

II. CREATION OF A COMPETENCIES GUIDE

1. Defining the fields of knowledge and know-how

Banking professions call for both specific and global competencies. These competencies, constituting the knowledge and know-how necessary to carry out banking activities, have been the object of in-depth studies.

Over their years of professional experience, the Leonardo partners have identified and defined the different fields in the professional banking sector.

2. Description of these fields

We have defined 20 established fields.

Each field is described in terms of specific knowledge and know-how required.

2.1 The Twenty fields (knowledge and know-how)

1 European economic, banking and financial environment

2 Markets and banking techniques, products and services

3 Financial markets and techniques

4 Financial and economic company analysis

5 Taxation

6 Law

7 Mathematics and statistics

8 Trade and negotiation techniques

9 Accounting

10 Budget and planning techniques

11 Computer techniques

12 Security

13 Organisation techniques and administrative methods

14 Preparing information and documentation

15 Marketing

16 Training

17 Staff management

18 Human resources management

19 Knowledge of the company

20 Communication.

2.2. Description of the fields

1 European economic, banking and financial environment

Knowledge of the structure, the operations and the specifics of economic, banking and financial systems.

2 Markets and banking techniques, products and services

Knowledge and techniques used in conception, realisation, sale, management of commitments, resources and other banking services.

3 Financial markets and techniques

Knowledge and techniques used to estimate financial markets and in the conception, realisation, sale and management of financial products, including the use of associated instruments to cover risk (e.g. liquidities risks, currency risk, interest rate risk, counterparty risk).

4 Financial and economic company analysis

Economic and financial knowledge and techniques used to estimate the position of an economic partner within the scope of its environment (private individual, firm, number of companies, community, local government) in order to determine the feasibility of an operation.

5 Taxation

Knowledge and techniques in tax law used in every operation including tax incidence (for the bank itself and for the clients).

6 Law

Knowledge and techniques connected with the corpus of rules and norms (especially in civil law, commercial law) used in every operation in which the bank is directly or indirectly engaged.

7 Mathematics and statistics

Mathematical knowledge used in operations including the use of numbers, calculation, financial calculation and in processing of statistical data.

8 Trade and negotiation techniques

Knowledge and techniques used in the conception and follow-up of marketing strategies or buying banking products and services.

9 Accounting

Knowledge and techniques relative to classification, registration, regulation of operations needed to follow and control the bank's capital flow and to produce a correct accounting statement for internal and external users.

10 Budget and planning techniques

Knowledge and techniques relative to operations of analysis, optimisation and management of the bank's activities.

11 Computer techniques

Knowledge and techniques relative to the conception, design, implementation, use and maintenance of computer technology.

12 Security

Knowledge and techniques relative to the conception, realisation, management, maintenance, control, and use of security operations and procedures pertaining to people and information procedures.

13 Organisation techniques and administrative methods

Knowledge and techniques relative to diagnosis, conception, realisation, control, appraisal, optimisation of methods, procedures and administrative operations.

14 Preparing information and documentation

Knowledge and techniques used to handle, select, share and distribute information.

15 Marketing

Knowledge and techniques used to adapt the product offer to the markets in order to maintain the commercial pressure and increase the bank's profit.

16 Training

Knowledge and techniques used to identify the training needs and to develop, carry out and supervise training procedures.

17 Staff management

Knowledge relative to the organisation of both individual and collective professional relations between the bank management staff and its employees, and the techniques used in personnel management.

18 Human resources management

Knowledge and techniques used to define provide for the bank's needs in terms of human resources (present or future, qualitative and quantitative).

19 Knowledge of the company

Knowledge of the company: its culture, products, history, future, organisation, environment which allows the bank to adapt and optimise its mission and operational methods.

20 Communication

Knowledge and techniques used to communicate verbally and in writing.

3. Definition of the skill levels for each field of activity

In professional practice the degree of knowledge and know-how required by the different fields defined varies greatly.

Studies have defined a six-level skill differentiation approach. Our definition of skill levels - from the most basic to the most complex are based on the results of these studies.

Each of these levels is logical within a learning process which goes from no knowledge required to expert level.

3.1. Six Levels

These levels correspond to the learning process :

0 No knowledge of the field in question is necessary.

1 The common words are known, but cannot be precisely defined. The tasks are simple, elementary and perfectly defined.

2 There is an accurate understanding of the everyday vocabulary. The simple procedures are mastered.

3 The professional knowledge and know-how are mastered. There is a capacity for analysis, diagnosis, choice within familiar situations and procedures.

4 There is a theoretical and global mastery of the concepts in this field. In a familiar environment, every situation, even a complex one, can be handled with a methodological approach

5 Complete mastery of the given field, the ability to solve any complex situation with innovative solutions that may concern the whole organisation.

6 Expert level : Questioning existing concepts and the creation of new ones

A complex level automatically indicates knowledge of all of the more basic competencies.

In each field there is a description of professional behaviourism corresponding to each level which gives the extent of the knowledge and know-how involved and an indication of the level of difficulty.

The first task was to describe the skill levels according to a given field.

To do this, each project associate observed present day practices and collected information.

3.2. Study of the skill - Reference system

Guide to the method

3.2.1 The Leonardo partners role

Each Leonardo partner must set up a project group in the banks.

The mission of the project group members is to co-ordinate and to lead working sessions, in order to define and describe the competencies which are important at each level in the different fields.

3.2.2 Working procedure

a/ Phase 1 : Constitution of the project group

Six members constitute the project group :

- the Leonardo partner, as the leader,
- five representatives of the bank's main head-offices.

At the first meeting, the Leonardo partner defines the role and the contribution expected of each member.

He describes the method and organises the timetable.

At this point, each member of the project group chooses three skill profiles they will work on.

It is recommended that they not choose their own field of skill, to avoid focusing on specialised technical activities.

b/ Phase 2 : Information gathering

For each area of activity, the project group members organise a work group including two professionals who are non specialised in the given field.

Then, the work group members bring together several professionals of the field in question and define the competencies appropriate to each level with them.

It is important to mix specialists and non specialists of the different fields in order to obtain a more global point of view.

We enclose a questionnaire, which is designed to help the groups in their work.

c/ Phase 3 : Evaluation of the results

At the last meeting of the project group, each member presents the work done to the other members of the group.

The project group checks the accuracy and evaluates the competencies required at each level in the different fields of activity.

4. Establishing the fields of activity and levels, and applying the criteria to two specific job descriptions

Based on the results of studies and standards developed by the CFPB a competencies reference guide has been developed.

(see annexe)

To check the exactitude of these skill levels we decided to apply them to two specific job descriptions: Branch Manager and Bank Teller.

These jobs were chosen because they both involve a high number of banking personnel and are likely to undergo major change in the future.

4.1. Position : Branch Manager

For each field, the group assigned a potential competency level requirement.

| FIELDS | Level |
|---|--------------|
| 1 EUROPEAN ECONOMIC, BANKING AND FINANCIAL ENVIRONMENT | 3 |
| 2 MARKETS AND BANKING TECHNIQUES, PRODUCTS AND SERVICES | 4 |
| 3 FINANCIAL MARKETS AND TECHNIQUES | 3 |
| 4 FINANCIAL AND ECONOMIC FIRM ANALYSIS | 3 |
| 5 TAXATION | 4 |
| 6 LAW | 3 |
| 7 MATHEMATICS AND STATISTICS | 3 |
| 8 TRADE AND NEGOTIATION TECHNIQUES | 4 |
| 9 ACCOUNTING | 4 |
| 10 BUDGET AND PLANNING TECHNIQUES | 3 |
| 11 COMPUTER TECHNIQUES | 2 |
| 12 SECURITY | 3 |
| 13 ORGANISATION TECHNIQUES AND ADMINISTRATIVE METHODS | 3 |
| 14 PREPARING INFORMATION AND DOCUMENTATION | 3 |
| 15 MARKETING | 4 |
| 16 TRAINING | 4 |
| 17 STAFF MANAGEMENT | 4 |
| 18 HUMAN RESOURCES MANAGEMENT | 3 |
| 19 KNOWLEDGE OF THE COMPANY | 5 |
| 20 COMMUNICATION | 4 |

4.2. Position : Teller/Cashier

| FIELDS | Level |
|---|--------------|
| 1 EUROPEAN ECONOMIC, BANKING AND FINANCIAL ENVIRONMENT | 2 |
| 2 MARKETS AND BANKING TECHNIQUES, PRODUCTS AND SERVICES | 2 |
| 3 FINANCIAL MARKETS AND TECHNIQUES | 2 |
| 4 FINANCIAL AND ECONOMIC FIRM ANALYSIS | 1 |
| 5 TAXATION | 1 |
| 6 LAW | 1 |
| 7 MATHEMATICS AND STATISTICS | 1 |
| 8 TRADE AND NEGOTIATION TECHNIQUES | 2 |
| 9 ACCOUNTING | 2 (3) |
| 10 BUDGET AND PLANNING TECHNIQUES | 1 |
| 11 COMPUTER TECHNIQUES | 2 |
| 12 SECURITY | 2 |
| 13 ORGANISATION TECHNIQUES AND ADMINISTRATIVE METHODS | 1 |
| 14 PREPARING INFORMATION AND DOCUMENTATION | 2 |
| 15 MARKETING | 1 |
| 16 TRAINING | 2 |
| 17 STAFF MANAGEMENT | 1 |
| 18 HUMAN RESOURCES MANAGEMENT | 1 |
| 19 KNOWLEDGE OF THE COMPANY | 3 |
| 20 COMMUNICATION | 3 |

These potential job profiles were then examined in different countries, by groups of top quality professionals employed in these jobs and also by groups of direct hierarchical managers and experts (such as trainers, consultants and specialists in the domain).

Evaluation : Position Branch Manager

| Level | FIELDS | | | |
|---|--------|---|---|------|
| | G | D | S | I(*) |
| 1 EUROPEAN ECONOMIC, BANKING AND FINANCIAL ENVIRONMENT | 3 | 3 | 2 | 3 |
| 2 MARKETS AND BANKING TECHNIQUES, PRODUCTS AND SERVICES | 4 | 4 | 4 | 4 |
| 3 FINANCIAL MARKETS AND TECHNIQUES | 3 | 3 | 4 | 4 |
| 4 FINANCIAL AND ECONOMIC FIRM ANALYSIS | 4 | 3 | 4 | 4 |
| 5 TAXATION | 3 | 4 | 3 | 3 |
| 6 LAW | 3 | 3 | 3 | 3 |
| 7 MATHEMATICS AND STATISTICS | 3 | 3 | 3 | 2 |
| 8 TRADE AND NEGOTIATION TECHNIQUES | 4 | 4 | 4 | 4 |
| 9 ACCOUNTING 4 4 4 3 | 4 | 4 | 4 | 3 |
| 10 BUDGET AND PLANNING TECHNIQUES | 3 | 3 | 3 | 3 |
| 11 COMPUTER TECHNIQUES | 2 | 2 | 2 | 2 |
| 12 SECURITY | 3 | 3 | 4 | 3 |
| 13 ORGANISATION TECHNIQUES AND ADMINISTRATIVE METHODS | 3 | 3 | 4 | 3 |
| 14 PREPARING INFORMATION AND DOCUMENTATION | 3 | 3 | 4 | 3 |
| 15 MARKETING | 4 | 4 | 4 | 3 |
| 16 TRAINING | 4 | 4 | 3 | 3 |
| 17 STAFF MANAGEMENT | 4 | 4 | 4 | 3 |
| 18 HUMAN RESOURCES MANAGEMENT | 3 | 3 | 3 | 3 |
| 19 KNOWLEDGE OF THE COMPANY | 5 | 5 | 5 | 4 |
| 20 COMMUNICATION | 4 | 4 | 4 | 4 |

(*) G = Greece - D = Denmark - S = Sweden - I = Italy

4.4. Validation - Position : Teller/Cashier

| FIELDS | Level | | | |
|---|-------|---|---|---|
| | G | D | S | I |
| 1 EUROPEAN ECONOMIC, BANKING AND FINANCIAL ENVIRONMENT | 2 | 1 | 0 | 2 |
| 2 MARKETS AND BANKING TECHNIQUES, PRODUCTS AND SERVICES | 2 | 1 | 3 | 3 |
| 3 FINANCIAL MARKETS AND TECHNIQUES | 1 | 1 | 1 | 1 |
| 4 FINANCIAL AND ECONOMIC FIRM ANALYSIS | 1 | 1 | 0 | 0 |
| 5 TAXATION | 1 | 0 | 1 | 0 |
| 6 LAW | 1 | 0 | 2 | 1 |
| 7 MATHEMATICS AND STATISTICS | 1 | 0 | 1 | 0 |
| 8 TRADE AND NEGOTIATION TECHNIQUES | 1 | 2 | 2 | 1 |
| 9 ACCOUNTING | 2 | 2 | 3 | 2 |
| 10 BUDGET AND PLANNING TECHNIQUES | 1 | 1 | 1 | 0 |
| 11 COMPUTER TECHNIQUES | 2 | 2 | 2 | 2 |
| 12 SECURITY | 3 | 2 | 2 | 3 |
| 13 ORGANISATION TECHNIQUES AND ADMINISTRATIVE METHODS | 1 | 1 | 2 | 1 |
| 14 PREPARING INFORMATION AND DOCUMENTATION | 1 | 2 | 3 | 1 |
| 15 MARKETING | 1 | 1 | 2 | 1 |
| 16 TRAINING | 2 | 2 | 2 | 2 |
| 17 STAFF MANAGEMENT | 1 | 1 | 0 | 0 |
| 18 HUMAN RESOURCES MANAGEMENT | 1 | 1 | 0 | 0 |
| 19 KNOWLEDGE OF THE COMPANY | 2 | 2 | 3 | 3 |
| 20 COMMUNICATION | 3 | 2 | 3 | 3 |

The results show a distinct similarity in the levels among the different countries.