMMARY

Labor force problems remain severe and unmet labor demands continue to stifle growth expectations. And while we have witnessed a slight reentrance into the workforce; countless others resist, resulting in significantly lower participation rates than a decade ago (U.S. Department of Labor). Companies continue to do more with less but at what cost? They also struggle with skills mismatch, failing to have the right talent in the right positions at the right time. The ever-increasing costs associated with talent require a new approach, one that improves productivity and enables growth. It is appealing to look for short-term solutions to talent related challenges. However, another approach may help organizations and communities reap benefits in both the short-and-long-term. To improve, if not completely resolve the skills mismatch challenge, we need to identify the skills needed by employers and then develop training and professional development programs to upskill talent as needed. The first step in this solution involves a workforce training and development needs assessment. Then, companies, communities, and providers can use a data-informed approach to decision-making that promotes the creation of programs tailored to fluctuating regional, community, and organizational needs.

For Indiana, the time is now. We are positioned for growth and prosperity given the anticipated impact of the Regional Economic Acceleration and Development Initiative (READI) that dedicates \$500 million in state appropriations designed to attract talent and promote economic growth. The funding enables progress on a significant scale but requires a new approach to solving the skills mismatch.

COMMON CHALLENGES ASSOCIATED WITH SKILLS MISMATCH

Filling Vacancies

Organizations focus on filling vacancies as quickly as possible and remain challenged when the talent they need is simply not available. Once hired, employees go through orientation and often training to learn about organizational policies and operating procedures. But, when we hire individuals with a skills mismatch to fill a vacancy, we extend learning time and delay productivity. This approach can work but not without significant costs. By taking a strategic approach to workforce planning we secure, develop, and retain the skillsets to meet organizational needs today and tomorrow.

COMMON CHALLENGES ASSOCIATED WITH SKILLS MISMATCH

Realignment, Budget Cuts, and Organizational Goals

Aside from the challenges associated with hiring the right skillsets to fill vacancies, skills needed within organizations can simply shift over time. Budget cuts and changes in organizational goals can also result in the need for updated skills profiles to ensure capacity aligns with current needs.

Technology Upgrades, Training Programs, Growth & Downsizing

In addition, having the right skills in place to support technology upgrades is key to successful implementation and adoption. And, as positions are upgraded or succession plans implemented, training programs needs to be updated as well. And lastly, organizations may need different skillsets when they grow or downsize.

RECOMMENDATION

A workforce training and development needs assessment can support data-informed decision-making in each of these situations. In addition to positioning organizations to have the right skillsets in place at the right time, a workforce training and development needs assessment can also identify employment trends, industry growth, and the educational and skill requirements for positions throughout a region. Depending upon the scope of the assessment, it can also gauge support of job shadowing, internships, and business use and perceptions of available training programs. Investing in understanding the skillsets needed by employers encourages workforce development partnerships and aligns with community economic development initiatives.

COSTS AND BENEFITS

Costs

The costs involve the scope of work needed to complete the needs assessment as well as the time needed for participants to complete the survey. Operational costs to consider involve the costs of maintaining the status quo with skill mismatches or unfilled positions.

Benefits

The benefits involve more accurate salary, wage, and production related expenditures. Quality, flexibility, compliance, and the ability to be more strategic are also potential benefits of aligning workforce training and development programs and activities with actual needs.

CONCLUSION

A workforce training and development needs assessment can capture the knowledge, skills, and abilities needed by organizations to achieve their goals. A valuable needs assessment is one that identifies gaps between current and desired outcomes. This, in turn, can support the redirection of resources to align with actual demand, ensuring developmental programming aligns with identified needs. A needs assessment can also help identify reasons for gaps and recommend solutions to reduce or eliminate any gaps.

ABOUT STRONG PERFORMANCE MANAGEMENT, LLC

Strong Performance Management, LLC, is an approved provider of continuing education for licensed professional engineers by the Indiana Professional Licensing Agency. As a coach and consultant, I support the professional development of engineers, technical, and other professionals through one-on-one coaching and micro-learning enabled by technology. I offer on-demand webinars for licensed professional engineers who need continuing education professional development hours to maintain their licenses. As a workforce development practitioner and consultant, I support talent development and retention through needs assessments, program development, performance management, and coaching. For needs assessments, I partner with Thomas P. Miller & Associates to perform data collection and analysis: <https://www.tpma-inc.com/>