

# Completing A Skills Audit

How to identify and address the skills gap in your organisation



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## What is a skills audit?

A skills audit is a process used by employers and managers to gain a deeper understanding of the skills, abilities and knowledge possessed by their workforce. It covers both 'hard' and 'soft' skills.

Completing a skills audit gives you a clearer picture of what your team can do and if there are gaps in their expertise – providing insights into where you need to focus training and development, or what to look for in your next new hire.

A skills audit also allows you to understand how your skills compare to standards across your industry and find out whether you are better, or worse equipped than those you are competing against

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## Why complete a skills audit?

The abilities of your team represent the possibilities and limitations of what your organisation can do in-house. Whether it's your customer service, your production line, your marketing campaigns and website performance, or your sales strategy – the hard and soft skills possessed by your team will impact your success, both in day-to-day operations and in implementing new ideas and improvements.

In a crowded and competitive market, gaining the edge requires an understanding of your strengths and weaknesses, so that you can identify which skills you need to invest in, and in which areas you are currently outperforming the competition.

## Benefits of skills audits

A skills audit allows you to identify your organisation's strengths and skills gaps. This in turn, offers a range of benefits for your business:

**1 More efficient resource allocation**  
Knowing where your strengths and weakness lie allows you to allocate resources more effectively. You can target skills gaps with training and development programs that are tailored to your team's skills profile, or divert spending away from tools that are being underutilised.

**2 Improve decision-making**  
A skills audit gives you a clearer picture of your organisation, offering valuable data and insights that will allow you to make more informed decisions about your workforce, the viability of new projects or the efficiency of day-to-day operations.

**3 Increase productivity, reduce inefficiency**  
A skills audit can provide insights into the cause of low productivity or inefficiencies within your organisation. If the cause, is indeed a skills gap, you can address it with training and tackle the problem head-on.

**4 Talent acquisition and retention**  
If you're looking to hire new staff, a skills audit will allow you to understand which skills are missing and which ones are already well represented within your team. A skills audit could help you design a more effective onboarding or induction process too, making sure new hires are prepared for the challenges of the role.

On top of this, you're more likely to retain staff for longer by investing in them, so a skills audit not only improves the effectiveness of your team but also positively impacts retention.

**5 Adapt to changes in the market**  
As markets evolve, the importance of different skills fluctuates. Can your team work with AI? Is your business sustainable? Is your website or app accessible? – do you even have a website or app? The changing trends of the market puts new pressures on your business but a skills audit allow you to identify whether you can adapt and make changes now or if you need to make investments in training or talent acquisition in order to keep your team's skillset relevant.



## How to conduct a skills audit

To get the most out of a skills audit, ensure that the process is systematic, well-planned and coordinated to accurately collect relevant data. By following these well-defined steps, you can ensure that the process paints an accurate picture of your organisation and offers actionable insights for you to invest in.

### Step 1 Skills, goals, stakeholders

The first step is to identify which skills are important to your organisation. Consider the way that your teams operate, the tasks they must complete and the tools they work with. It's also important to think about the level of proficiency required to complete tasks effectively and efficiently, so we can later identify if skills are represented in your workforce but require investment to improve quality or productivity.

Secondly, outline what you would like to achieve. Are you preparing to hire new staff, investing in new tools or training programmes, or trying to identify where productivity could be improved? Having a well-defined purpose will guide the entire process of your skills audit. Finally, identify who will be involved in the audit process.

### Step 2 Gather skills-related data

There are numerous ways in which you can gather the data for your skills audit. One of the most common ways is to ask your team to complete a survey, self-assessment or interview which will help you understand the areas in which they feel they are strongest or weakest. To eliminate any bias, you could also ask a supervisor or manager to conduct the same audit for the employee in question and compare the results.

Be sure to include a means of measuring different skill levels, so you can tell your experts and beginners apart. At this stage you can also gather data on the certifications and qualifications held by your team for a more objective overview of their skills.

In some cases you might want to conduct an evaluation of certain tasks or skills. This could be useful when measuring soft skills such as teamwork or communication. For example, you might want to run an exercise to see how customer-facing employees might deal with a demanding customer.



### Step 3 Analyse your skills data

Now that you have collected data from your team, it is time to turn that into a readable picture of your organisation. Search for discrepancies between the skills that you identified in step one and those possessed by your team. Find out how proficient your workforce is with the skills they do possess and cross-reference this against the level of proficiency required for their roles. This should give you insights into the areas where training and development would be most effective.

### Step 4 Develop a plan to implement change

With a clear picture of your team's strengths and weaknesses, it's now time to develop a strategy that will address the skills gaps in your organisation. Work with your team to make sure you are heading in the right direction – Do they require extra resources, additional training or a new team member to help improve their performance?

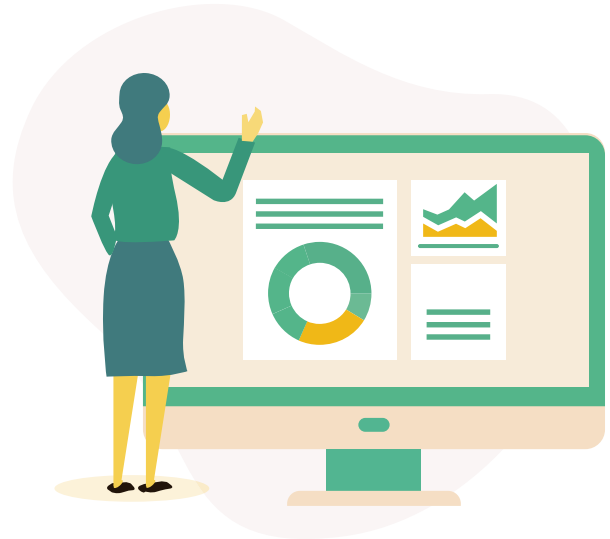
Remember that a skills audit is not a one-time event but an ongoing process. It's important to keep monitoring your team's progress and engage them in the process to understand if the changes have positively impacted performance.

## Important data to capture as part of your skills audit

When gathering data as part of your skills audit here are some important datapoints to remember:

- / **Employee name**
- / **Role**
- / **Training history, qualifications, certificates**
- / **How relevant a skill is to their role**
  - Unimportant
  - Useful
  - Essential
  - Significant
- / **Their knowledge or proficiency of that Skill**
  - None
  - Basic
  - Average
  - Expert
- / **Evidence**

Ask your employees for proof of their expertise in that skill. They can record activities, experiences or events that they played a part in that demonstrates their ability in each particular skill.



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