What Is Gap Analysis?

Idea In Short

Run gap analysis on every engagement: define the goal, measure current performance honestly and size the distance between them. The hard parts are choosing the right question, defining what good looks like beyond benchmarks and gathering trustworthy data. Then make closing the gap easy: head, heart, hand.

Fancy Name, Simple Idea

Gap analysis sounds official, and it is exactly what it sounds like: figuring out how far you stand from a particular goal or target.1 Consulting firms dress it in different formats, and it appears on virtually every project in some form, because it is hard to name an engagement that did not include at least one gap analysis somewhere. The core is common sense. You weigh 190 pounds and want to weigh 180, so the gap is 10 pounds. In corporate settings, gap analyses often resemble performance scoreboards, such as a call center grid where goal minus current performance equals gap, line by line. Simple, and yet clients struggle with it for five recurring reasons.

Clients Are Busy, and Prophets Go Unheard

The first obstacle is time. Clients hold full-time jobs and lack the luxury of focusing intensely on one problem for four weeks. They are insiders, and the onerous onslaught of daily work crowds out strategic thinking. Consultants have it easy by comparison, getting paid to stop and focus on important questions. The second obstacle is a hearing problem. Executives listen more readily to expensive external consultants than to their own people, a pattern Oscar Wilde2 skewered long ago:

> An expert is an ordinary man away from home giving advice

Internal experts fight doubly hard for credibility, the same way everyone knows how to do push-ups and jog yet still pays trainers to professionally nag them. Internal consultants and project managers facing this reality should copy the external playbook:

> scope the problem to something specific and actionable, set realistic expectations on timeframe and resources, hold a proper kickoff with executive buy-in, use data to dispel anecdotes and build relational equity, then spend it with the same rigor externals apply

What Is the Question?

The third obstacle surprises outsiders: organizations lose track of the main question, like a student caught daydreaming. Corporate professionals commonly carry five to seven annual objectives, which is usually three too many. Gary Keller's book, The One Thing argues for finding the first domino, the critical single action that causes everything else to follow. The practical question for any week:

> what one big thing, done today or this week, would start a chain reaction of achievement?

Large companies will always track many metrics and should. Within the nuts and bolts of a specific business, though, leaders must pick the goals and targets that genuinely matter, or the scoreboard becomes wallpaper.

What Does Good Look Like?

The fourth obstacle concerns the target itself. Benchmarks are convenient reference points and never the answer, because every situation differs. Strategy means being the best version of yourself, not targeting 80, 85 or 90 percent of everyone's average, which is regression to the mean dressed as ambition. Set two goals instead. Short term: what can be fixed today with better process, focus and some founder's mentality, the low-cost, longoverdue improvements that require no rocket science. Long term: optimize for the future rather than today. Paraphrasing Peter Drucker, pursue tomorrow's opportunities instead of solving yesterday's problems, a distinction corporate America routinely gets backwards.

Where Are We Now?

The fifth obstacle is measurement. Even with the right goal chosen, weighing yourself accurately is hard. Data arrives slowly, contains errors and often proves inconclusive, and a surprising share of precious project time goes to simply assembling a usable dataset. Notes to clients follow naturally. Save the consultants' time, and thereby your money, by delivering data as early as possible, because you are paying for analysis, thinking and implementation, not data collection and cajoling. Ask for a sustainable measurement system, since anything requiring exhaustive spreadsheets with macros will be abandoned like an expensive exercise machine in the basement. Notes to consultants complete the exchange. Random data points help nobody, so always show the trend. Avoid radar charts, which are hard to read and useless when metrics lack real correlation. Never make the client tilt their head to read a chart, and use more tables than pride suggests.

A Worked Miniature

A compressed example shows all five obstacles in motion. A regional insurer wants to improve claims processing and initially frames the goal as matching the national leader's cycle time, a benchmark trap. Scoping conversations reveal the real question: which delays actually drive customer complaints? The internal operations analyst flagged the answer months earlier and went unheard until the external team repeated it. Data collection consumes three of six weeks because cycle times live in two systems that disagree. The final gap analysis shows complaint-driving delays concentrated in one handoff, fixable with a short-term process change, while the long-term goal shifts to redesigning intake for tomorrow's digital volumes rather than yesterday's paper ones. Every consulting engagement contains a version of this story, which is why the simple tool never retires.

Now What?

Knowing the gap raises the real question:

> how do we tackle the bear?

Closing gaps is the core job of any consultant or change agent, and the formula is making it easy to do the right thing. The change must challenge the head with logic, motivate the heart with meaning and set the hands moving with concrete first steps. Head, heart and hand turn a measured gap into a closed one, and everything before that moment is just arithmetic.

- 1Gap analysis
- 2Oscar Wilde

Summary

Gap analysis is common sense formalized: goal minus current state. Clients stumble on busy calendars, ignored internal experts, unclear questions, benchmark-chasing and messy data. Set short-term and long-term goals, build sustainable measurement and convert the gap into action through head, heart and hand.