



COMPETENCY
FRAMEWORK
DEVELOPMENT

WHAT ARE COMPETENCIES?

Competencies are observable abilities, skills, and knowledge defined in terms of the behaviors needed for a successful job performance.

These include measurable KSA's and other characteristics such as values, motivation, initiative, and self-control that distinguish superior performers from average performers. (Shippmann et. Al. 2000; Spencer, McClelland, & Spencer 1994).

Competency frameworks are made to outline important competencies needed to be successful in a particular function. For instance, here are 3 competencies needed to be successful in a financial role:

- **Controllershship**
- **Cost Reporting & Analysis**
- **Business Planning**

FINANCE COMPETENCY FRAMEWORK

COMPETENCY

CONTROLLERSHIP

The ability to collect, classify, and record cost information to ensure accuracy, and compliance with professional accounting standards while managing the different cost drivers of the business.

DEFINITION:

A brief general description of the competency which provides the user with a general understanding of the type of behavior addressed by a particular competency

Levels 1-4 Shows the progression of sophistication and complexity at which competency can be demonstrated and utilized in performing essential job duties/responsibilities each subsequent level encompasses the previous one

1 BASIC	2 INTERMEDIATE	3 ADVANCED	4 EXPERT
Responds to the special needs of the customers with a sense of urgency and goes the extra mile	Searches for ways, ideas and mechanisms to add value and bring delight to the customer within one's own scope of work	Proactively discovers the needs of the customers and provides new solutions, services and processes to meet the customer's changing needs	Champions organization wide programs to map out changing needs of customers and the industry
Disseminates information accurately and shares appropriate information using established channels to keep manager and peers informed	Maximizes office tools and technologies in coming up with presentations or written forms of communication to communicate a message clearer	Facilitates brainstorming sessions, workshops, focused group discussion and high level meetings	Encourages ongoing communication to arrest issues and to align efforts to organizational or team goals
Speaks out his mind with clarity, formulates ideas concisely both one-to-one conversations and group meetings	Shows sensitivity to others, responds appropriately, accurately picks up on non-verbal cues, Articulates concepts, ideas and one's own thoughts in writing that suits the targeted audience	Speaks/presents effectively to critical external audiences to influence their opinion	Communicates mission and vision regularly and effectively; Shows confidence in communicating in various fora and operationalizes broad objectives to help people identify their contribution in the organization

BEHAVIORAL INDICATORS:

Expressions of specific behavior associated with the competency at different levels; content validation is necessary to link behaviors to respective competency levels

FINANCE COMPETENCY FRAMEWORK

COST REPORTING & ANALYSIS

The ability to analyze, plan, and control the different cost drivers of the business.

1 BASIC	2 INTERMEDIATE	3 ADVANCED	4 EXPERT
Understands and applies the selected costing method of the company in reporting and doing variance analysis	Applies other cost techniques such as incremental costing and activity based costing for analysis	Challenges and recommends cost methodologies to ensure key performance indicators are measuring the right metrics	Discerns whether costing methods used by the organization is appropriate
Participates in waste elimination efforts with the business to understand key drivers and cost reduction opportunities	Monitors waste elimination efforts by the organization	Drives waste elimination projects with cross functional teams to generate productivity	Advises on strategic cost transformation including cutting waste while maintaining or enhancing value creation
Understands and follows procedures of transfer pricing systems	Monitors transfer pricing initiatives of the organisation	Recommends transfer pricing systems and evaluates effect of transfer prices	Approves transfer pricing systems and establishes policies for others to abide by it

FINANCE COMPETENCY FRAMEWORK

BUSINESS PLANNING

The ability to plan, analyze, and provide insights with regards to the financial performance of the organization to support the implementation of organizational procedures and strategies while keeping risks at a minimum.

1 BASIC	2 INTERMEDIATE	3 ADVANCED	4 EXPERT
Contributes to business planning, budgeting and expenditure forecasting processes through application of basic financial modelling techniques	Leads planning processes, including setting targets, communicating assumptions, coordinating budget preparation, challenging submissions and seeking synergies upon consolidation	Translates business strategy into financial targets and tactical plans and support execution in a controlled risk and reward-based manner	Provides critical inputs to the business planning and expenditure forecasting processes; innovate to enhance the business impact of target setting, planning and budgeting
Applies investment appraisal techniques to investment appraisals and performs post-investment reviews	Communicates and applies investment decision making criteria	Evaluates and provide guidance and recommendations on investment appraisals	Approves investment proposals and Anticipate future needs of the organisation including portfolio actions
Assists business teams in doing financial simulations and applies financial methods and strategies such as CVP analysis, elasticity pricing Payback Period, NPV	Recommends action steps and alternative courses of action based on financial and non-financial information	Foresees future impact of business decisions to the company based on analyzed data	Leads the entire business team and standardizes procedures on business planning and analysis

ARE YOU IN NEED OF A
COMPETENCY FRAMEWORK
THAT CUTS ACROSS YOUR WHOLE
ORGANIZATION?



LET'S TALK.

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