

Making Sense of Assessment

A Comparison of Assessment Types

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Workplace assessments are an increasingly popular tool for collecting information in order to facilitate organizational improvement. Choosing the right type of assessment is a necessary first step toward obtaining the most actionable information. However, the term *assessment* can represent a wide variety of approaches for fostering effectiveness. This paper is meant to inform you about three main types of assessment and how each might be of value to your organization.

Types of Assessment

Organizations rely on many types of assessment—they assess job applicants, on-the-job employees, employees in training, and so on. We focus on three types of assessments that are used by organizations to improve the performance of current employees as well as overall organizational effectiveness:

- Training needs assessment
- Individual competency assessment
- Organizational maturity assessment

Each type has a distinct purpose (see Figures 1 and 2)

Training Needs Assessment

A training needs assessment (also called a skills gap analysis or assessment) identifies an individual's current level of competency, skill, or knowledge. It then compares the individual's current competency, skill, or knowledge level to the level required in their posi-



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Figure 1: Three Types of Assessment



tion. The difference between the current and required competencies, or the “gap,” is used to determine training needs.

A training needs assessment is often conducted before choosing training courses. The results of the training needs assessment guide employees in their selection of training courses and other developmental experiences. The assessment may be repeated periodically as each employee gains experience and new skills.

A training needs assessment can range in length from a relatively small number of competencies to a longer assessment containing a large number of items. Some training needs assessments that are based on competency models include between five and fifteen competencies, each rated by a single item. More detailed competency models, however, can include several hundred competencies or sub-competencies. Also, a knowledge-based assessment could include a quick snapshot of 10-20 items or a longer test containing 50 or more items.

To complete a competency-based assessment, employees rate themselves. To supplement or confirm a self-rating of competency or skill level, a supervisor rating of the employee also may be obtained. A knowledge-based approach does not rely on self-rating, but instead examines the employee’s responses to test questions.

What exactly do training needs assessments measure?

Different training needs assessments can measure slightly different aspects—typically, knowledge, skill, and competency—of what the worker does on the job.

- Knowledge is the retrievable set of facts, concepts, language, and procedures needed for a job. Knowledge-based training needs assessments may ask employees to self-rate their level of knowledge, or they may give a multiple-choice test to appraise the employee’s knowledge.
- Skill is the developed or trained capacity to perform tasks required on the job. Most skills-based training needs assessments have employees rate themselves on their skill level. A comparative supervisor rating also may be obtained.
- A competency is the knowledge, skill, ability, value, interest, or other factor that is needed to successfully perform a job. Competency models include a set of competencies that are required for high performance on a job or range of jobs.

Source: Brannick, Levine, & Morgeson (2007). *Job and Work Analysis*. Thousand Oaks, CA: Sage.

The results are often presented as high/low or strong/weak, instead of being compared to a standard. In some cases, specific training courses may be recommended. If specific courses are not presented, then it is up to the employees to compare training course content (based on course descriptions) with their identified training needs in order to select the training they require.

Results usually are seen only by employees, who may choose to share them with their supervisors. Additionally, employees can use the training needs assessment results to justify the need for training.

Figure 2: A Comparison of Assessment Types

Features	Training Needs Assessment	Individual Competency Assessment	Organizational Maturity Assessment
What drivers lead to the assessment?	<ul style="list-style-type: none"> An employee's need to grow and develop 	<ul style="list-style-type: none"> An employee's need to grow and develop Need for team development and improved performance Succession planning Need to align employee and team capabilities with strategy 	<ul style="list-style-type: none"> Need to improve performance in a functional area or role Desire for higher performance (higher quality and customer satisfaction; lower costs) Need to align business practices and strategy
What is the typical length and format of the assessment?	<ul style="list-style-type: none"> Length can range from five to 15 items completed in a few minutes to over 100 items Employee completes survey Supervisor may complete survey Employee receives results immediately (with web-based survey) 	<ul style="list-style-type: none"> Length can range from five to 15 items completed in a few minutes to over 100 items Competencies accepted in the field Employee receives results immediately (with web-based survey) Group/team report may be provided 	<ul style="list-style-type: none"> 100 or more items Based on accepted best practices 3-5 week assessment process, if survey is validated Organization-level results reported to management as part of larger change effort
What results are reported?	<ul style="list-style-type: none"> Employee's strengths and weaknesses on competencies, knowledge, or skill 	<ul style="list-style-type: none"> Employee's and supervisor's ratings of the employee's strengths and weaknesses Employee may also be compared to an expert rating or standard Group/team strengths and weaknesses Inventory of employee competencies 	<ul style="list-style-type: none"> Overall maturity level rating Maturity level rating for specific organizational processes Prioritized identification of best practices to put in place next
To whom are results reported?	<ul style="list-style-type: none"> Employees 	<ul style="list-style-type: none"> Employees Supervisors and team leads 	<ul style="list-style-type: none"> Executive-level decision makers Mid-level decision makers Supervisors and team leads
What decisions does it inform?	<ul style="list-style-type: none"> Employee choice of training courses Employee development plan 	<ul style="list-style-type: none"> Employee choice of training courses Employee development plan Team formation Team development Strategic planning of workforce development 	<ul style="list-style-type: none"> Implementation of new functional practices Top-down organizational change Competencies needed to implement new functional practices Diagnosing obstacles for applying training to the job
What is the intended impact?	<ul style="list-style-type: none"> Employee development 	<ul style="list-style-type: none"> Employee development Group/team development 	<ul style="list-style-type: none"> Organizational maturity Organizational capability, leading to improved quality, lower costs, and higher customer satisfaction

One benefit of training needs assessment is that it clarifies strengths and weaknesses for employees. In addition to assisting in the selection of training courses and helping to justify the need for training, the assessment conveys information to employees about the competencies that are important or needed in their occupation. The information can serve as the basis for an individual development planning.

A training needs assessment is not intended to provide a detailed measurement of the competencies. It is only intended to guide individual employees in their choice of training courses. Unless the organization develops and implements a systematic training needs assessment across the organization, it will do little to inform management about the competencies that reside in its workforce. Thus, it is not intended to inform strategic planning of human capital investment.

If the training needs assessment is developed independently of the organization (i.e., by an external assessment or training provider), it will not tell employees what competencies their employer finds valuable or expects to emphasize in the future.

Individual Competency Assessment

Individual competency assessments have some similarities to, but also some important differences from, a training needs assessment.

An individual competency assessment can range from a relatively short assessment of five to fifteen items about a specific aspect of the job to longer assessments that include 100 or more items designed to yield detailed results about a broad range of job-related factors.

In some cases, the employee's self-ratings are not validated or confirmed. In other cases, employee self-ratings may be validated by the supervisor or an internal or external consultant.

Requiring more time to complete than a training needs assessment, an individual competency assessment yields results that are more precise and detailed than a training needs assessment. An indi-

vidual competency assessment is undertaken by an entire organization, or part of an organization (e.g., division, department, work group) to guide management decisions on employee development and strategic planning.

Results are usually shared with the employee, sometimes immediately following completion of the assessment survey. For example, on-line survey software can give employees "real-time" results. Additionally, management is given individual employees' results as well as group or team results.

Individual competency assessments share the same basic benefits for the employee as training needs assessments—providing a snapshot of an individual employee's strengths and weaknesses in order to select training courses and prepare a development plan. However, they give a more detailed picture of the employee's strong and weak areas.

In addition, individual competency assessments provide the employee with information on how they compare to their peers as well as what competencies are of value to the organization.

Managers and supervisors also benefit from individual competency assessments. Information on the strengths and weaknesses of groups and teams is provided.

Dialogue between supervisors and their employees is facilitated when they discuss differences in their respective ratings. Thus, individual competency assessments are a useful tool that supervisors can use to give their direct reports clear feedback in order to develop. Individual competency assessment results can be used to form new teams, selecting team members on the basis of competencies rather than selecting them solely on the basis of staff availability or other criteria.

The organization and its top management benefit from individual competency assessments in several ways. First, assessment results can be used to plan across the entire organization. Informed decisions can be made about where to invest training and development dollars. Rather than assuming that all employees need training (or the same training), management can make well-informed decisions to

address competency gaps. They can decide what training and developmental opportunities are needed for specific employees, jobs, or groups or teams.

Second, the distribution of competencies across the organization is important to consider when engaging in restructuring or when re-aligning human resources with business strategy and goals. Third, the individual competency assessment identifies where experts exist, allowing the organization to act with speed and agility. Employee mentoring also can be facilitated by knowing exactly where experts are located in the organization.

Finally, competency assessments set the stage for change. The act of administering the assessment tells employees to expect upcoming changes and provides a framework for them to understand organizational improvement efforts. Top management also can use the framework to track progress.

Organizational Maturity Assessment

Organizational maturity assessments are distinctly different from both training needs and individual competency assessments. They are becoming a more widely used approach for determining an organization's capabilities.

First created at Carnegie Mellon University's Software Engineering Institute, capability maturity models, or CMM®, were initially developed to help software development projects become more effective. Other approaches, generally referred to as organizational maturity models, have been developed in a wide range of areas, such as project management and leadership.

Organizational maturity models define a structured set of best practices. The practices are defined as any standard process that reliably impacts the organization's performance. When an organization uses the practice in a standard and consistent way, then it can be said that an organizational capability exists.

Organizational maturity models usually specify five levels of increasing organizational maturity. Higher levels of maturity are associated with increased

performance, such as higher productivity and quality, lower cost, more timely results, and improved customer satisfaction. Capabilities at lower levels form the foundation—or are prerequisites—for capabilities at higher maturity levels.

Because organizational maturity assessments ask about organizational practices, they are not simply collections of individual competencies. Instead of asking each respondent to rate his/her own competency level, they ask about the practices that are in place in the organization. After identifying the organization's existing capabilities, decisions can then be made regarding the individual competencies required to carry out current and desired capabilities.

An organizational maturity assessment asks employees in a given function or role to report on the practices that are used. Because a practice either is used or not used, respondents customarily give "yes/no" responses to a detailed survey. Respondents indicate whether the practice is used on their job or for a particular project or role that is being assessed.

Often consisting of 100-200 items, the survey is completed with respondents reporting on practices that are consistently used. Respondents do *not* rate themselves on their ability to apply the practices.

The survey may be the sole basis for the results; in this case, the survey results are not validated. To validate the results (i.e., confirm the accuracy of the responses), interviews and focus groups as well as a review of work products can be undertaken. The validation process ensures that respondents understand the practices that were described and provides documentation that the results were substantiated. Results are reported in terms of maturity scores for the overall organization (in the case of a staged maturity model) and for specific processes (for staged and continuous maturity models).

Employees can benefit from further growth and development, as they learn the competencies required to implement new practices. Organizational benefits include having a better understanding of the organization's existing capabilities and establishing a baseline for tracking improvements over time,

with the focus on organizational growth and development. This can also prioritize capabilities that need to be put into place in order to reach higher maturity levels and thus higher performance. In this sense, the organizational maturity model lays out a roadmap for change.

The organizational maturity assessment provides a way of aligning business strategy with organizational processes and the tools and techniques that are needed to implement those processes. This type of assessment may work especially well for organizations in which training never seems to take hold. Organizational maturity assessments are based on the premise that effective practices must first be in place before asking employees to learn and apply new competencies that are required to carry out those practices.

Maturity assessments also set the stage for organizational change and improvement by facilitating the identification and sharing of best practices.

Guidelines for Choosing the Right Type of Assessment

To choose which type of assessment is right for you, there are several considerations to keep in mind. A training needs assessment may be needed if you answer “yes” to these questions:

- Is your only purpose to select training courses?
- Do you need to prepare a training and development plan for your individual growth?
- Do you need a quick assessment of your competencies to figure out which training fits your needs?

An individual competency assessment may be the best choice if you respond positively to these questions:

- Do you need to allocate a training budget across a group of employees?
- Do you want a better understanding of what employees in your group, team, or unit can and can't do?

- Is information needed to inform succession planning?
- Do you need to take stock of the competencies that exist across the organization?
- Do you want to better align individual capabilities with your overall strategy to foster productivity?

Responding “yes” to the following questions may indicate that an organizational maturity assessment fits your needs:

- Are you an executive or middle manager that wants to improve your organization's effectiveness?
- Have you previously implemented new practices, tools, and techniques with little success?
- Do you feel that you have high performing staff that is working within a “broken system?”

These are only some of the considerations in choosing an assessment. The technical quality of the assessment, the assessment consultant's experience, and the readiness of your own organization are additional factors that impact the choice of assessment.

Regardless of which type of assessment meets your needs, when done right, an assessment should provide the information needed to make informed decisions. Ultimately, assessments can lead your organization and employees toward increased effectiveness.

How We Can Help

Workplace assessments need to provide meaningful information that is precise and actionable. Assessment services should enhance your management capability by maximizing the transfer of knowledge and skills to your organization.

Management Concepts' assessment process was developed to accomplish both of these goals—provide relevant, action-oriented recommendations and advance the capability of your organization. We

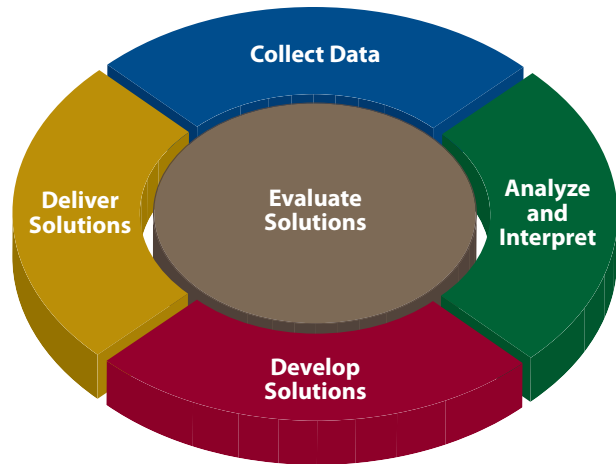
Benefits of Assessment

- Provides a baseline against which to gauge progress
- Helps prioritize key actions to be taken
- Enhances individual and organizational performance as strategically-targeted capabilities are put into place
- Empowers projects, teams, and divisions by giving them a foundation on which to support their decision-making
- Employee involvement leads to increased trust and morale
- Supports continuous improvement, fostering a culture of organizational excellence

have extensive experience in helping organizations improve their overall performance and workforce effectiveness using all three types of assessment. Our assessment process, shown in Figure 3, incorporates a continual improvement cycle that contains the following components:

- ♦ **Collect data** using proven methodologies
- ♦ **Analyze and interpret** results, combining data with our extensive expertise
- ♦ **Develop solutions** that are specific, actionable, and prioritized to meet your specific needs

Figure 3: MC Assessment Process



- ♦ **Deliver solutions** to advance your organization and its employees
- ♦ **Evaluate the solution** to ensure maximum effectiveness and plan next steps

The process continues as new data are collected to further guide your organizational improvement efforts.

Assessments are an important tool that can help improve your employee, team, and organizational functioning.

References

Publications

Sources for additional information on training needs assessments, competency assessments, and capability maturity assessments and models include the following.

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Professional Services

Management Concepts offers professional consulting services to assist organizations in improving individual competencies as well as the maturity of their practices (with a focus on project management and business analysis), including:

- *CompassPM™ Individual Competency Assessment for Project Management*
- *CompassPM™ Organizational Maturity Assessment for Project Management*
- *Conducting Independent Project Management Maturity Assessments*
- *Preparing the Action Plan to Implement Assessment Recommendations*

Education and Training

Management Concepts courses and seminars related to organizational maturity include the following:

- *Executive Seminar – Organizational Maturity Assessments, the Roadmap to Project Profitability*
- *Mastering Organizational and People Issues on Projects*
- *Leading and Managing Change*

