

• TRAINING NEEDS · GUIDE

How to identify training needs, *without guessing*

Most training budgets are spent on a hunch: a course someone liked, a topic that felt current, a supplier who got in touch. A training needs analysis replaces the hunch with evidence. This is how to find what your team actually needs to learn, and prove it, before you spend a penny.



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Reading time 12 min · **Method** Upleashed 0 to 5 capability framework · **Updated** May 2026

THE SHORT ANSWER

To identify training needs, compare where your team is now against where the work needs them to be, then turn the gaps into a prioritised plan. Work at three levels, organisation, job and individual, score current capability against a clear target, rank the gaps by impact, and decide which truly need training rather than another fix. In short: **measure the gap, weigh it by impact, and let the biggest, most critical gaps set your training priorities.**

KEY TAKEAWAYS

- **A training need is a gap.** It is the distance between current capability and the level the work requires, nothing more.
- **Work at three levels.** Organisation, job and individual: a classic training needs analysis checks all three.
- **Not every gap needs training.** Some are fixed by better tools, clearer process or recruitment; training is for genuine skill gaps.
- **Prioritise by impact.** A small gap on a critical skill beats a large gap on a trivial one. Rank before you spend.
- **The matrix does the analysis.** Current versus target scores turn straight into a ranked, evidence-based training plan.

— [START HERE](#)

What a training need *really is*

A training need is simply a gap: the difference between what your team can do today and what the work requires them to do. Identifying training needs is the disciplined process of finding those gaps, deciding which matter, and confirming that training, rather than something else, is the right fix.

A need is a gap, not a wish

This distinction matters. A training "need" is not a course someone fancies, a trend, or a budget to spend before year-end. It is a measurable shortfall between current and required capability for work that actually matters. Framed this way, identifying needs stops being a guessing game and becomes an analysis: where exactly are we short, by how much, and on what? That is what a **training needs analysis** sets out to answer.

Training is not always the answer

The most useful thing a needs analysis does is tell you when **not** to train. Sometimes people have the skill but a clunky process stops them using it; sometimes the tool is wrong, the workload impossible, or the role miscast. Training cannot fix any of those, and money spent on it is wasted. A good analysis separates genuine skill gaps, where training helps, from performance problems with other causes, where it does not.

Three levels, one picture

A classic training needs analysis looks at three levels. **Organisational:** what does the strategy demand the workforce be able to do? **Job or task:** what does each role require to be done well? **Individual:** where does each person stand against those requirements? The levels connect: business goals define role requirements, role requirements define individual targets, and the gap at the individual level, added up, is your training plan.

— WHY IT MATTERS NOW

Untargeted training is *money set on fire*

Training is expensive in budget and, more so, in people's time. Spend it on the wrong things and you get the cost with none of the benefit. A needs analysis is the cheap step that makes the expensive step pay off.

60%

ATD

of organisations conduct a formal needs analysis before building training, which means many still spend on a hunch.

39%

WEF, 2025

of workers' core skills are expected to change by 2030, so the needs you train for must be the current ones.

63%

WEF, 2025

of employers say skills gaps are the biggest barrier to transformation, making accurate needs analysis urgent.

The logic is hard to argue with. Skills are shifting fast, gaps are the main brake on progress, and yet a large share of training is still commissioned without first checking what is actually needed. A needs analysis costs little, an honest scoring exercise and an afternoon of thought, but it determines whether everything that follows hits the mark or misses it. It is the highest-leverage hour in the whole training cycle: **get the diagnosis right and the treatment works.**

— THE METHOD

Seven steps to identify training needs

This is a diagnostic sequence: establish what the work requires, measure what you have, then turn the difference into a ranked plan. Follow it in order and the training that results will be targeted, justified and easy to defend.

1 Start from the business goals

Begin at the organisational level. What is the team being asked to deliver this year, and what must it be able to do to deliver it? New product, new system, new regulation, growth target, each implies capabilities the team needs. Anchoring the analysis to real goals keeps it honest and stops it drifting into training for training's sake.

WATCH OUT Skipping this step produces a tidy list of generic courses that no one needed. Tie every need back to something the business is actually trying to do.

2 Define what each role requires

Drop to the job level. For each role, list the skills it genuinely needs and the level required for each, your targets. For most skills the target is Level 3, "Capable": able to do the work to standard, unsupervised. Some critical skills warrant Level 4. These targets are the benchmark every person will be measured against, so set them with care.

WATCH OUT Do not set every target to the top level. Over-stated requirements invent training needs that do not really exist.

3 Measure current capability

Now the individual level. Score each person against each required skill on the same scale, honestly and with evidence. This is your current-state picture. Done on a skills matrix, it gives you a clear grid of where people stand today against the targets you have just set, the raw material for spotting every gap.

WATCH OUT Inflated scores hide real needs. A generous "3" that is really a "2" means a genuine training need goes unfound.

4

Calculate the gaps

Subtract current from target for every person and skill. A positive gap is a candidate training need; a zero or negative gap means no need there. This simple arithmetic, done across the whole matrix, converts a vague sense of "we could be better" into a precise, itemised list of exactly where capability falls short of requirement.

WATCH OUT A gap on a skill the role does not need is not a need at all. Only count gaps against genuine requirements.

5

Check that training is the right fix

Before calling a gap a training need, ask why it exists. Is it a real skill shortfall, or a symptom of something else, a poor process, missing tools, an unclear brief, the wrong person in the role? Training only fixes genuine skill gaps. For everything else, name the real fix instead. This single check saves more wasted budget than any other.

WATCH OUT Treating every performance problem as a training need is the classic error. Some gaps are management or process problems wearing a training disguise.

6

Prioritise by impact, not size

You will find more needs than you can fund, so rank them. Weigh each gap by how critical the skill is, how many people share the gap, and how much it costs you today. A one-level gap on a business-critical, single-person skill outranks a two-level gap on something peripheral. Impact, not the raw size of the gap, decides what gets trained first.

WATCH OUT The biggest number is not the biggest priority. A large gap on a rarely-used skill can safely wait; a small one on a critical skill cannot.

7

Turn the priorities into a plan

Finish with a plan, not a list. For each priority need, decide the method (course, coaching, on-the-job practice, cross-training), the owner, and the date, then feed it into your development cycle. Re-score later against the same targets to confirm the gaps closed. That final loop is what proves the analysis was right and the training worked.

WATCH OUT A needs analysis filed in a drawer changes nothing. The value appears only when each priority need becomes an owned, dated action.

— THE CLASSIC MODEL

The three levels of a needs analysis

The established approach, set out by McGhee and Thayer back in 1961 and still the standard today, examines training needs at three connected levels. Checking all three is what stops you training the wrong people on the wrong things.

LEVEL 01

Organisational

What does the strategy require the workforce to be able to do? This level links training to business goals, new systems, regulations or growth, so the analysis serves the organisation, not just individuals.

LEVEL 02

Job / task

What does each role need, and to what standard? This level turns broad goals into concrete skill requirements, the targets against which real capability is measured.

LEVEL 03

Individual

Where does each person stand against those targets? This level finds the actual gaps. Summed across the team, the individual gaps become the training plan.

The levels form a hierarchy that descends from the strategic to the personal. Business goals define what roles must do; role requirements define what each person must reach; the shortfall at the individual level, added up and prioritised, is your training need. A skills matrix is the natural home for all three at once: the columns are the job-level requirements, the cells are the individual scores, and the pattern across the whole grid reflects the organisational picture.

The 0 to 5 capability framework

A needs analysis only works if "current" and "target" are measured on the same clear scale. This fixed, research-backed framework defines each level the same way for everyone, so a gap is an honest, comparable number rather than a matter of opinion.

-
- 0** **No skill required or desired** EXCLUDED
No expectation that the person or role needs this skill within the next year. Take a longer-term view here, and do not use this level for short-term assessments. A 0 means there is no requirement, so no training need.

 - 1** **In training / Trainee** WEIGHTING 25%
Expected to be proficient within a year. Has completed up to 75% of training and does not yet fully understand the quality requirements. A common starting point for a newly identified need.

 - 2** **Developing capabilities** WEIGHTING 50%
Has completed more than 75% of training. Can probably perform the task alone, but consistent quality and productivity are not yet evidenced, so complex output still needs checking. Often one level short of target.

 - 3** **Capable** WEIGHTING 75% · USUAL TARGET
Has completed 100% of training and shown consistent quality and productivity. Can work unsupervised. This is the level most roles need, so reaching it usually means the training need is met.

 - 4** **Subject Matter Expert / Trainer** WEIGHTING 100%
Prolonged experience at a consistent level. Works autonomously and can train others to a high standard, so your Level 4s are often the answer to others' training needs. If the skill has not been used in three months, drop back to Level 3 to reconfirm competence.

 - 5** **Strategic ownership / Leadership** WEIGHTING 100%
Can define and develop new processes and skill requirements, show cross-function expertise, and demonstrate leadership. Carries the same numeric weight as Level 4; the purple flag highlights strategic capability and helps you spot succession candidates.

How a gap becomes a training need

Each role sets a target level per skill; each person has a current level. The training need is simply target minus current, counted only where the role genuinely requires the skill. The proficiency weightings, Level 1 = 25%, 2 = 50%, 3 = 75%, 4 and 5 = 100%, with 0 excluded, also let you express the gap as a capability percentage, so you can size the need and, later, prove it closed.

A worked example. Take one person, Mark, against the team's targets:

```
Target  3, 4, 3, 3, 3, 3 (what the role requires)
Current 3, 4, 1, 2, 1, 2 (where Mark is today)
Gaps    0, 0, +2, +1, +2, +1 → four genuine training needs,
led by the two +2 gaps.
```

— SEE IT ON A REAL TEAM

What a needs analysis looks like *on a matrix*

Here is the same six-person team, read as a training needs analysis for one critical skill, Data analysis, where the whole team is short. Current is scored against a target of Level 3, the gap is calculated, and each gap is ranked by priority and matched to the right action.

Data analysis need	Current	Target	Gap	Priority	Right action
Sarah J.	2	3	+1	Med	On-the-job practice + coaching
Mark T.	1	3	+2	High	Structured course, then real work
Priya R.	2	3	+1	Med	Stretch project with sign-off
James W.	1	3	+2	High	Course + shadowing an expert
Aisha K.	2	3	+1	Med	On-the-job practice + coaching
Tom G.	1	3	+2	High	Course + shadowing an expert

6 genuine training needs on one skill nobody has yet mastered 3
 high priority (the +2 gaps), trained first

Illustrative needs analysis on the Upleashed 0 to 5 framework. Because nobody reaches the Level 3 target, Data analysis is a team-wide need, and the largest gaps are tackled first.

HOW TO READ THIS ANALYSIS

- **A team-wide need stands out.** Every person is below the Level 3 target on Data analysis, so this is not an individual problem but a shared one, and a strong case for group training rather than six separate efforts.
- **The gap size sets the method.** The +2 gaps (Mark, James, Tom) need a structured course to start; the +1 gaps need only practice and coaching. Matching method to gap size keeps the spend efficient.
- **Priority is impact, not just size.** Here the skill is critical and the +2 gaps are ranked high, but a +2 gap on a trivial skill would rank low. The analysis weighs both.
- **It doubles as the proof.** Re-scoring against the same target after training shows the gaps closing, evidence the need was real and the training worked.

— CHOOSING HOW TO GATHER EVIDENCE

Five ways to spot a training need, and when to use each

A robust needs analysis triangulates more than one source, because each has a blind spot. Here is how the common methods compare, so you can combine them sensibly rather than trusting any single one.

Method	Best for	Watch out for
Skills matrix scoring	A structured, comparable view of current versus target across the whole team	Only as honest as the scores; needs evidence behind each level
Manager observation	Spotting real, day-to-day performance gaps in context	One viewpoint; sense-check against a second source to avoid bias
Self-assessment	Surfacing needs people feel, and building their buy-in to training	Drifts both ways; the least skilled often over-rate themselves
Performance & quality data	Hard evidence of where output falls short, errors, rework, delays	Shows the symptom, not always whether training is the cause
Business & role analysis	Future needs implied by strategy, before any gap has yet appeared	Requires judgement; the need is forecast, not yet observed

A reliable default: start from the skills matrix for a structured current-versus-target picture, confirm with manager observation and hard performance data, and layer in business analysis for the needs that strategy implies but that have not surfaced yet. Where the sources agree, you have a confident need; where they disagree, you have found exactly the place to look harder before spending.

— AVOID THESE

Six mistakes that wreck a needs analysis

MISTAKE 01

Starting from courses, not gaps

Choosing the training first and finding a reason after is back to front. Start from the gap and let it choose the training.

MISTAKE 02

Treating every gap as a training need

Some gaps are process, tool or role problems. Training cannot fix those, so name the real cause before you spend.

MISTAKE 03

Skipping the business level

Needs analysis with no link to strategy produces generic courses. Anchor every need to something the business needs done.

MISTAKE 04

Trusting a single source

One viewpoint, manager or self, carries bias. Triangulate the matrix, observation and hard data before deciding.

MISTAKE 05

Ranking by gap size alone

The largest gap is not always the priority. Weigh by how critical the skill is and how many people share the gap.

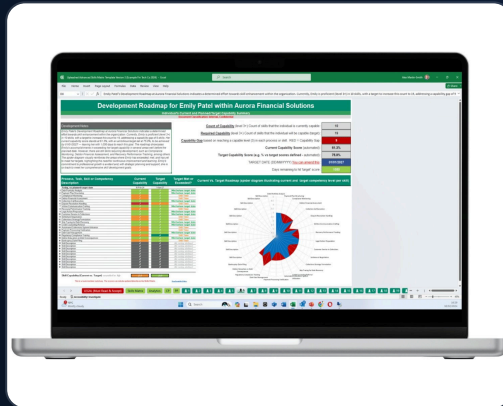
MISTAKE 06

Never re-checking

Without a re-score, you never learn whether the training closed the gap. Close the loop or you are still guessing.

The method is free. A ready-made matrix just does the *gap maths for you*.

Everything here works in a blank spreadsheet, and that is a fine place to start. A purpose-built template simply automates the analysis. Set a target for each skill, score current capability, and the grid calculates every gap, ranks the shortfalls, and shows the team-wide needs at a glance, so your training plan falls straight out of the data instead of a hunch.



The Advanced Excel Skills Matrix turns current-versus-target scores into a ranked set of training needs automatically, the gap, the priority and a target date, all on the same 0 to 5 framework used throughout this guide.

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Quick *answers*

Q What is a training needs analysis?

It is a structured way of finding the gap between what your team can do now and what the work requires, then deciding which gaps to close with training. It works at three levels, organisational, job and individual, and turns a vague sense of "we need training" into a precise, prioritised plan.

Q How do I know if a gap really needs training?

Ask why the gap exists. If people genuinely lack the skill, training helps. If they have the skill but a process, tool, workload or unclear brief stops them using it, training will not fix it. Separating true skill gaps from other performance problems is the most valuable part of the analysis.

Q What are the three levels of needs analysis?

Organisational (what the strategy requires the workforce to do), job or task (what each role needs and to what standard), and individual (where each person stands against those requirements). The levels connect: business goals set role targets, and the individual shortfalls against those targets are the training needs.

Q How should I prioritise training needs?

By impact, not raw gap size. Weigh how critical the skill is, how many people share the gap, and what it costs you today. A one-level gap on a business-critical skill outranks a larger gap on something peripheral. Rank first, then spend on the top needs.

Q How often should I run a needs analysis?

Re-check at least annually, and whenever something changes the requirements: a new system, regulation, product or restructure. If you keep a live skills matrix, the analysis is effectively continuous, you simply read the current gaps whenever you need them.

Q Do I need software to identify training needs?

No. A well-built spreadsheet calculates gaps and ranks needs perfectly well, and most teams should start there. Software helps when you want the analysis kept live and shared across many teams, with reminders and AI-assisted suggestions, but the method matters more than the tool.

— ABOUT THE AUTHOR



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Alex is the creator of the Upleashed capability framework that powers Skills Matrix Template, the award-winning Excel skills matrix. A Chartered Manager with an MBA, an LLM and a doctorate in business administration, he has spent more than two decades helping operations, HR and quality teams turn training needs from a gut feel into something they can measure, manage and prove.

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A handwritten signature in black ink that reads "Alex J. Martin-Smith".

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— SOURCES

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Train the gap, not the *guess*.

You now have the whole method. The quickest way to start is to set a target for each skill this week, score your team against it, and let the gaps rank themselves. Your training plan is hiding in that grid, waiting to be read.

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