

PFM

COMPETENCY MODEL

PROFESSIONALIZING THE PFM WORKFORCE



The PFM Competency Model is a whole-of-government approach to building capacity of people and organizations to support reforms and sustain effective Public Financial Management practices. It sets out the behavior, attitudes, skills and knowledge (BASK) that staff with PFM responsibilities should possess in order to perform effectively in their jobs, exemplifying the values of transparency, accountability and service to the public.

PURPOSE

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. To make this system effective, each government agency must nurture and invest in the development of people who use and manage this system.

The PFM Competency Model provides a common language on how Government will nurture its talents toward building a **strong backbone** for effective PFM in oversight and implementing agencies. Individually, agencies will benefit from the PFM Competency Model for it is designed to build on their specific organizational and business competencies. The model can guide them on how to recruit, train and keep people entrusted with financial management decisions and day-to-day financial operations critical to the agency's effective delivery of programs to the public.

Initially, the PFM Competency Model will be used to design and implement a progressive competency-based learning program for retraining and retooling of staff with technical functions in budgeting, procurement, cash management, accounting, and auditing. It will also help prepare staff to meet future demands of working in an automated PFM environment using Government Integrated Financial Management Information System (GIFMIS) tools.

STATUS

The PFM Competency Model design was completed in November 2013 with the active participation of Civil Service Commission, COA, DBM, DOF, BTr, Bureau of Internal Revenue, Government Procurement Policy Board, Department of Education, Department of Environment and Natural Resources, Department of Public Works and Highways and the Armed Forces of the Philippines.



The PFM Committee is composed of senior officials from the Commission on Audit (COA), Department of Budget and Management (DBM), Department of Finance (DOF) and Bureau of the Treasury (BTr). Executive Order No. 55 s. 2011 mandates the Committee to oversee the integration and automation of government financial information systems, and implement the PFM Roadmap, with support from the PFM Program Management Office. This PFM Competency Model is a key initiative of the Capacity Building Project Implementation Unit (CBPIU).

This competency model was developed with support from the Philippines-Australia PFM Program and technical assistance of the WYG International and the Chartered Institute of Public Finance and Accountancy (CIPFA), a global practice leader in the field of public finance education and training.

Building Competencies for Effective PFM Practices

The PFM Competency Model

Improving standards for recruitment, selection, training, performance management and career progression in PFM

Common PFM Competencies for all PFM Practitioners

1. Maintaining PFM Understanding
2. Applying Internal Control
3. Use of IT to Manage Public Finances
4. Effective Collaboration/Relationship Management



Budget Competencies	Procurement Competencies	Cash Management Competencies
<ol style="list-style-type: none"> 1. Fiscal Planning and Budget Allocation 2. Preparation of Budget Plans and Annual Budget Submissions 3. Participation in Budget Hearings and Approval Procedures 4. Oversight of Budget Execution 5. Implementation of Budget Execution 6. Ensuring Desirable Budget Outcomes 	<ol style="list-style-type: none"> 1. Organizational and Procurement Planning 2. Market Analysis and Category Management 3. Operating within Government Procurement Systems 4. Awareness of Financial and Economic Aspects of Procurement 5. Supplier Management and Contract Management 6. Procurement Negotiation and Negotiation Skills 7. Inventory Management and Stock Control 	<ol style="list-style-type: none"> 1. Preparation of Expenditure Program (Profile) 2. Preparation of Revenue Program (Profile) 3. Management of Accounts Payable 4. Management of Accounts Receivable 5. Liquidity, Debt and Investment Management
Accounting Competencies	Auditing Competencies	
<ol style="list-style-type: none"> 1. Transaction Processing 2. Accounts Reconciliation 3. Accounting for Current Assets and Current Liabilities 4. Accounting for Non-Current Assets 5. Accounting for Debt and Other Liabilities 6. Preparation of Interpretation of Financial Statements and Reports 	<ol style="list-style-type: none"> 1. Establishing and Maintaining Stakeholder Focus 2. Audit Planning 3. Conducting Audit Assignments 4. Auditing an Automated Environment 5. Communicating the Results of Audit Work to Stakeholders 6. Maintaining Effective Audit Services 7. Management of Audit Performance 8. Continuous Improvement of Audit Quality 	

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.

PFM Common and Technical Competencies

The PFM Common Competencies sets out the desired behavior, attitudes, skills and knowledge (BASK) for staff with PFM responsibilities at all levels of the organization. Technical Competencies are grouped into frameworks specific to technical functions – Budget, Procurement, Cash Management, Accounting and Auditing.

- Behavior - a specific action taken by an individual to achieve predetermined outcome
- Attitude - a relatively enduring predisposition to view people, places, things or events in a particular way
- Skill - the learned ability to carry out a predefined process; show what can be done
- Knowledge – factual information gained by a person through experience or a course of study

Uses of PFM Competency Model

The PFM Competency Model is aligned with the core and leadership competencies defined by the Civil Service Commission. Government agencies can use the Model by integrating it with their HR policies and practices and existing organizational competencies to strengthen their recruitment and selection processes, career development, and workplace learning and performance (WLP) improvement programs.

FOR INFORMATION

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The Model is supported by a PFM Competency Dictionary providing the definition and characteristics of competencies benchmarked against international best practices in PFM, and a report on priority competency gaps that will be addressed through a Practical PFM Training program to be designed and piloted in 2014.