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Competency Framework for Financial Management

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SECTION 1

Competency Framework for Financial Management

1.1 Introduction

The Competency Framework for Financial Management (CFFM) was developed as part of a strategic partnership between the National Treasury and the Institute for Public Finance and Auditing (IPFA). The purpose is to develop a Capacity Building Model for Financial Management (CBMFM) that will provide the South African government sector with a systemic approach to building financial management capacity that is both integrated and sustainable.

The CBMFM's overarching objectives are to:

- *integrate information from previous, current and new capacity building initiatives;*
- *develop from these a comprehensive, systemic and sustainable capacity building model based on competence standards;*
- *provide a foundation on which quality training programs and other initiatives can be built that are closely aligned with priority national goals for improved financial management.*

The CFFM was designed for the finance function in the Public Service. It focuses primarily on officials located in the office of the Chief Financial Officer (CFO), but also encompasses officials in Supply Chain Management, Enterprise Risk Management (ERM) and Internal Audit units. It is aimed at officials working in the finance function in the national and provincial spheres whose principal roles relate to providing financial management and support services to their respective departments.

The CFFM (the Framework) describes the *technical, core and behavioural competencies* required for officials performing financial management, Supply Chain Management, Enterprise Risk Management (ERM) and Internal Audit functions. It does this by describing a series of competency *standards* required of staff employed in the three fields. These standards are specified in terms of the knowledge, skills and attributes needed to carry out various defined activities or tasks to the requisite level of performance for a successful outcome, and are assembled in a series of *competency dictionaries*.

In the case of the technical competencies a detailed approach has been followed and technical competency dictionaries have been developed specific to financial management functional areas including Supply Chain Management, Enterprise Risk Management (ERM) and Internal Audit. It should be noted, however that:-

- the core competencies have been identified in conjunction with the HR Connect project with which the CBMFM project has cooperated extensively;
- the behavioural competencies have been adopted from the Framework for Human Resources and Development of the Department for Public Service and Administration (DPSA) and should therefore be read in conjunction with that framework.

1.2 The Framework

An effective competency framework underpins all the human resource development systems operating in an organisation, i.e:

- recruitment and selection,
- performance management,
- training and development,
- career planning, and
- succession management.

An effective competency framework also facilitates self-management and empowerment as it allows officials to assess their knowledge, skills and attributes (i.e. competencies) against the agreed standard of performance required for the relevant position.

Competencies are measurable and should not be confused with the term “competence”. It is important to understand the meaning of the word “competency” in order to contextualize the principles of a competency framework.

Competency refers to a mix of skills, related knowledge and attributes to produce a job/task to a defined standard; **competence**, however, relates to the outcomes which would define effective performance, i.e. aspects of the job at which a person is competent, e.g., conducting an Internal Audit engagement. People demonstrate competence by applying their competencies within the work setting.

Furthermore it is necessary to understand the meaning of the terms that make up the word “competency” (i.e. skills, knowledge and attributes). For the purposes of this framework, the following definitions apply.

Skill – a skill (also sometimes called a talent) is the innate or learned capacity to achieve pre-determined results consistently with the minimum outlay of time, energy, or both. For example, the ability to deal with complex numbers in accountancy would constitute a skill in this context.

Knowledge – knowledge is the theoretical and/or practical understanding of a subject; facts and information¹. For example, being familiar with particular provisions of the Public Finance Management Act relevant to the task would constitute knowledge in this context.

Attributes - the desired attributes identify the qualities of character required to be an effective and successful performer in a specific job. For example, professionalism in conducting an Internal Audit engagement would constitute an attribute in this context.

Competencies can be developed by **experience**, or by **training**.

- Experience refers to the accumulated product of past events a person has undergone in the course of formal or informal employment – it does not necessarily relate to the quantity of time a person has spent filling a role/position.
- Training refers to a deliberate process of intervention aimed at improving the performance of a post holder through the inculcation of skills, knowledge and attributes related to the post itself.

1.3 Values and Guiding Principles Underpinning the Framework

The eight Batho Pele Principles were developed as an acceptable policy and legislative framework regarding service delivery in the public service². These principles are aligned with the Constitutional ideals of:

- promoting and maintaining high standards of professional ethics;
- providing service impartially, fairly, equitably and without bias;
- utilizing resources efficiently and effectively;
- responding to people's needs; the citizens are encouraged to participate in policy-making; and
- rendering an accountable, transparent, and development-oriented public administration.

The Batho Pele Principles (as set out below) underpin the Framework and form the basis for its development and implementation.

¹ Although there is currently no single agreed definition of “knowledge” and numerous competing theories on the subject, the definition stated will be adopted for the purpose of this framework.

² <http://www.dpsa.gov.za/batho-pele/Principles.asp>

Consultation	Consulting the users of services in different manners (e.g. conducting customer surveys, interviews, consultations, meetings with consumer representative bodies, NGOs and CBOs).
Setting service standards	Improving service delivery by reference to national and international benchmarks against which to measure the extent to which citizens are satisfied with the service or products they receive from departments.
Increasing access	Rectifying the inequalities in the distribution of existing services and providing a framework for making decisions about delivering public services (e.g. Community Centres and Call Centres) to the many South Africans who do not have access to them.
Ensuring courtesy	Demanding from service providers a genuine empathy with citizens and requiring them to treat service users with as much consideration and respect as they would like for themselves. This demands more than simply a polite smile or a “please” or “thank you”.
Providing information	Requiring that information about the organisation and other service delivery related matters be directly accessible to customers.
Openness and transparency	Providing information about the way national, provincial and local government institutions operate, how well they utilize the resources they consume, and who is in charge. This is the key aspect of openness and transparency which insists that the public should know more. This principle is aimed at encouraging the public to make suggestions for improvement of service delivery and to make government officials accountable and responsible by raising queries with them.
Redress	Emphasizing the need to identify quickly and accurately when services are falling below the required standard, and to have procedures in place to remedy the situation in an effective manner.
Value for money	Ensuring that resources are used effectively. Many improvements that the public would like to see often require no additional resources and can sometimes even reduce costs. Failure to give a member of the public a simple, satisfactory explanation to an enquiry may, for example, result in an incorrectly completed application form, which will involve cost and time to rectify.

The following guiding principles underpin the Competency Framework:

- learning is a life-long process - officials are encouraged to foster a culture of life-long learning aimed at individual and organisational growth and development. Individual and organisational needs are thus agreed in conjunction with the identification of personal development needs;
- officials and government institutions are jointly responsible for the development of individuals;
- people development interventions are evaluated on a continuous basis to determine their effectiveness in improving job and organisational performance.

In addition to the Batho Pele principles, core **values** include, but are not limited to:

- justice,
- fairness,
- responsibility,
- openness,
- accountability,
- stewardship and
- competence³.

1.4 Target Groups for the Framework

The success and sustainability of National Treasury’s financial management reform programme depends on having a critical mass of staff who have the required skill-sets and competencies in

³ South African Qualifications Authority. Registered Unit Standard: Demonstrate and apply knowledge of the ethical standards in the Public Sector. SAQA US ID: 242857. (<http://pcqs.saqa.org.za/showUnitStandard.php?id=242857>)

Financial Management including Enterprise Risk Management (ERM) and Internal Audit to achieve successfully the performance levels required in their functions. The Framework is currently targeted specifically at these officials in National and Provincial government and has been developed for four occupational roles; and across all functional areas of Financial Management, Enterprise Risk Management (ERM), Supply Chain Management and Internal Audit.

For the purposes of piloting this Framework, the focus is currently on supporting capacity building activity by using it to assess skills gaps amongst existing staff so that these can be addressed through a sustained capacity development programme. It is not currently intended for use either for recruitment or performance review purposes. However, the intention is eventually to extend the use of the framework to support all areas of human resource management and development in the public financial management field. Whilst the target audience may include officials at the occupational levels included in other frameworks, including the Government's Middle Management Service (MMS) and the Senior Management Service (SMS) Competency Frameworks, the focus of the CFFM is on those components of the job that are considered unique to the financial management functional area.

1.5 Benefits of the Framework

The benefits of the CFFM apply not only to the officials whose jobs are described, but also to the public institutions which employ them. The principal benefits of the Framework are listed below.

- It describes the skills and knowledge required for the job (i.e. it defines competency) against which recruitment and selection practices can be aligned.
- It sets out an objective standard (i.e. the expected knowledge and capabilities) against which performance can be measured.
- It provides a comprehensive basis for developing and monitoring relevant job and person descriptions, which in turn can be used to underpin sound recruitment policies and practices.
- It describes an objective standard against which training and development practices can be aligned.
- It is a scientific approach to identifying the overall skill levels possessed by the government institution achieved through assessing the skills level of the individuals/officials it employs.
- It assists in the identification of gaps/areas of improvement between current practices and desired practices by facilitating, in a uniform and consistent manner, a comparison between an individual's current competencies and the competencies required for a specific position in the institution

1.6 This Document

Following this introduction, this document will set out the competencies identified in both technical and generic areas. Specifically it will cover:-

- the generic functional structure of the financial management function on which the Framework is based (Section 2);
- an outline of both technical and generic dictionaries (section 3);
- a detailed statement of the content of the generic (core and behavioural) dictionaries (section 4);
- a detailed analysis of the content of the financial management technical dictionary (section 5).

In addition to the narrative document, there are:-

- 10– explanatory notes covering the individual technical competencies dictionaries;
- 10 – competencies dictionaries; and
- 14 – occupational profiles

This document and accompanying additional documents mentioned above do not constitute the final outcome of the CFFM development process. It is expected that the technical competencies dictionaries will undergo further development over time as they are applied in practice. Comments on the content and usefulness of the dictionaries

would be most welcome and should be communicated to the Capacity Building Section of the National Treasury.

To view the additional documents (Explanatory Notes; Technical Competency Dictionaries and Occupational Profiles) please refer to the OAG website. <http://oag.treasury.gov.za/>

Should you experience any difficulties in viewing any of these documents please contact the following officials:

- Mark Kuipers – Director Financial Management Capacity Building on (012)315 5542 or email to mark.kuipers@treasury.gov.za
- Mbuyi Dondashe - Director Financial Management Capacity Building on (012) 315 5231 or email to mbuyi.dondashe@treasury.gov.za

SECTION 2

The Fundamentals of the Framework

2.1 Introduction

This section of the document looks at the underpinning logic supporting the Framework and the accompanying competency dictionaries. It considers three main issues:-

- the legislative basis of the public financial management occupation in South Africa;
- the structure of the finance functions within departments in the national and provincial spheres;
- the occupational roles into which the dictionaries are divided.

The generic competency dictionaries which support the technical dictionaries will be considered further in section 4, and details of the technical dictionaries will appear in section 5.

2.2 Applicable Legislative Frameworks and Codes of Conduct

The following legislation and regulatory frameworks are examples of laws and regulations that have informed the development of CFFM for the public sector.

- *Financial Legislation*
 - Income Tax Act 1962,
 - Value Added Tax Act, 1992,
 - Public Finance Management Act, 1999,
 - Preferential Procurement Policy Framework Act, 2000,
 - Division of Revenue Act 2009,
 - Financial Intelligence Centre Act, 2001(amended 2008),
 - Prevention and Combating of Corrupt Practices Act, 2003,
 - Municipal Finance Management Act, 2003.
- *Economic Legislation*
 - State Information Technology Agency (SITA), 1998 (amended 2002),
 - Broad Based Black Economic Empowerment Act, 2003,
- *Public Service Legislation*
 - Public Service Act 1994,
 - National Archives and Records Service of South Africa Act, 1996 (amended 2001),
 - Government-Wide Immovable Asset Management Act, 2006.
- *Judicial Legislation*
 - Constitution of the Republic of South Africa, 1996,
 - Land Administration Act 1995 (amended 1996) (and provincial equivalents)
 - Access to Information Act, 2000.

(Further, mostly sector-specific, legislation is referred to at appropriate points in the Framework.)

- *Financial Regulations and Guidelines*
 - National Treasury Regulations,
 - Provincial Treasury Instructions,
 - Financial Management Practice Notes and Circulars,
 - Government Accounting Standards,
 - Standard Chart of Accounts,
 - Guidelines for Preparing Financial Statements,
 - National Treasury Internal Audit Framework,
 - Public Sector Enterprise Risk Management (ERM) Framework,
 - Supply Chain Management – a Guide for Accounting Officers and Authorities.
- *External Standards and Guidance*
 - National and International Accounting Standards,

- Institute of Internal Auditors (IIA) Professional Practices Framework and Internal Audit Standards,
- ISO Standard 31000 – Enterprise Risk Management (ERM),
- Report of the Treadway Commission on Internal Control and Enterprise Risk Management (ERM),
- King Report on Corporate Governance in South Africa.

Additional regulation and guidance is provided by the policies, procedures and delegations of departments.

2.3 Generic Functional Structure

Having identified the range of legislative and regulatory requirements, the next step was to analyse and define the main functions carried out by financial management specialists. The most obvious place to identify these of course was in the Office of the Chief Financial Officer (CFO) which would be expected to contain specialists covering most of the financial management functions to be analysed; and employees operating at all applicable levels of responsibility. However, it is recognised that not all CFOs' offices will perform the same functions in the same way since they differ substantially in size, location and purpose depending on the department they serve. However, there is sufficient common ground across the specialism to design a generic structure to enable the main functions to be identified.

However, the principles of corporate governance recognise that some financial management functions have a spread of organisational responsibility which goes beyond the CFO's office. This means they are likely to fall within the span of the departmental head (the Accounting Officer) of the organisation rather than the CFO. In developing the Framework, it has been recognised that Supply Chain Management, Enterprise Risk Management (ERM) and Internal Audit units within national and provincial departments are likely to fall into this category. As a result, the generic functional structure devised reflects the fact that these two functions lie outside the control of the CFO and report, like him/her, within the span of control of the Accounting Officer of the department.

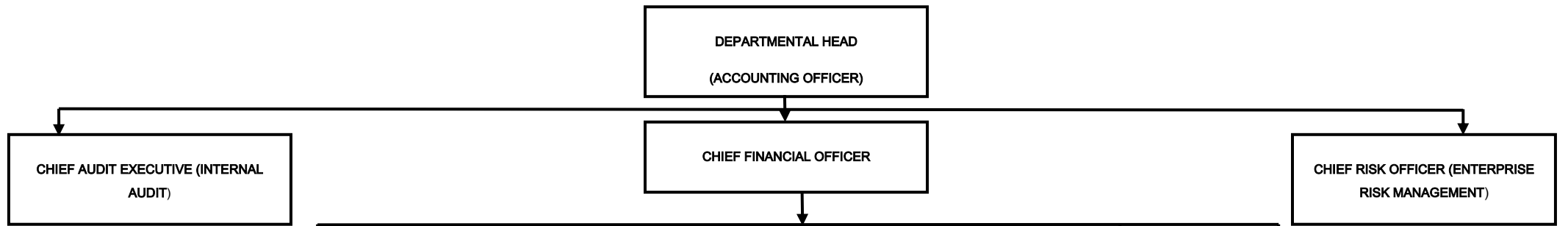
The diagrammatic representation on page 10 provides four sets of information:

- an overall structural representation of the line relationships between finance, supply chain management enterprise risk management and internal audit and the departmental Accounting Officer;
- a breakdown of the Office of the CFO showing the main functional areas;
- details of the tasks carried out by financial management staff within the CFO's Office;
- details of the tasks carried out by Internal Audit and Enterprise Risk Management (ERM) staff within the department.

Based on this analysis, the following functional areas were identified as components of the Framework:

1. Management Accounting (Planning and Budgeting)
- 2A/2B Asset Management (sub-divided into movable asset management (2A) and immovable asset management (2B))
3. Revenue Management
4. Expenditure Management
5. Financial Accounting
6. Supply Chain Management
7. Internal Audit
8. Enterprise Risk Management (ERM)
9. Internal Control

GENERIC STRUCTURE OF THE CFO INCLUDING IA & ERM



- Legislative Environment
- Strategic Management of the IAA
- Relationship Management
- Planning the IAA Activities
- Nature of Work
- Internal Audit Assurance Process
- Consulting Services
- System Utilization
- Safeguarding of IAA information

- Legislative Environment
- *Establish an integrated internal control systems (including policies)*
- Delegations *framework*
- *Departmental governance frameworks*
- *Financial and Financial Related System Control*
- *Assurance services facilitation*
- *Departmental oversight and other related Committees.*
- *Financial information retention*
- *Exception Reports*
- *Interface Reports*
- *Conduct appropriate systems maintenance*
- *Departmental fraud prevention*
- *Departmental loss control system*

- Legislative Environment
- Strategic planning
- Annual performance plan
- Business and project planning
- MTEF budgeting process
- Estimates of expenditure (National & Provincial)
- Adjustments
- Rollovers
- Monthly cash flow and adjusted cash flow
- In-year monitoring
- Interim reporting (performance)
- Annual reporting
- Safeguarding of source documents

- Legislative Environment
- Liability management (accruals)
- Accounting for donor funding
- Safeguarding of source documents
- Clearing suspense accounts
- Clearing interdepartmental accounts
- Other salary payovers
- Annual PAYE reconciliation
- Unauthorized, fruitless and wasteful and irregular expenditure
- Receipt or granting of gifts, donations and sponsorships
- Debt Write-off
- Establishment of the Accounting Structure.
- Review Accounting structure.
- Completeness of source documents.
- Loss control system.
- Cash Management.
- Bank Reconciliation.
- PAYE/UIF Pay overs
- Reconcile GL to FAR
- Allocation between capital and current accounts
- Liaison with internal and external auditors
- Interim financial statements
- Annual Financial Statements
- Year end closure
- Month end closure
- Petty Cash Management

- Legislative Environment
- Departmental Revenue sourcing, fees, tariffs
- Banking
- Safeguarding of cash, source documents and face value forms
- Revenue collections
- Recovery of Debt and allocation of monies received.
- Debt take-on.
- Accounting for revenue
- Reconciliation of revenue
- Revenue reporting

- Legislative Environment
- Interface of payroll into accounting system
- Processing of employee costs outside the payroll system
- Processing of employee costs on the payroll system
- Certification of payroll
- Verification of source documents
- Processing of transactions on the accounting system
- Processing of banking details on the accounting system
- Processing transfer payments and subsidies
- Expenditure Reporting
- Interim reporting on conditional grants
- Annual reporting on conditional grants
- Safeguarding of source documents

- Movable Asset
- Legislative Environment
- Asset management plan
- Internal and external transfers of assets
- Physical verification of assets
- Identification of assets for disposals
- Maintenance of asset
- Performance and management of leasing process
- Facilitation and management of safeguarding of assets
- System Maintenance
- Reconciliation of asset
- Reporting on assets
- Optimal utilization of systems
- Facilitate recording of Loss, Damage or mismanagement of Assets
- Immovable Asset
- Legislative Environment
- Asset management plan
- Physical verification of assets
- Maintenance of asset
- Facilitation and management of safeguarding of assets
- Optimal utilization of systems
- Reporting on assets

- Legislative Environment
- Needs analysis
- Annual Procurement Plan
- Funding
- Compilation of specifications and terms of reference
- Strategic sourcing
- Provide secretariat services
- Compilation of bid documents
- Receiving and opening of bids
- Evaluation and adjudication of bids
- Compilation of prospective list of providers for quotations
- Analysis of procurement request for quotation
- Sourcing suppliers for quotation
- Handling urgent and emergency cases
- Contract administration
- Supplier performance
- Managing contracts
- Requisition of goods and services
- Placing orders
- Receiving goods
- Goods distribution
- Inventory management
- Warehouse management
- Stocktaking
- Matching documents
- Preparation of payment documentation
- Preparation for disposal
- Disposal process
- Control of disposal documentation
- Risk management of the SCM
- SCM performance review
- Reporting on SCM information
- Safeguarding of SCM information
- Optimum system utilisation

- Legislative Environment
- Risk Strategy Management
- Risk Management Support
- Risk Management Process

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2.4. Occupational Roles

Having identified the nine functions which make up public sector financial management it was then necessary to examine the hierarchies within those functions. It is clear from the analysis in the previous sub-section that there is a clear functional distinction between an employee required to carry out financial accounting tasks, and one carrying out management accounting tasks. However, it is also self-evident that there is a distinction *within* the financial accounting function between the work of an employee charged with examining and recording source documents into the accounting system, and one required to analyse and sign off the annual financial statement. Before any detailed competencies could be defined therefore, it was necessary to draw a second distinction between employees working within a defined function but who are exercising different levels of responsibility.

To address this issue it was decided to divide each functional group into four levels of responsibility – these were defined as *occupational roles*. These four occupational roles are directly related to levels of seniority within the organisational structure. Typical post levels in public sector corresponding with these roles are listed in the table below.

Occupational Role	Examples of Relevant Positions	Post levels
Occupational Role 1 Administrative	Clerk Administrator	Post levels 1 - 6
Occupational Role 2 Technical	State Accountant Senior State Accountant	Post levels 7 - 8
Occupational Role 3 Supervisor (Tactical)	Assistant Director (Assistant Manager) Deputy Director (Manager)	Post levels 9 - 12
Occupational Role 4 Managerial (Strategic)	Director (Senior Manager) Chief Director Deputy Director General	Post levels 13 - 16

In carrying out this analysis it was recognised that individual departments and agencies within the public sector at national and provincial levels have varying approaches to how they structure the finance function into operational units, and how financial management tasks themselves are distributed around individual posts within them. The Framework has therefore been developed by specifying the tasks to be carried out within these nine functional groups in a way that is quite independent of how they might be assigned between operating units and/or individual employees. This approach affords public financial managers maximum flexibility in using the Framework to provide a series of building blocks with which to define the competencies required within the organisational and employment structures favoured by/familiar to them. The National Treasury has developed a generic organisational structure for the CFO's office to guide departments in this regard. **(Annexure A attached)**

2.5 Conclusion

The completion of this analysis provided three sets of building blocks on which the Framework could be based:-

- the underpinning knowledge of legislative frameworks and operational guidance required for public financial managers to carry out their work effectively;
- the nine functional areas into which financial management work can be classified; and
- a measure of seniority within the functions to which the technical competencies could be applied.

SECTION 3

Introduction to the Competencies Dictionaries

3.1 Introduction

From the start of the project it was always understood that the development of technical competencies alone will not meet the needs of the financial management sector. Whilst for most practitioners in the field, technical competencies in accounting, auditing or other financial discipline are the predominant component of their work, other competencies which are complementary to those of a technical nature are needed. This section of the document looks at those other competencies and how they supplement the technical competencies.

3.2 Competencies Dictionaries

For the purposes of the Framework, distinction will be made between three types of competencies - *behavioural* competencies, *core* competencies, and *technical* competencies. The Framework therefore consists of three *competency dictionaries*. As indicated, the technical competencies were developed as part of a detailed research and development approach.

The behavioural dictionaries were adopted from the Department of Public Service and Administration's (DPSA) Competency Framework for Human Resource Management and Development, and the core competency dictionaries were jointly compiled by the HR Connect and CBMFM project teams.

The range and definitions of the competencies used in the framework are summarised in the table below.

Type of Competency	Definitions
Behavioural	Competencies which reflects the desired attributes across all occupational levels and roles ⁴
Core	Competencies that are shared across all financial management roles (including Enterprise Risk Management (ERM), Supply Chain Management and Internal Audit)
Technical	Functional/technical competencies that provide for different levels of complexity described in accordance with occupational levels

⁴ NOTE: These Behavioural Competencies have been extracted from the Competency Framework for Human Resource Management and Development compiled by the DPSA as these will apply across all Public sector Jobs. It is also acknowledged that at Occupational levels 3 and 4 certain core competencies from the Leadership Development Management Strategic Framework may apply – these competencies will not be duplicated in this document and are beyond the scope of the CBMFM project. The database of competencies, however, must allow for these competencies to be linked to a post and, ultimately, to an individual for purposes of assessment, training and development.

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3.3 Behavioural Competencies

The definition of a behavioural competency has been aligned with the DPSA Competency Framework for Human Resource Management and Development. Behavioural competencies refer to the ideal personal attributes or characteristics required for performing a particular job. They are considered essential for all roles across the organisational levels in the public service, regardless of their function. The behavioural competencies from the DPSA framework have been adopted for the purposes of this project, as they also apply to financial management across all roles and areas. According to the DPSA framework behavioural competencies are categorized into the following two main groups.

Category	Competency Cluster	Competency Title
Emotional Competencies	Self Awareness	<ul style="list-style-type: none"> • Emotional self awareness • Self confidence
	Self Management	<ul style="list-style-type: none"> • Emotional self control • Trustworthiness • Conscientiousness • Adaptability/flexibility • Achievement drive • Initiative
	Social and cultural awareness	<ul style="list-style-type: none"> • Empathy • Organisational Awareness • Service Orientation
	Relationship management	<ul style="list-style-type: none"> • Developing Others • Conflict Management • Teamwork and Collaboration • Communication • Influencing Others
Professional conduct	People skills	<ul style="list-style-type: none"> • People orientation • Valuing diversity
	Professional ethics	<ul style="list-style-type: none"> • Honesty • Punctuality • Responsiveness

3.4 Core Competencies

Core competencies are shared across all financial management roles and are categorised into the following two clusters.

Category	Competency Cluster	Competency Title
Core Competencies	Senior Management Service (SMS)	<ul style="list-style-type: none"> • Service delivery innovation • Client orientation and customer focus • Change management

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		<ul style="list-style-type: none"> • Communication • Knowledge management • Problem solving and analysis • Strategic capability and leadership • Programme and project management • Financial management • People management and empowerment • Honesty and integrity
	<p align="center">Generic</p>	<p><u>Management Skills</u></p> <ul style="list-style-type: none"> • Applied strategic thinking • Technology applied • Financial management • Continuous improvement • Developing others • Diversity management • Change management • Information management • Materials or facilities utilisation • Conflict resolution • Problem analysis • Problem solving and decision making • Work output planning • Team work • Enterprise Risk Management (ERM) • Benchmarking • Procurement • Governance • Document management • Promote honest conduct <p><u>Communication Skills</u></p> <ul style="list-style-type: none"> • Listening • Basic business writing • Advanced business writing • Minute taking • Chair meetings • Public speaking • Facilitation of groups <p><u>Computer Skills</u></p> <ul style="list-style-type: none"> • Edit and utilise MS Excel spreadsheets • Prepare and use MS PowerPoint in presentations. • Use job specific software programmes • Utilise MS Outlook to manage or plan projects • Utilise MS Word to produce and edit

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		documents <u>Customer Service Skills</u> <ul style="list-style-type: none"> • Determine customer needs • Manage customer expectations • Address customer needs • Evaluate customer service
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3.5 Technical Competencies

The research carried out by the CBMFM project has identified the following technical competencies across the ten occupational functions (asset management competencies are in two dictionaries – movable asset management and immovable asset management). Each function is divided into a series of *competency clusters* representing a major component of the function. Each competency cluster is then broken down into one or more sub-components (*competency titles*) against which the individual competencies have been defined.

Function	Competency Cluster	Associated Titles
Management Accounting (Planning and Budgeting)	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Planning	<ul style="list-style-type: none"> • Strategic planning • Annual performance plan • Business and project financial planning
	Budgeting	<ul style="list-style-type: none"> • MTEF budgeting process • Estimates of expenditure (national and provincial) • Monthly cash flow and adjusted monthly cash flow • Adjustment estimates • Rollovers
	Monthly Reporting	<ul style="list-style-type: none"> • In year monitoring reports
	Annual Reporting	<ul style="list-style-type: none"> • Annual report
	Control o source documentation	<ul style="list-style-type: none"> • Safeguarding of source documents
Movable Asset Management	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Planning	<ul style="list-style-type: none"> • Management of the movable asset management strategy
	Movable Asset Acquisition (by purchase or donation to the department)	<ul style="list-style-type: none"> • Performance and management of the movable asset acquisition process
	Internal Transfer	<ul style="list-style-type: none"> • Performance and management of the movable asset internal

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Function	Competency Cluster	Associated Titles
		transfer process
	External Transfer	<ul style="list-style-type: none"> • Performance and management of the movable asset external transfer process
	Physical Verification	<ul style="list-style-type: none"> • Performance and management of the movable asset physical verification process
	Disposal	<ul style="list-style-type: none"> • Identification of movable assets to be disposed of and management of the disposal process
	Maintenance	<ul style="list-style-type: none"> • Initiation and management of the movable assets maintenance process
	Safeguarding	<ul style="list-style-type: none"> • Facilitation and management of the safeguarding of movable assets
	Theft and Losses	<ul style="list-style-type: none"> • Facilitation of the recording of the theft/loss of movable assets
	System Maintenance	<ul style="list-style-type: none"> • Maintenance of the movable asset register
	Reconciliations	<ul style="list-style-type: none"> • Performance and maintenance of the annual movable asset register reconciliation
	Reporting	<ul style="list-style-type: none"> • Performance and management of the monthly, quarterly and annually on movable assets
Immovable Asset Management	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Planning	<ul style="list-style-type: none"> • Development and implementation of the immovable asset management strategy
	Physical Verification	<ul style="list-style-type: none"> • Performance and management of the immovable asset physical verification process as per the user asset management plan
	Maintenance	<ul style="list-style-type: none"> • Manage the departmental immovable assets maintenance process
	Leasing	<ul style="list-style-type: none"> • Management of the lease agreements for immovable

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Function	Competency Cluster	Associated Titles
		assets
Revenue Management	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Planning	<ul style="list-style-type: none"> • Departmental revenue sourcing, fees and tariffs
	Collection and Recording of Revenue	<ul style="list-style-type: none"> • Revenue collection • Accounting for revenue • Banking
	Reconciliation	<ul style="list-style-type: none"> • Reconciliation of revenue
	Safeguarding	<ul style="list-style-type: none"> • Safeguarding of cash, source documents and face value forms (including of cash on hand and other face value documents received)
	Monthly reporting	<ul style="list-style-type: none"> • Revenue reports
Expenditure Management	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Processing of Payments	<ul style="list-style-type: none"> • Verification of source documentation • Processing of banking details on the accounting system • Processing of transactions on the accounting system
	Compensation of Employees	<ul style="list-style-type: none"> • Interface of payroll into accounting system • Processing of compensation of employee costs outside the payroll system • Processing of compensation of employee costs on the payroll system • Certification of payroll
	Transfers and subsidies	<ul style="list-style-type: none"> • Processing transfers and subsidies
	Goods and services	<ul style="list-style-type: none"> • Processing of goods and services advances • Processing of goods and services claims
	Control of source documentation	Safeguarding of source documents
	Monthly reporting	<ul style="list-style-type: none"> • Expenditure reports

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Function	Competency Cluster	Associated Titles
	Interim reporting	<ul style="list-style-type: none"> • Interim report on conditional grants
	Annual reporting	<ul style="list-style-type: none"> • Annual reporting on conditional grants
Financial Accounting	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Departmental Accounting Structure	<ul style="list-style-type: none"> • Establishment of the accounting structure • Maintenance of the accounting structure
	Control of Source Documentation	<ul style="list-style-type: none"> • Safeguarding of source documents • Completeness of source documentation
	Suspense Accounts	<ul style="list-style-type: none"> • Clearing suspense accounts
	Salary Payovers	<ul style="list-style-type: none"> • PAYE and UIF • Annual PAYE submission • Other salary payovers
	Interdepartmental Accounts	<ul style="list-style-type: none"> • Clearing of interdepartmental accounts
	Management of Debtors	<ul style="list-style-type: none"> • Debt take on • Recovery of debts and allocation of monies received • Debt write off
	Banking	<ul style="list-style-type: none"> • Bank interface exception reports • Bank reconciliation • Cash management
	Liability Management	<ul style="list-style-type: none"> • Accounting for departmental liabilities
	Petty Cash	<ul style="list-style-type: none"> • Petty cash management
	Losses and Damages	<ul style="list-style-type: none"> • Loss control register
	Donor Funding	<ul style="list-style-type: none"> • Accounting for donor funding
	Audit	<ul style="list-style-type: none"> • Liaison with internal and external audit
	Unauthorised Expenditure, Fruitless and Wasteful Expenditure and Irregular Expenditure	<ul style="list-style-type: none"> • Unauthorised expenditure, fruitless and wasteful expenditure, irregular expenditure
	Gifts, Donations and Sponsorships	<ul style="list-style-type: none"> • Granting or receipt of gifts, donations and sponsorships
Financial Systems	<ul style="list-style-type: none"> • Conduct appropriate system maintenance and monitoring 	

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Function	Competency Cluster	Associated Titles
	Monthly reporting	<ul style="list-style-type: none"> • Month end closure
	Interim reporting	<ul style="list-style-type: none"> • Interim financial statements
	Annual reporting	<ul style="list-style-type: none"> • Year end closure • Annual financial statements
Supply Chain Management	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Demand Management	<ul style="list-style-type: none"> • Needs analysis • Funding • Compilation of specifications and/or terms of reference
	Acquisition Management	<ul style="list-style-type: none"> • Compilation of bid documentation • Receipt and opening of bids • Evaluation and adjudication of bids • Contract management • Compilation of a list prospective service providers for quotations • Analysis of procurement requests for quotations • Sourcing suppliers for quotations • Handling urgent and emergency cases
	Logistics Management	<ul style="list-style-type: none"> • Requisition of goods and services • Placing orders • Receiving goods • Goods distribution • Warehouse management • Stock taking • Matching documentation • Accounts payable
	Disposal Management	<ul style="list-style-type: none"> • Preparation for disposal • Disposal process • Control of disposal documentation
	Risk Management	<ul style="list-style-type: none"> • Risk management of the SCM System
	Performance Management	<ul style="list-style-type: none"> • SCM Performance Review

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Function	Competency Cluster	Associated Titles
Internal Audit	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Strategic Management of the IAA	<ul style="list-style-type: none"> • Establishment of the IAA • Professional ethics • Standing of the IAA • Risks of the IAA • Quality Assurance and Improvement Programme (QAIP) • Combined Assurance Model
	Relationship Management	<ul style="list-style-type: none"> • Audit committee • External Audit • Internal role players
	Planning the IAA Activities	<ul style="list-style-type: none"> • Strategic plan • Resources management
	Nature of Work	<ul style="list-style-type: none"> • Corporate Governance • Enterprise Risk Management (ERM) • Internal control
	Internal Audit Assurance Process	<ul style="list-style-type: none"> • Engagement planning • Performing the engagement • Reporting the results • Monitoring progress
	Consulting Services	<ul style="list-style-type: none"> • Opportunities for improvement • Types of services
Internal Control	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Internal Control System	<ul style="list-style-type: none"> • Establishment of an integrated internal control system • Delegations framework • Assurance services facilitation
	Oversight and other related committees	<ul style="list-style-type: none"> • Departmental oversight and other related committees
	Governance Frameworks	<ul style="list-style-type: none"> • Departmental governance frameworks
	Financial Information	<ul style="list-style-type: none"> • Manage financial information retention
	Fraud Prevention	<ul style="list-style-type: none"> • Departmental fraud prevention
	Loss Control	<ul style="list-style-type: none"> • Manage the departmental loss control system
	Financial and financial related	<ul style="list-style-type: none"> • Inspect effectiveness of

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Function	Competency Cluster	Associated Titles
Enterprise Risk Management (ERM)	Systems	controls in respect of financial and financial related systems
	Legislative Environment	<ul style="list-style-type: none"> • Legislative regulatory framework • Departmental policies and procedures
	Risk Strategy Management	<ul style="list-style-type: none"> • Development of Enterprise Risk Management (ERM) strategic vision and plan • Strategic management
	Enterprise Risk Management (ERM) Support	<ul style="list-style-type: none"> • Development and implementation of Enterprise Risk Management (ERM) framework • Establishment of appropriate Enterprise Risk Management (ERM) structures and reporting lines • Relationship management
	Enterprise Risk Management (ERM) Process	<ul style="list-style-type: none"> • Internal environment • Setting objectives • Risk identification • Risk assessment • Risk response strategy • Control activities • Monitoring and evaluation of Enterprise Risk Management (ERM) effectiveness

SECTION 4

Behavioural and Core Competencies

4.1 Introduction

This section of the document deals with the competencies imported from other frameworks. It lists in tabular form the detail of the behavioural and core competencies regarded as essential to the successful execution of various tasks in the financial management field.

4.2 Behavioural Competencies Dictionary

The behavioural competencies related to public financial management have been adopted from the Competency Framework for Human Resource Management and Development which was developed by the DPSA.

The behavioural competencies are as follows.

Competency Title	Emotional self awareness
Definition	The ability of an individual to recognize he's/her own emotions and their effects. Being able to recognize how emotions affect one's work performance.
Desired attributes	<ul style="list-style-type: none"> • Is aware of own feelings • Knows why feelings occur • Understands implications of own emotions

Competency Title	Self Confidence
Definition	The ability to believe in one's ability to accomplish a task and acknowledgement that one is the best for the job.
Desired attributes	<ul style="list-style-type: none"> • Demonstrates confidence in oneself and in one's ability to do work and render professional service • Presents him/herself in an assured and unhesitating manner • Stands out in a group • Believes he/she is among the most capable for a job

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Competency Title	Emotional self control
Definition	The ability to keep one's needs and emotions under control. It is being able to restrain negative actions when provoked and faced with opposition or hostility from others, or when working under pressure.
Desired attributes	<ul style="list-style-type: none"> • Plans and conducts work effectively to avoid stress and identifies stress related behaviour promptly • Displays impulse control and self discipline • Stays balanced and positive, even in trying moments

Competency Title	Trustworthiness
Definition	The ability to take action that is consistent with what one says and values that are displayed. It includes communicating intentions, ideas and feelings openly and directly and welcoming openness and honesty in others.
Desired attributes	<ul style="list-style-type: none"> • Build a relationship of trust with colleagues and clients • Is authentic ("what you see is what you get") • Takes tough, principled stands, even if they are unpopular • Confronts unethical action in others

Competency Title	Conscientiousness
Definition	The ability to take responsibility for personal performance and working in a meticulous and organized manner.
Desired attributes	<ul style="list-style-type: none"> • Follows through on commitments and promises • Is meticulous in his/her work • Displays attention to detail • Will complete a task even whilst experiencing challenges without being constantly reminded

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Competency Title	Adaptability/Flexibility
Definition	The ability and willingness to be flexible, to adapt to and work effectively within a variety of changing situations and with various individuals and groups.
Desired attributes	<ul style="list-style-type: none"> • Is adaptive to different working arrangements, people and environments and sustains service delivery within a changing environment • Effectively copes with multiple demands • Willingness to change own ideas or perceptions on the basis of new information or evidence • Easily handles shifting priorities and rapid change • Adapts plans, behaviour, or approaches to fit major changes in situations

Competency Title	Achievement Drive
Definition	The ability to show concern for working towards a standard of excellence. This standard may be a personal need to improve one's performance over past accomplishments or wanting to surpass one's greatest achievement.
Desired attributes	<ul style="list-style-type: none"> • Anticipates obstacles to a goal • Takes calculated risks • Sets measurable goals • Works towards a standard of excellence and continuous improvement

Competency Title	Initiative
Definition	The ability to identify a problem, obstacle or opportunity, act upon it; and be willing to be held accountable for one's own actions and ideas.
Desired attributes	<ul style="list-style-type: none"> • Acts rather than waits for someone to give direction • Seeks information in innovative ways • Consistently strives to perform better at all times, experience new challenges as opportunities • Shows a high level of creativity • Volunteers for additional responsibility

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Competency Title	Empathy
Definition	The ability to understand other people. To hear and understand accurately unspoken or partly expressed thoughts, feelings and concerns of others. This competency also includes a measure of cross-cultural sensitivity.
Desired attributes	<ul style="list-style-type: none"> • Accurately reads people's moods or nonverbal cues • Respects and relates well to people of diverse backgrounds • Listens attentively to others • Render service in a manner that demonstrates compassion

Competency Title	Organisational Awareness
Definition	The ability to act with an understanding of the department, government processes and the "power" relationship in one's own group or department and to identify the decision makers in the department.
Desired attributes	<ul style="list-style-type: none"> • Understands the department and government structures, processes and inherent limitations • Accurately perceives key power relationships in groups or the department • Understands the different values and cultures of others and how those affect the way people act and behave • Understands how to interact with senior officials and management

Competency Title	Service Orientation
Definition	The ability of an individual to be driven by the desire to help or serve others (within the department or the public) in order to meet their needs. This competency is not just labour reacting to requests of others; it's about being proactive in providing the best service with limited resources and to make it as pleasant as possible putting the customer at ease.
Desired attributes	<ul style="list-style-type: none"> • Is familiar with the Batho Pele principles and constantly strive to apply these principles • Obtains understanding of other's needs and requirements • Matches his/her services as far as possible to others' needs • Makes him/herself available to assist others

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Competency Title	Developing Others
Definition	The ability to foster the long-term learning or development of others. Its focus is on the developmental intent and effect rather than on the formal role of training.
Desired attributes	<ul style="list-style-type: none"> • Assists others to identify developmental needs and possible interventions to address the needs • Mentors or coaches others • Recognizes specific strengths in others • Fosters continuous learning and development of others

Competency Title	Conflict Management
Definition	The ability to handle difficult individuals, groups of people, or tense situations with diplomacy and tact. This competency entails focusing on the issues rather than the people and working to eliminate the bad feelings.
Desired attributes	<ul style="list-style-type: none"> • Brings disagreement out in the open • Helps other to work through conflicts and find solutions • Communicates the positions of those involved in a conflict to all concerned • Is objective when attending to conflict situations

Competency Title	Team Work and Collaboration
Definition	The ability to work cooperatively with others, being part of a team, and working together.
Desired attributes	<ul style="list-style-type: none"> • Maintains collaborative working relationships • Builds team identity and spirit • Promotes a friendly and cooperative climate in groups or the organisation • Has positive expectations of the team • Has the ability to influence and motivate others to achieve targets

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Competency Title	Influencing Others
Definition	The ability to persuade, convince, or impact others to support a particular plan or idea.
Desired attributes	<ul style="list-style-type: none"> • Uses persuasion techniques in a discussion or presentation • Anticipates how people will respond to issues • Knows how to propose concrete solutions

Competency Title	People Orientation
Definition	The ability to honour the dignity of individuals irrespective of their positions.
Desired attributes	<ul style="list-style-type: none"> • Has empathy and concern for others • Seeks to empower others and generate opportunities for growth and development • Only looks at the merit of individuals and remains unbiased • Is polite, leads by example and encourages others through positive reinforcements

Competency Title	Valuing Diversity
Definition	The ability to acknowledge and recognize the existence of diversity in the workplace and management thereof.
Desired attributes	<ul style="list-style-type: none"> • Knows and understands diversity in people • Able to value diversity in the course of providing a service and relating with clients and colleagues alike • Works effectively and co-operatively with people of diverse intellectual/physical capabilities or racial, cultural and gender backgrounds in order to create, participate in and promote harmonious and supportive relationships with others • Shows tolerance for different behaviours, practices and attitudes of others stemming from their social, gender, cultural and religious backgrounds

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Competency Title	Honesty
Definition	The ability of an individual to display and build the highest standards of ethical and moral conduct in order to promote confidence and trust in the public service.
Desired attributes	<ul style="list-style-type: none"> • Is open and transparent when dealing with people, management and departmental resources • Is incorruptible, principled and truthful to themselves and others • Is able to accept where mistakes have been made and is committed to rectifying them and work towards avoiding doing the same in the future

Competency Title	Punctuality
Definition	The ability to complete a required task or fulfil an obligation before or on a previously designated time.
Desired attributes	<ul style="list-style-type: none"> • Keep to agreed times and dates • Carries out designated tasks accurately and timeously • Adheres to working hours • Is available for appointments as agreed

Competency Title	Responsiveness
Definition	The ability to readily react to suggestions, influences, appeals and/or efforts in an appropriate manner
Desired attributes	<ul style="list-style-type: none"> • Responds promptly and sensitively to the service and personal needs of the client • Embrace the spirit of Batho Pele • Go the extra mile in addressing the delivering of services as fast as possible whilst observing establish prescripts governing finance in the public services • Remain cordial and calm when under pressure to respond

4.3 Core Competencies Dictionary

The core competencies related to public financial management have been adopted from the SMS Core Competency Framework and the Generic Skills identified jointly by the HR Connect and CBMFM projects.

The Core Competencies have been categorised into two clusters:

- SMS Core Competencies
- Generic Competencies

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4.3.1 SMS Core Competencies

Competency Title	Definition
Service Delivery Innovation	Champions new ways of delivering services that contribute to the improvement of organisational processes in order to achieve organisational goals.
Client Orientation and Customer Focus	Willing and able to deliver services effectively and efficiently In order to put the spirit of customer service (Batho Pele) into practice.
Change Management	Initiates, supports and champions organizational transformation and change in order to successfully implement new initiatives and deliver on service delivery commitments
Communication	Exchanges information and ideas in a clear and concise manner appropriate for the audience in order to explain, persuade, convince and influence others to achieve the desired outcomes.
Knowledge Management	Obtains, analyses and promotes the generation and sharing of knowledge and learning in order to enhance the collective knowledge of the organisation.
Problem Solving and Analysis	Systematically identifies, analyses and resolves existing and anticipated problems in order to reach optimum solutions in a timely manner.
Strategic Capability and Leadership	Provides a vision, sets the direction for the organization and/or unit and inspires others to deliver on the organisational mandate
Programme and Project Management	Plans, manages, monitors and evaluates specific activities in order to deliver the desired outputs and outcomes.
Financial Management	Compiles and manages budgets, controls cash flow, institutes Enterprise Risk Management (ERM) and administers tender procurement processes in accordance with generally recognised financial practices in order to ensure the achievement of strategic organisational objectives.
People Management and Empowerment	Manages and encourages people, optimises their outputs and effectively manages relationships in order to achieve organisational goals.
Honesty and Integrity	Displays and builds the highest standards of ethical and moral conduct in order to promote confidence and trust in the Public Service.

4.3.2 Generic Competencies

The generic Competencies have been categorised into four skills categories;

- Management Skills
- Communication Skills
- Computer Skills
- Customer Service Skills

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Competency Title	Definition
MANAGEMENT SKILLS	
Applied Strategic Thinking	Define and align the work-unit's responsibilities with the entirety of the organisation's short- and long-term goals and objectives.
Technology Applied	Utilise management information systems and other technological resources that meet the business unit's needs
Financial Management	Manage the budgetary and in year monitoring process (prepare, implement allocated budget & monitor expenditure) and ensure the use of internal financial controls in accordance with relevant legislative framework.
Continuous Improvement	Monitor and assess work processes and output, and recommend / initiate improvements.
Developing Others	Help people to identify areas for development and encourage/support them to utilise development opportunities.
Diversity Management	Value cultural and other differences and foster an environment in which people can work together.
Change Management	Identify and explain the changes required to improve operations, and obtain support from stakeholders to participate in implementing them.
Information Management	Collect, analyse and translate data and information into knowledge (policies and standard operating procedures) for current and future problem-solving and decision-making.
Materials or Facilities Utilisation	Materials, facilities and equipment required for job specific output are planned for, maintained and replaced in time.
Conflict Resolution	Bring others together and try to reconcile differences.
Problem Analysis	Identify and explain the causes and impact of a problem.
Problem Solving and Decision Making	Consider all possible solutions to a problem, select the best and apply it.
Work Output Planning	Identify and prioritise work specific goals and organise resources to achieve them.
Team Work	Individual behaviour contributes positively to the relations in the team and its performance.
Enterprise Risk Management (ERM)	Identify, assess and prioritise risks and determine how best to minimise, monitor and control the probability and/or impact.
Benchmarking	Evaluate internal processes and practices against identified best practices and standards.
Procurement	Procure goods and services on behalf of the organisation in accordance with departmental policies and procedures.
Governance	Maintain a structured and transparent operating environment through the development and implementation of policies, procedures, delegations of authority and rules of conduct.
Document Management	Implement and maintain systems to track, store and safeguard records that are indexed and retrievable.

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Promote Honest Conduct	Display and build high standards of ethical and moral conduct in order to promote confidence and trust in the public service
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COMMUNICATION SKILLS	
Listening	Listen to others and ask relevant questions to make sure that one understands the other
Basic Business Writing	Write basic business documents (such as completing forms, templates, e-mails, memos and internal letters) in a way that others understand.
Advanced Business Writing	Write advanced business documents (such as information briefs, reports, submissions and parliamentary reports) that require some level of interpretation of data in a way that others understand.
Minute Taking	Record the proceedings, discussion and decisions of a meeting in minutes of a meeting.
Chair meetings	Facilitate/chair meetings in a manner that ensure achievement of meeting objectives.
Public Speaking	Prepare and deliver clear and effective oral presentations to individuals and groups regarding work-unit or organisational issues.
Facilitation of Groups	Apply appropriate facilitation tools and techniques to enhance group interaction and achievement of goals.

COMPUTER SKILLS	
MS Excel	Edit and utilise MS Excel Spreadsheets.
MS PowerPoint	Prepare and use MS PowerPoint in presentations.
Software programmes	Use job specific software programmes.
MS Outlook	Utilise MS Outlook to manage or plan projects.
MS Word	Utilize MS Word to produce and edit documents.

CUSTOMER SERVICES SKILLS	
Determine Customer Needs	Interact with internal and external customer in order to ensure a common understanding of the issues or queries to be resolved or service required.
Manage Customer Expectations	Clearly define services available to address and manage customer expectations.
Address Customer Needs	Actively look for ways to solve customer problems and to address needs and expectations.
Evaluate Customer Service	Monitor and evaluate customer feedback and take corrective action (if required).

SECTION 5

The Technical Competencies

5.1 Introduction

This section of the document deals with the technical competencies developed specifically for financial management which it looks at in much greater detail than was intended in Section 3. It then goes on to outline the technical competencies themselves which are unique to various types of financial management specialism's found in the government sector. These competencies are the ones which are regarded as essential to the successful execution of various tasks in the financial management field.

5.2 Definition

The definition of the competencies is "those unique competencies that are relevant to a specific job and which differ according to the content of the job". This definition has two important implications. First, it draws a distinction between *job-specific* competencies and what have been defined earlier as *generic* competencies – competencies which are commonly found across a wide range of jobs. Secondly, it also makes clear that the competences required of financial management specialists vary significantly according to the role they are playing in two respects:-

- the technical content of the work being carried out: and
- The level of responsibility at which it is being carried out.

To create a competencies Framework which meets the needs of all employees exercising specialist financial management skills therefore requires an analysis which reflects these two distinctions – differences in function; and differences in levels of responsibility. The arguments for these distinctions were explored previously in sub-sections 2.3 and 2.4 above.

5.3 Knowledge Requirements

Sub-section 2.2 above set out a list of the underpinning legal and regulatory knowledge which influenced the development of the Framework. However, the knowledge specified there runs right across all public financial management functions and in all but a very small number of cases is not specific to any one function or level of responsibility. It has therefore been essential as part of the competency development process to specify in more detail how these knowledge requirements impact on the competency requirements in three respects:-

- the application of particular elements of knowledge and understanding to specific functions (e.g. to which functions is the Division of Revenue Act relevant) ;
- the level of detail required (e.g. which sections of the Public Finance Management Act apply to which tasks);
- the depth of knowledge needed for successful completion of the task (eg how comprehensive an understanding of particular Treasury Regulations does an employee require).

To deal with this matter, the knowledge requirements have been applied in the same way as the occupational roles and defined at four levels. In general the intention is that the depth of knowledge and understanding required is directly related to the equivalent occupational level

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(an employee at occupational level 3 would be expected to possess applicable knowledge and understanding at level 3 in the knowledge hierarchy). In general this is the case, but in some circumstances the specified level of knowledge does differ from the occupational role where a greater or lesser degree of understanding is deemed to be necessary than would normally be applied for that occupational role. This situation is particularly prevalent in the accounting functions.

To assign particular knowledge requirements to specific occupational and functional roles it is essential to define what constitutes each level of knowledge/ understanding. The following table sets out the definitions.

Knowledge Descriptors	
Knowledge level 1	Requires a working knowledge with a practical understanding to be applied in straightforward circumstances
Knowledge level 2	Requires a working knowledge with a good understanding to be applied in circumstances of limited complexity
Knowledge level 3	Requires a thorough knowledge with an in-depth understanding to be applied in complex circumstances
Knowledge level 4	Requires an expert knowledge with a comprehensive understanding to be applied in highly complex circumstances

5.4 Assumptions Underlying the Dictionaries

The following assumptions were made and apply to all technical dictionaries in the Framework.

- All dictionaries were assumed to apply to a “generic department”. This was necessary due to the different sizes and organisation structures applicable to national and provincial departments – see paragraph 2.3 above.
- Internal Audit and Enterprise Risk Management (ERM) units are likely to report outside the span of the Chief-Financial Officer’s office - see paragraph 2.3 above.
- All dictionaries specify minimum requirements for the fully competent discharge of a task. They do not necessarily reflect what is happening at present.
- There is generally a direct relationship between the level of knowledge and the occupational role. In other words, the higher the level of seniority of the employee the greater will be both the level of skill and the extent and depth of knowledge required.
- At the same time, it has been recognised that in some instances incumbents in particular roles may need a greater (or lesser) degree of knowledge than would normally be expected at that level – where this situation has been identified it has been allowed for in the knowledge statements in the dictionaries.
- The current basis of accounting (modified cash basis) will not be replaced in the near future. This assumption was necessary because a change to accruals accounting would have a marked effect on the content of some dictionaries.
- The policy and oversight roles of National and Provincial Treasury Departments are excluded from the dictionaries.

- Trading entities, which must follow the accruals basis of accounting, were excluded from the dictionaries until a later stage in the development process.
- The sequence of sub-functions in National Treasury frameworks has been followed in the CFFM. Where no such frameworks have been published, the sequence followed in the Treasury Regulations was applied.

5.5 Limitations in the Scope of the Dictionaries

The following limitations in the scope of the Framework should be noted.

- All posts in the financial management/Internal Audit/Enterprise Risk Management (ERM) functions have been collapsed into four occupational roles (see sub-section 2.4 above). The result is to generalise certain competencies, but by doing this the complexity of the Framework is substantially reduced without a significant loss in its accuracy.
- The Framework covers staff within the office of the CFO, and in Internal Audit and Enterprise Risk Management (ERM). The definition of the ten dictionaries was aligned to the generic functional structure as presented in sub-section 2.3 above.

5.6 Explaining the Dictionaries

Apart from the common Legislative Environment competency (see 5.7 below), all competency clusters and competency titles are determined by the requirements of the function itself. Each dictionary has been developed by reference to the requirements of the function to which it refers and has been researched and structured in accordance with the principles set out in this paper. In order to assist users of the individual dictionaries, an explanatory note has been drafted for each dictionary which sets out:-

- how the dictionary was developed,
- the definition and scope of the dictionary,
- any assumptions made in creating the dictionary,
- a description of the structure of the dictionary,
- summary definitions of the terminology used in respect of the knowledge, skills and competencies contained in the dictionary, and
- a note on the use and implications of generic competencies.

The narrative section of the introductory note is supplemented by three tables:-

- Table 1 – detailed definitions of terms used in the dictionary,
- Table 2 – the structure of the dictionary (competency clusters and competency headings) and occupational levels to which they each relate,
- Table 3 – a summary of the general and background knowledge required for the dictionary divided between:-
 - financial legislation,
 - other legislation,
 - internal regulations and guidance.

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- external standards and guidance, and
- other relevant knowledge.

Copies of all eleven explanatory notes are attached as appendices to this report.

5.7 Structure and Content of the Dictionaries

All eleven dictionaries have a common format which is summarise in the table below.

Description	Definition
Competency Cluster	High level segment of the function.
Competency Title	A short description defining the specific competency of the sub component.
Specific Knowledge Statement	A specification of the underpinning knowledge required under each competency title
Knowledge Specification	Statements of the level of knowledge/understanding required under each occupational role within each Competency Title. (Where no occupational role is detailed under an individual competency title, no knowledge statement is specified.)
Skills Requirement	Statement of the skills required within each occupational role and competency title.
Skills Specification	Statements of the competencies required under each occupational role within each Competency Title. (Where no occupational role has been identified under an individual competency title, no competency statements are specified.)

Each competency dictionary is presented in a detailed (standalone) format and defines the relevant **skills and knowledge** required to perform the specific functions for the relevant occupational role. The dictionaries are stored electronically in an Access database – hard copies in pdf format are attached to this document as Appendices 10 to 18.

There is one component which is common to all eleven (11) dictionaries - the opening competency cluster entitled 'Legislative Environment'. In each case it is divided into two competency titles:-

- legislative regulatory framework,
- departmental policies and procedures.

The following issues should be noted about this competency cluster.

- The Knowledge Component for this competency cluster has been standardised for all technical dictionaries as it applies to them all in the same way.
 - Competency Title : Legislative regulatory framework
 - Competency Definition: This is the ability to understand, interpret and apply relevant legislation, national policies, regulations, frameworks and guidelines.

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- Competency Title: Departmental policies and procedures
- Competency Definition: This is the ability to develop and implement relevant departmental policies and procedures

- The Knowledge Component for the Competency Title: Departmental Policies and Procedures for all dictionaries have been divided into 3 knowledge areas for all frameworks:
 - departmental policies and procedures,
 - delegations of authority,
 - principles of internal control (where relevant).

- The Skills description for the Legislative Environment competency will be the same for all the dictionaries, except in context; e.g.
 - Occupational Level 1: Perform Management Accounting (Planning and Budgeting) activities in compliance with all relevant legislation and national policies, regulations, frameworks and guidelines.
 - Occupational Level 2: Check compliance with legislation and national policies, regulations, frameworks and guidelines applicable to Management Accounting (Planning and Budgeting).
 - Occupational Level 3: Monitor compliance with all legislation, regulations, frameworks and guidelines applicable to Management Accounting (Planning and Budgeting).
 - Occupational Level 4: Manage compliance with all legislation, regulations, frameworks and guidelines applicable to Management Accounting (Planning and Budgeting).

- The Skills Description for Departmental Policies and procedures will be the same for all the dictionaries, except in context; e.g.:
 - Occupational Level 1: Implement Management Accounting (Planning and Budgeting) policies and procedures.
 - Occupational Level 2: Supervise Management Accounting (Planning and Budgeting) policies and procedures.
 - Occupational Level 3: Develop and review Management Accounting (Planning and Budgeting) policies and procedures.
 - Occupational Level 4: Analyse and manage Management Accounting (Planning and Budgeting) policies and procedures.