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

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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.

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achieved—such as improving student performance or increasing educa-
tional access—yet this guesswork is not enough to justify significant invest-
ments 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 deci-
sions, such as pair-wise comparisons (see page 187), are frequently included
in the front end, though they are neither necessary nor sufficient by them-
selves. *Capacity development* is also related to the context in which deci-
sions 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 Univer-
sity, 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 proj-
ect 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)
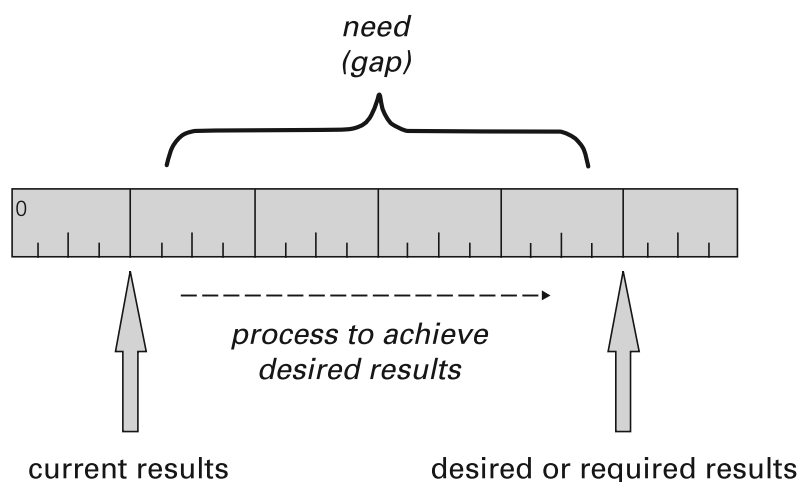
Source: Based on Kaufman, Oakley-Brown, Watkins, and Leigh (2003) and Watkins (2007).

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_FTI.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_ccspaper_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 peformance (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).