

# performing a skills gap analysis.

## how to ensure you have the right people with the right skills at the right time to meet organizational goals

Most companies have a strategic plan that guides them in successfully meeting their missions. While workforce plans are not as common, they are just as important. From a budgetary point of view, HR planning is critical for forecasting the costs of recruitment and training into your operating budget.

**Step 1:** The first step is to assess the current capacity of the department. The knowledge, skills and abilities of your current staff need to be identified, which can be done by developing a skills inventory for each employee. Forecasting talent needs for the future should be based on the overall goals of the organization.

Questions to consider:

- Where are we going? What's on the horizon for the next 12 months?
- How will we develop strategies to successfully get there, given the circumstances?
- What skill sets do we need? Where are we lacking in knowledge or resources/bandwidth?
- How many staff will be required to achieve these goals?
- What jobs will need to be filled?
- What skill sets will people need?

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You should also assess external challenges that may impact your workforce strategy.

Questions to consider:

- How does the current economy affect our ability to attract new employees?
- How will technology or demographic shifts impact the way we work?

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**Step 2:** Determine the gap between where your organization is today and where it wants to be in the future. A gap analysis includes identifying the number of staff and the skills and abilities required in the future in comparison to your current situation.

Identify all the skills required by an individual to fulfill their job responsibilities effectively. List out the various skills grouped into categories; be as specific as possible and include both soft skills and technical proficiencies. Then, compare the list with the actual skills possessed by the individual employee. Go back and circle all of the skills you currently have, and combine the collective individual assessments to form a team analysis.

Questions to consider:

- Have we considered the new skills we would like to add to our team?
- Do our current employees have the ability to develop these skills, or will we need to look outside of our company?
- Are employees currently in positions that maximize their strengths?
- Do we have enough managers/supervisors?
- Do our current policies and processes position us to attract talent in the coming years?

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**Step 3:** Once you've completed your analysis and determined where the gaps and opportunities are, you can begin to develop your strategy. Options to consider:

#### Training and development

- Provide staff with tailored training to take on a new role, or for a future job in your organization.
- Set funds aside to send staff to take courses or certificates if the skill or experience may not be gained through on-the-job training.

The results of the skills gap analysis can be used to develop individual training plans, support performance appraisals or justify pay reviews. When you invest in your employees, they feel valued and increasingly loyal.

#### Outsourcing

- Use temporary workers or external organizations to complete some tasks.
- Think about your talent strategy more holistically; even smaller companies can benefit from using different types of labor and work arrangements.

Implementing a more comprehensive contingent workforce strategy could give your organization greater flexibility to scale up or down with business demand and economic changes.

#### Recruitment

- Recruit new staff with the skills and abilities that your organization will need in the future.
- Don't forget company values; identify the main skills, behaviors and competencies required to support each value.
- Hire outside of your industry to bring in a fresh perspective, particularly if things have gotten a bit stale.

Each time you recruit you should be looking at the requirements from a strategic perspective; your recruitment strategy should be to find someone who aligns with any change that is planned for the future.

#### Restructuring

- Reduce staff, either by termination or attrition.
- Regroup tasks to create well designed jobs.
- Reorganize work units to be more efficient.

When restructuring, the key to success is to ensure that employees are satisfied with the arrangement and that it meets the needs of the business.

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