A Competency Framework for PFM staff

Gordon Ferrier, Assistant Director (International), CIPFA
INTRODUCTION
Introduction and overview

1. Context, aims, objectives
2. Scope, relationships, timeline
3. Key technical terms defined
4. Integrating with other frameworks in GOP
5. Project issues
CONTEXT, AIMS, OBJECTIVES
Capacity and PFM reform

“...in settings where enormous reforms characterize the country’s governance agenda, capacity issues, both at the institutional and individual levels are what typically confront [reform] implementation”

- Professionalising the PMF Workforce: Phase 1 – Development of the PFM Competency Framework Request for Tender March 2013 (emphasis added).
Competency and PFM effectiveness

[t]he envisaged PFM Competency Framework (PFMCF) for the government seeks to bring about a cadre of competent and professional government financial executives, managers and technical staff in the oversight and line agencies. These PFM professionals are expected to demonstrate management and analytical capability to support greater results focus and help create a culture of accountability and transparency in their agencies that will sustain strategic PFM reforms.

- Professionalising the PMF Workforce: Phase 1 – Development of the PFM Competency Framework Request for Tender March 2013 (emphasis added).
Objective and Outputs

Objective

Development of a cross-GOP PFM Competency Framework defining qualifications, skills, knowledge, attitudes and behaviours necessary for efficient and effective public financial management and operations.

1. A comprehensive PFM Competency Framework for the GOP supported by a Competency Dictionary: knowledge, skills, attitudes and behaviours (KSABs)

2. A PFM Capacity Gap Report supported by a survey of previous training policies, programs and providers

3. Recommendations for the implementation of PFM Competency Framework: training priorities, target participants, delivery, required resources, systems
Public Financial Management (PFM) is the system by which financial resources are planned, directed and controlled to enable and influence the efficient and effective delivery of public service goals. (CIPFA, 2010)
This provides us with an analytical framework both to construct competency statements and to validate them against, particularly to ensure that they are comprehensive.
Functions involved

- Accountants
- Internal auditors
- External auditors
- Financial planning
- Budgeting
- Asset management
- Financial regulations & Internal control
- Reporting
- Treasury & cash management
- Revenue collection
- Costing, pricing, VFM, benchmarking
Government in the Philippines contains 1.28M posts...including 20,000-60,000 PFM staff!
Counterparts

**Primary counterpart:** Department of Budget and Management

**Participating partners:**

- Commission on Audit
- Department of Finance
- Bureau of Internal Revenue
- Bureau of the Treasury
- Government Procurement Policy Board
- Civil Service Commission
Project partners

Representative “Focus Agencies”

Environment & Natural Resources  Public Works & Highways

Education  National Defence
## Project timeline

<table>
<thead>
<tr>
<th>Task</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental review</td>
<td></td>
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<tr>
<td>Review of international good practice</td>
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<tr>
<td>Review PFM personnel records</td>
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<tr>
<td>Consultation, including FGDs</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Competency Framework development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepare Competency Dictionary</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Validate Competency Framework</td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Identify HRM operational issues</td>
<td></td>
<td></td>
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<td></td>
<td></td>
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<tr>
<td>Prepare Gap analysis</td>
<td></td>
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<td></td>
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<tr>
<td>Implementation assessment report</td>
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</tbody>
</table>
Validation process

- Face validity
- Context validity
- Content validity
COMPETENCY FRAMEWORKS
“a cluster of related **knowledge, skills, attitudes** and **behaviours** that affects a **major** part of one’s job (a role or responsibility), **that correlates with performance** on the job, **that can be measured against well-accepted standards**, and **that can be improved via training and development**.”
The key components of Competency

Knowledge: factual information accepted to be true.

Skills: the learned ability to carry out predefined processes.

Attitudes: a relatively enduring disposition to view people, places, things or events in a particular way.

Behaviour: a specific action taken to achieve a (usually) predetermined outcome.
Competency and Competence

COMPETENCE

If the standard of competency displayed reaches the minimum acceptable level this would imply competence.

IMPACT ON PERFORMANCE

COMPETENCY

Behaviours
What I do

Knowledge
What I know

Skills
What I can do

Attitudes
How I generally think or feel
Uses of competency frameworks

- Recruitment and selection
- Promotion
- Career and succession planning
- Development
- Objective appraisal and reward
Constructing competency statements

1. Interviews and Focus Group Discussions to elicit key competencies.
2. Extract PFM competencies from interview material.
3. Validate competencies and agree with senior managers.
4. Compile the Competency Framework.
The structure of the Framework

- Competency cluster (PFM functions)
- Competency title
- Positions to which competency applies
- Rationale and description of competency
- Behaviours
  - Knowledge
  - Skills
  - Attitudes
- Core competencies
- Functional competencies
- x Five responsibility levels
Example competency statement: Behaviour

<table>
<thead>
<tr>
<th>Function: Accounting</th>
<th>Title: Transaction Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>BEHAVIOURS</td>
<td></td>
</tr>
<tr>
<td>Administrative</td>
<td>Performs transaction</td>
</tr>
<tr>
<td></td>
<td>processing tasks in the</td>
</tr>
<tr>
<td></td>
<td>correct sequence in a</td>
</tr>
<tr>
<td></td>
<td>practiced and speedy</td>
</tr>
<tr>
<td></td>
<td>manner.</td>
</tr>
<tr>
<td>Technical</td>
<td>Supports the efficient</td>
</tr>
<tr>
<td></td>
<td>execution of the workload</td>
</tr>
<tr>
<td></td>
<td>by taking the lead on high-</td>
</tr>
<tr>
<td></td>
<td>priority and high-volume</td>
</tr>
<tr>
<td></td>
<td>processing tasks.</td>
</tr>
</tbody>
</table>
**Example competency statement: Skills**

<table>
<thead>
<tr>
<th>Function: Accounting</th>
<th>Title: Transaction Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SKILLS:</strong> Has the ability to...</td>
<td></td>
</tr>
<tr>
<td>Administrative</td>
<td>...accurately choose the appropriate account code for each transaction.</td>
</tr>
<tr>
<td>Technical</td>
<td>...check the totals of transactions processed against pre-established control totals</td>
</tr>
</tbody>
</table>
Example competency statement: Attitudes

<table>
<thead>
<tr>
<th>Function: Accounting</th>
<th>Title: Transaction Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATTITUDES: Is generally...</td>
<td>...attentive to detail.</td>
</tr>
<tr>
<td>Administrative</td>
<td>...helpful to staff who have queries.</td>
</tr>
<tr>
<td>Technical</td>
<td></td>
</tr>
</tbody>
</table>
Example competency statement: Knowledge

<table>
<thead>
<tr>
<th>Function: Accounting</th>
<th>Title: Transaction Processing</th>
</tr>
</thead>
<tbody>
<tr>
<td>KNOWLEDGE: Can state or describe...</td>
<td></td>
</tr>
<tr>
<td>Administrative</td>
<td>...chart of accounts codes and manuals.</td>
</tr>
<tr>
<td>Technical</td>
<td>...financial regulations relating to transaction processing.</td>
</tr>
</tbody>
</table>
INTEGRATING WITH OTHER FRAMEWORKS
Integrating with existing Frameworks

Integrating the PFM Competency Framework with existing corporate Frameworks

Key:
1. Organisational  - CSC Framework
2. Technical  - PFM Framework
3. Leadership  - CES Framework
4. PFM
5. Strategic & critical thinking
6. Leading in a continuously changing environment
7. Developing & empowering others to establish collective accountability for results
8. Linkaging & networking for collective partnerships
9. Planning & organising for greater impact
10. Driving performance for integrity & service
PROJECT ISSUES
Project issues

Defining PFM

Capturing representative views

Handling volume

Balancing country needs with expert opinion

Anticipating future needs

Integrating with other frameworks and initiatives

Clearly differentiating between knowledge, skills attitudes and behaviours
Potential implementation issues

Effect of other reform initiatives

Integration with new HR system

Roles and responsibilities

Determining use(s) of PFMCF

Maintaining momentum

Sustainability
A Competency Framework for PFM staff

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