

Role Profiling & Assessment as an Organisational Management Tool

John Mahoney-Phillips, Group Head of Human Capital Performance , contributors to this paper

Randal Tajer, Managing Director, UBS Wealth Management Business Banking

Sara Worth, UBS Wealth Management Business Banking

Outline of presentation

- ◆ UBS - key facts and figures
- ◆ Performance management - “should be the key HR sub discipline-a hard assertion to make given the distaste employees and managers have for performance appraisal...HR has some work to do” (Syndicated Research Group report HCS01-03)
- ◆ Assessment Centre Methods Congress and Performance Management - why?
 - Competency based
 - Behaviourally anchored
 - Referenced rating scales
 - Multiple observations (360 built in)
 - Multiple events (all year availability)
 - Developmental and organisational outputs
 - Targeted to specific ‘roles’
 - At last years conference delegates valued the perspective

UBS—A Global, Integrated Financial Services Group

The UBS Financial Services Group:

- Market capitalization of CHF 114 billion (Dec 2000)
- Group assets under management of CHF 2.5 trillion, following the merger with PaineWebber
- Over 70,000 employees globally
- 1999 ROE of 21.2%; 2000 ROE of 24.3%
- 2000 net profit after tax: CHF 7.8 billion
- Shares quoted in Switzerland, London, Tokyo and NYSE
- Risk management excellence -> Superior credit ratings from all major agencies (Fitch/IBCA – AAA/S&P – AA+/Moody's Aa2)

Strategic vision

The pre-eminent global, integrated investment services firm ...

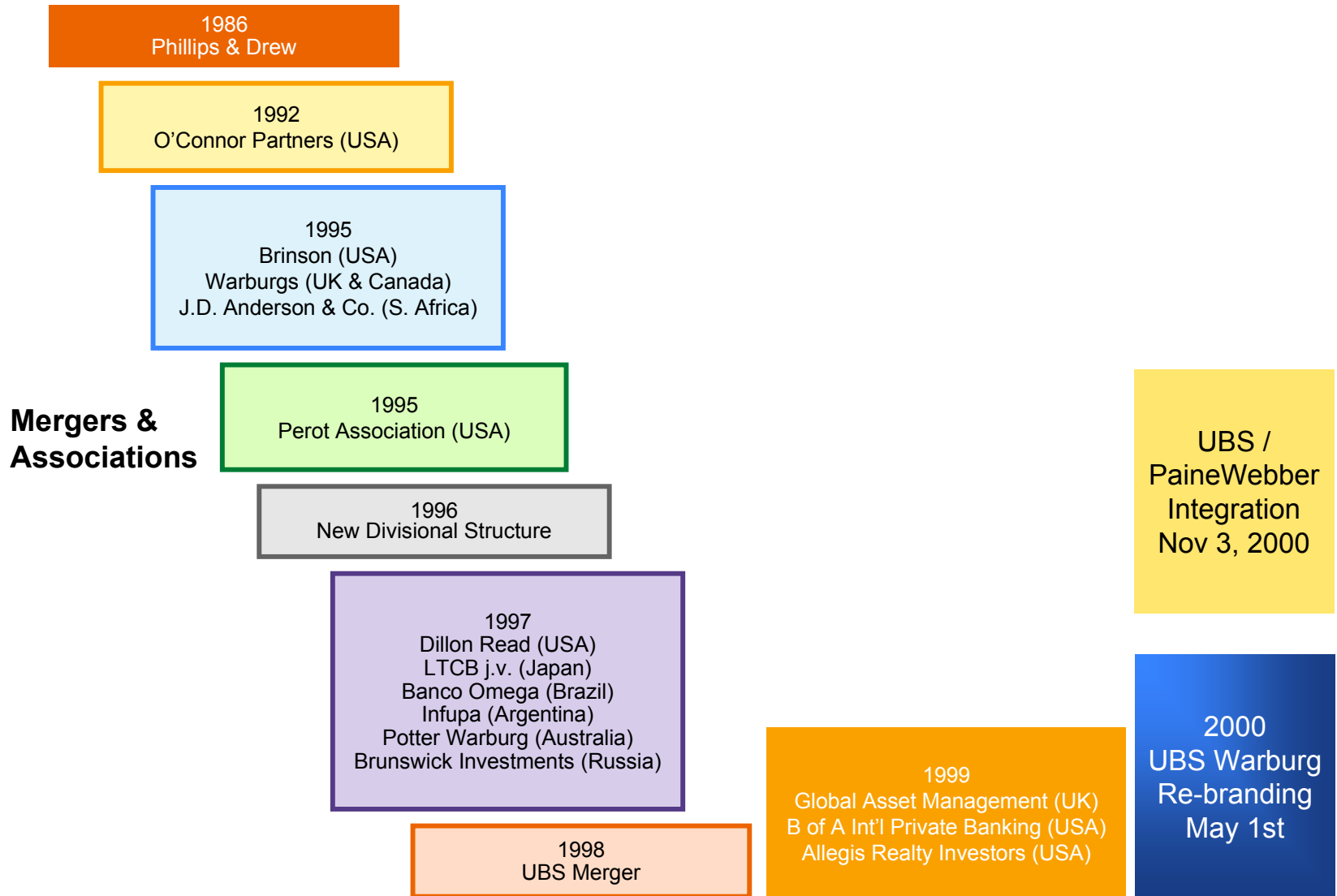


ab

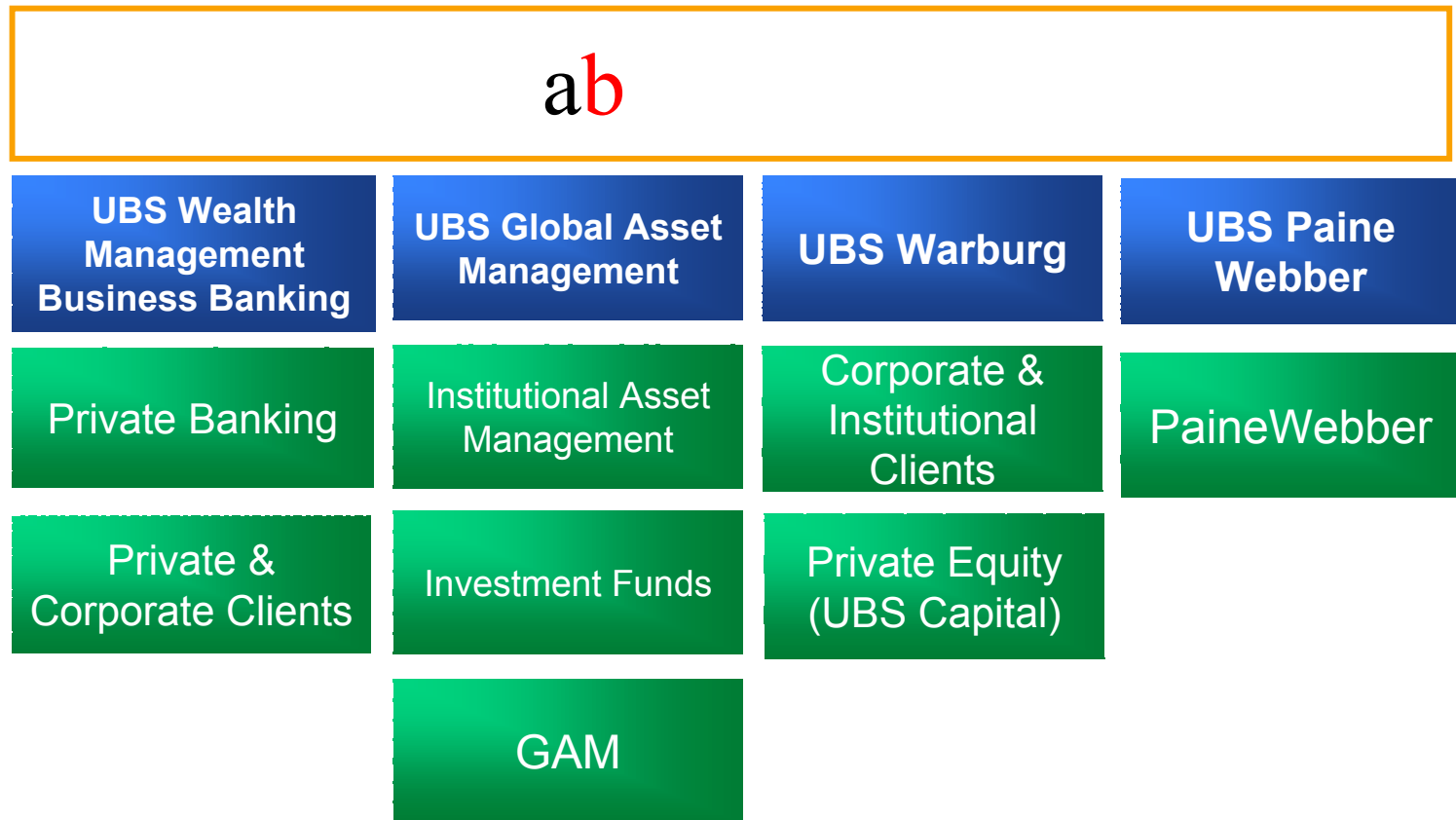


... and the leading bank in Switzerland

UBS a Dynamic, Growth-Oriented Environment



UBS Group structure



UBS Key Values

Meeting the needs and expectations of our clients (internal and external) with the highest quality products and services

Attracting, retaining and developing high caliber people who are committed to delivering results through individual excellence and effective teamwork

Client

People

Functional /
Technical

Economic

Advancing and exploiting our professional and technical expertise to achieve and maintain competitive advantage

Generating financial results through operational efficiency and innovation, which increase profitability and shareholder value

Value - level 1

Most managers and financial analysts have finally acknowledged that Human Capital has great leverage potential.....

Jac Fitz-enz founder of the Saratoga Institute

$$\text{Human Capital Leverage} = \frac{\text{Market Capitalisation - Net Assets}}{\# \text{ of Employees}}$$

Value - level 2

- ◆ Making the link between adding organisational value, adding value for the individual and performance evaluation
- ◆ Building performance management system has forced us to link organisational challenges which add value and competencies - interestingly I think that this link, example below, is a weakness in assessment centre implementation!

Value add organisational
challenge

Delegating substantial projects to others - bridging functional boundaries, managing the interfaces & providing active sponsorship

Competencies

- Managing & Developing People
- Comm'n & Impact
- Leadership
- Problem Analysis

Performance Measurement and Management

- ◆ Built pilot for Private Banking division (n=3000 for pilot)
- ◆ Took learning and developed for the whole of UBS
- ◆ As of Jan 2003 PMMglobal will be the UBS wide performance management process.
- ◆ Significant focus on objectives and linking these to core value add areas for the UBS
- ◆ Flexible competency framework - profile what is relevant at the level that is relevant
- ◆ Core competencies linked to value add areas for UBS
- ◆ Enhanced organisational reporting and business relevance
- ◆ Enhanced individual impact

Competency Development?

Defined key criteria for differentiating performance (adding value)

- reviewed internal documentation
- ran workshops attended by line and HR

Competency Model had two clear areas: Knowledge and Behavior

Knowledge competencies - defining specialist areas of knowledge

- Developed by the education team using the training taxonomy
- Each competency defined at four levels (Novice - expert)
- Created a Knowledge dictionary of standards

Behavioural Competencies

- Developed by the assessment team
- First draft reviewed against other models for comprehensiveness
- Each competency defined at four levels
- Initial results factor analysed to check for independence/overlap
- Final draft factor analysed to create meaningful groups used to summarise performance

Competency Development - a UBS Group model

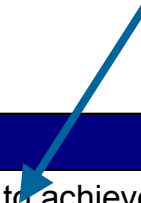
- ◆ Took 16 existing models
- ◆ Integrated to Private Banking as most rigorous and contemporary
- ◆ Formed x-business group committee of competency specialists
- ◆ Built model
- ◆ Validated against external models and against business challenges
- ◆ Legal review, and translate into 4 languages
- ◆ 17 competency model accepted across all of UBS

Example of Competency

Name



Definition



| Teamwork | |
|---|---|
| Co-operates & collaborates with colleagues inside and outside own area to achieve shared goals. Contributes actively to help create effective partnerships, which meet organisational objectives. | |
| Level 1 | Helps colleagues, works co-operatively with others, pursues team objectives. |
| Level 2 | Openly supportive, encouraging and involving of others, helps to build team spirit and consensus. |
| Level 3 | Encourages wider and cross-functional networking and collaboration, promotes teamwork right across their part of UBS. |
| Level 4 | Promotes inclusivity at all levels, champions the notion of one global team and the boundary-less organisation. |



Behavioural level definition

Example of behavioural anchors

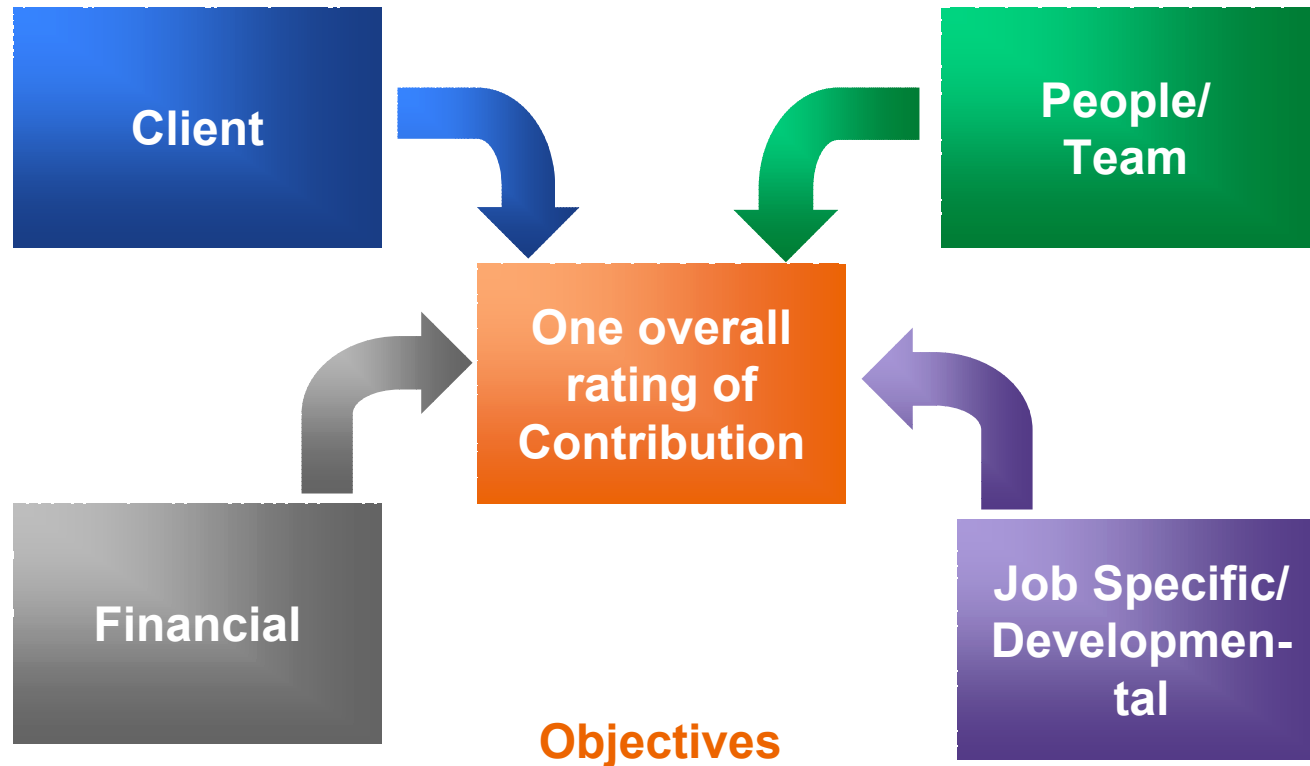
Behavioural anchors describe observable rather than implied behaviours



| LEVEL 2 | |
|--|----|
| 1. Builds and maintains constructive and effective relationships for the long term | |
| 2. P | ci |
| 3. W | re |
| 4. A | th |
| 5. In | |
| 6. B | |
| 7. E | du |
| 8. L | te |
| 9. S | |
| 10. Is | |
| 11. Sh | |
| 12. Pr | m |
| 13. Va | |
| teamwork | |

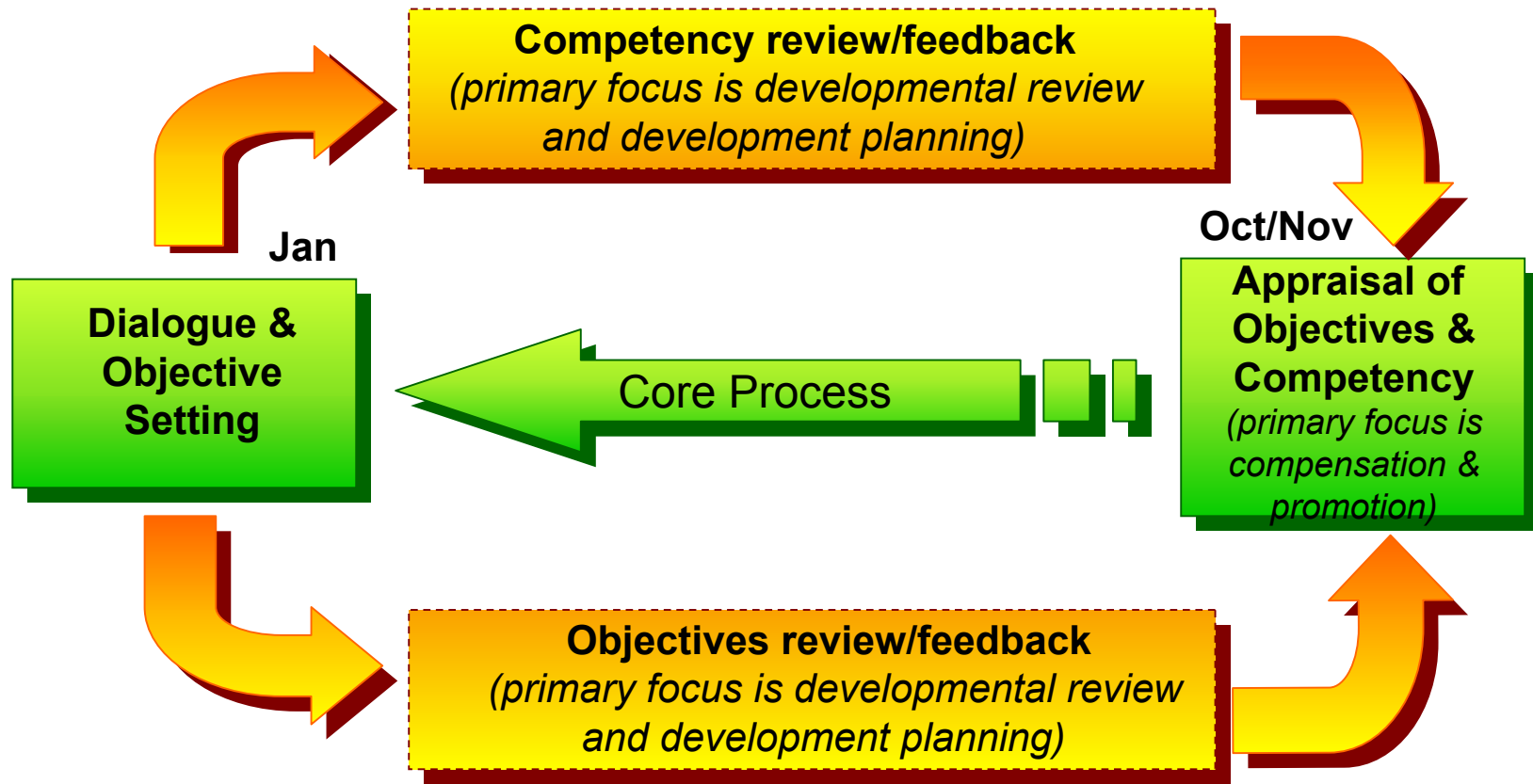
Intentionally 'blanked' for confidentiality reasons - will be part of demonstration during congress presentation

Clustered Objectives



**Objectives
are set and rated in
4 clusters which result
in one overall contribution rating**

All Year System



Evaluation Form



< manager evaluation >

[Set Objectives](#) [Close](#) [Save](#) [Print](#) [Submit](#)

| Evaluatee Details: | Manager Details: | Deadline: |
|-----------------------------|-------------------------|-------------|
| Joshua Kline (840000158) | Amanda Shaw (840000154) | 16-Nov-2002 |

| Profile Code | Profile Name | Profile Purpose |
|--------------|-------------------------------------|-----------------------------|
| GMSOS | Group Manager/Senior Officer, Sales | Description |

| Contribution | WHAT results were achieved |
|---|---|
| ? Overall Rating <input type="text"/> | Detail contribution ratings |

| Competency | HOW results were achieved |
|---|---|
| ? Overall Rating <input type="text"/> | Detail competency ratings |

Accomplishments/Strengths

- to do
- track progress
- done
- select language
- help/training
- change password
- views on pmm
- log off

Evaluation Form: Profile purpose

Click here for the Profile purpose

UBS

< manager evaluation > [Set Objectives](#) [Close](#) [Save](#) [Print](#) [Submit](#)

| | | |
|--|--|---------------------------------|
| Evaluatee Details: Joshua Kline (840000158) | Manager Details: Amanda Shaw (840000154) | Deadline: 16-Nov-2002 |
|--|--|---------------------------------|

| | | |
|---------------------|-------------------------------------|-----------------------------|
| Profile Code | Profile Name | Profile Purpose |
| GMSOS | Group Manager/Senior Officer, Sales | Description |

Contribution WHAT results were achieved

? **Overall Rating** [Detail contribution ratings](#)

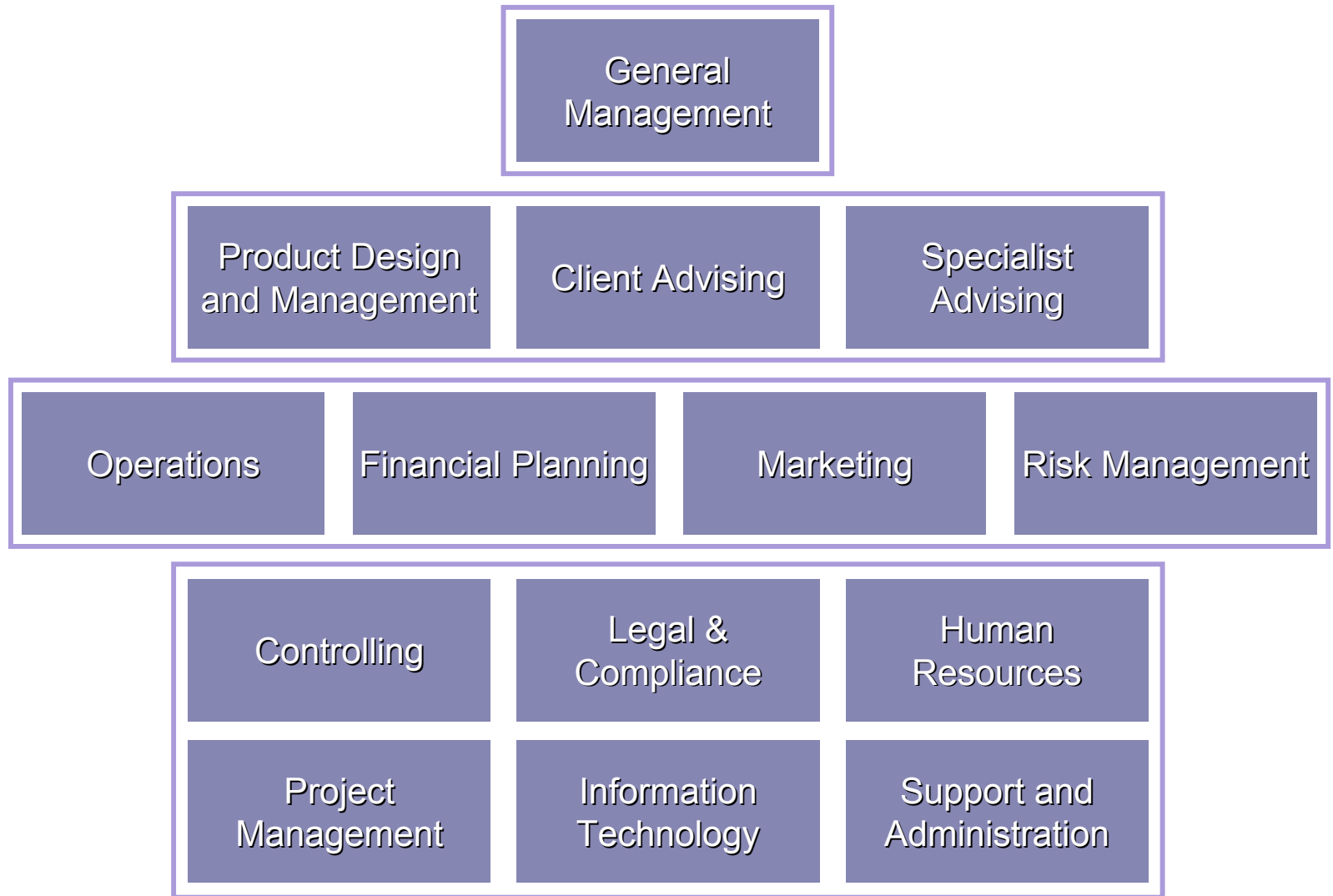
< profile purpose >

[Close](#)

Description

This position has broad management responsibility for multiple functions within area of responsibility. Significant responsibility lies in the development of corporate client relationships, both internally and externally to ensure that both the client and the firms goals are achieved. Responsible for managing the process to target new business development, proactive sales calls and partnering with the Financial Advisor's to facilitate the smooth implementation of the product line and services to corporate clients. Primary activities include working with Branch management and Financial Advisor's to build product awareness in the field, delivering branch presentations on products, developing proactive sales strategies and promoting brand name, services and image to the marketplace. Directly responsible for the number and quality of clients brought to the platform. Manages resources, staff, projects and the activities of multiple areas within his/her function. Responsible for managing P&L, securities handling, fund disbursement risk and, where appropriate, driving revenue and/or expense plans to meet the financial goals of the company. Is expected to manage subordinates with widely varying skill sets and experience across multiple areas of responsibility.

Private Banking role & family architecture



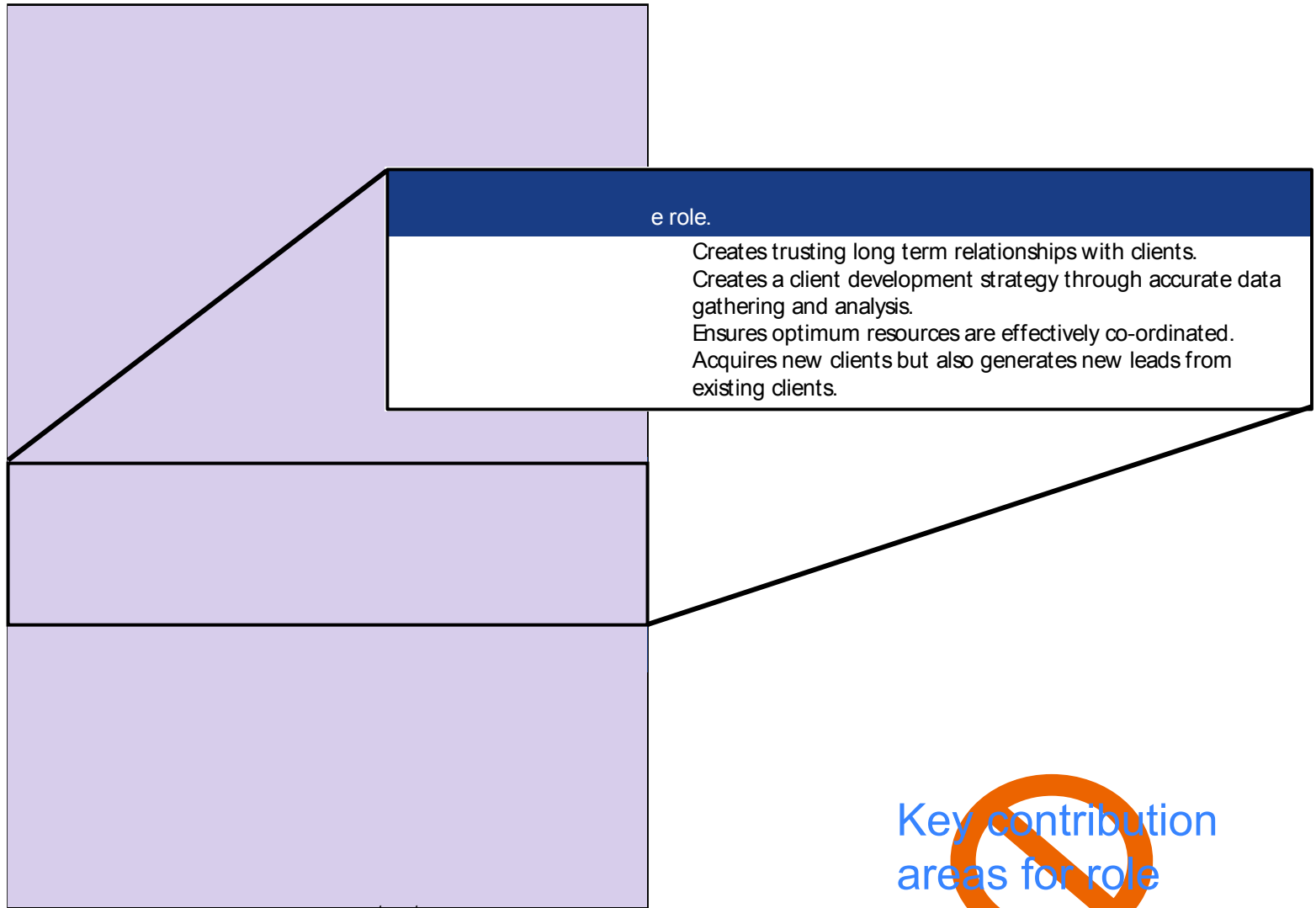
Role Profile

| | | | |
|--|--|----------------------------|-----------------------------|
| | Role name: CLIENT ADVISER (BUSINESS DEVELOPMENT) | Role Code: CAXD1 | Corporate Title: |
| | Business Rationale | | |
| | Role Purpose: - The reason the role exists in the organisation The Role-Holder is accountable for building excellent client relationships with new clients supported by their marketing colleagues. They create these relationships based on an understanding of client needs. This is achieved through the use of relevant client data, targeting prospects appropriately, developing a wide knowledge of products and services, keeping constantly in touch with how client needs are changing individually and by segment and what strategies may be most appropriate to meet their requirements. They need good relationships with product and marketing specialists, bringing them in to develop clients and solutions when necessary. They also coach less experienced colleagues ensuring that they are supported in achieving their targets. | | |
| | Additional Information: (eg organisation structure, role scope and impact etc.) | | |

Role Purpose—
The reason the role exists

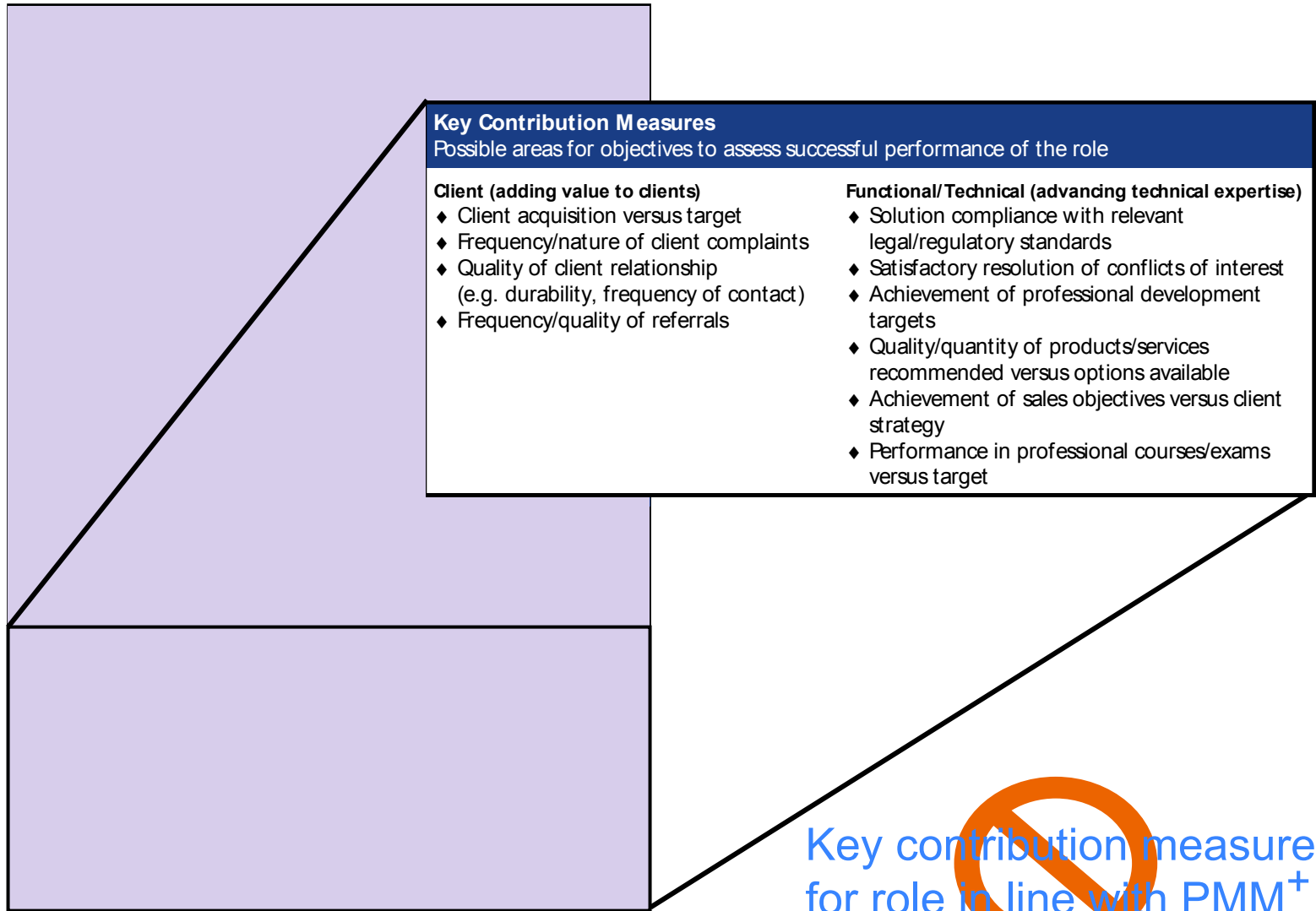
versus target

Role Profile



Key contribution
areas for role

Role Profile



Key contribution measures for role in line with PMM⁺ success factors

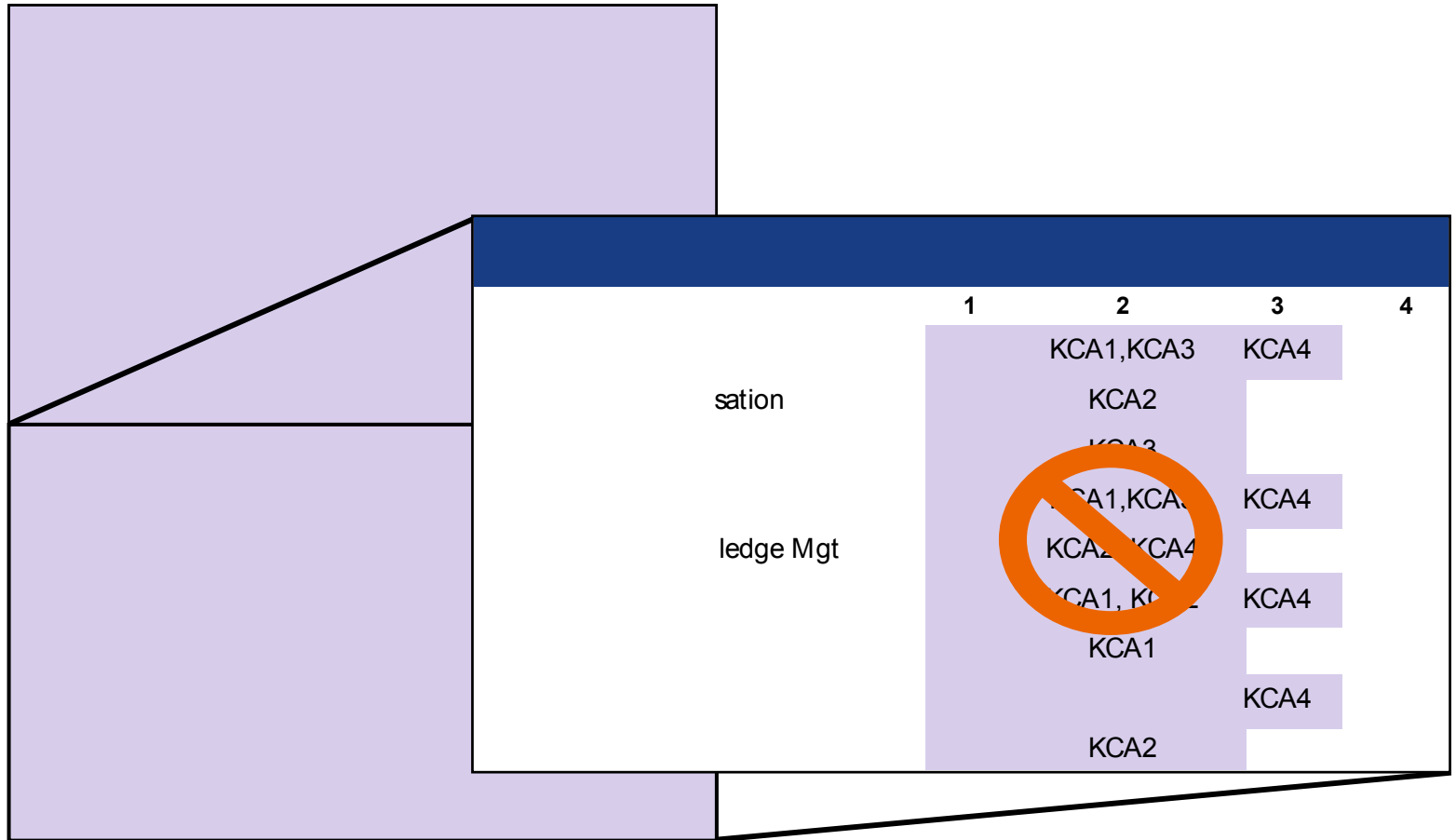
Competency Profile

| | | Role Code: | Corporate Title: | | | |
|----------------|--|------------|------------------|------|---|--|
| NT) | | CAXD1 | | | | |
| | | 1 | 2 | 3 | 4 | |
| ny Knowledge | | KCA3 | KCA1 | KCA4 | | |
| re Knowledge | | | KCA1 | | | |
| nowledge | | | CA1, KCA2, KCA4 | | | |
| | | | KCA2 | | | |
| cial Economics | | | KCA1, KCA2, KCA4 | | | |
| ce | | | KCA1 | | | |

Knowledge

Supporting Competencies linked to KCAs

Competency Profile



Behaviours

Process Design?

Assessed against the competency requirements on Role Profiles

- Profiles defines the level and names of the competencies

Knowledge competencies

- Assessed by line manager/ knowledge area expert
- Knowledge dictionary set standards for assessment

Behavioural Competencies

- Behavioural dictionary sets standards for assessment
- Behavioural Interview guide with questions and answers available for all assessors
- 90% of the population assessed by line manager
- 10% assessed by external expert - Benchmarked

What does benchmarking involve?

Prior to Benchmarking Day

- Personality Questionnaire 1hr
- Self Assessment against competencies 1hr

Benchmarking Morning

- Problem Solving Insight practical exercise 1 ¾ hrs
- Behavioural Competency Interview 2hrs

Benchmarking Afternoon

- Feedback of Results 1hrs
- Development Action Planning 3hrs

- ◆ Total time required is 2 hours preparation and 7 ¾ hours on the day.
- ◆ Both the assessment and development planning can be achieved in one day.

Evaluation Form: Competencies rated against profile

< manager evaluation > [Set Objectives](#) [Close](#) [Save](#) [Print](#) [Submit](#)

| Evaluatee Details: | Manager Details: | Deadline: |
|-----------------------------|-------------------------|-------------|
| Joshua Kline (840000158) | Amanda Shaw (840000154) | 16-Nov-2002 |

| Profile Code | Profile Name | Profile Purpose |
|--------------|-------------------------------------|-----------------------------|
| GMSOS | Group Manager/Senior Officer, Sales | Description |

Contribution WHAT results were achieved

? Overall Rating [Detail contribution ratings](#)

Competency HOW results were achieved

? Overall Rating [Detail competency ratings](#)

Accomplishments/Strengths

To rate competencies against profile click here

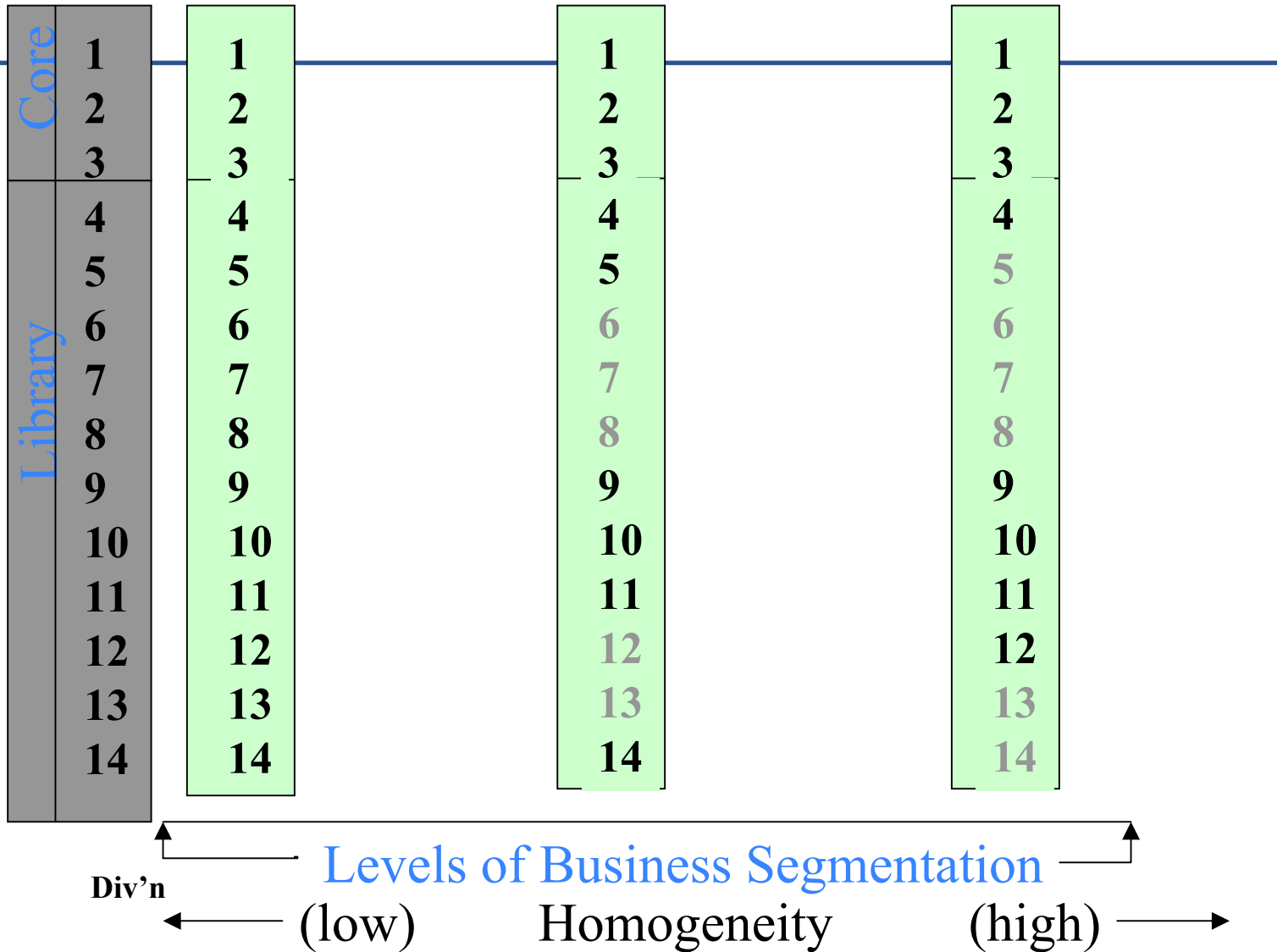
Intentionally blank for
confidentiality reasons - will be part
of demonstration during congress
presentation

Intentionally blank for
confidentiality reasons - will be part
of demonstration during congress
presentation

Core Vs Flexible choice

- ◆ 3 behavioural and generic knowledge established as Group wide core
 - link to values
 - Link to principles
 - Link to extensive external client research that established key differentiators for UBS
- ◆ 14 behavioural competencies each with 4 levels are defined by profile
- ◆ As many detailed knowledge competencies as required
- ◆ 9 point developmental rating - behaviourally anchored at the 4 levels
- ◆ Algorithm to convert to 5 point summary rating

Competencies



Intentionally blank for
confidentiality reasons - will be part
of demonstration during congress
presentation

Development Priorities

| Competencies | Specialist | | | | Generalist | | | |
|---------------------------|------------|----|----|----|------------|----|----|----|
| | L1 | L2 | L3 | L4 | L1 | L2 | L3 | L4 |
| Leadership | | | 1 | | | | | |
| Planning & prioritisation | | 4 | 6 | 4 | | 1 | | |
| Efficiency | 1 | 4 | | | 1 | 3 | | |
| Influencing | | 6 | 5 | 5 | | 5 | | |
| Decision making | | | | | 1 | | | |
| Project management | | 1 | 5 | 3 | 1 | 9 | | |
| Selection & assessment | | | 4 | 8 | | 6 | 3 | 7 |

How do we develop project management skills?



Number
Blank

meeting or exceeding role
people **not** meeting role
not applicable to that role
problem areas

Behavioural Competencies Ranked by Importance

| | |
|-----------|---|
| 1 | Communication |
| 2 | Influencing |
| 3 | Client Orientation |
| 4 | Teamwork |
| 5 | Planning and Organising |
| 6 | Rule Compliance |
| 7 | Adaptability & Openness |
| 8 | Managing Knowledge |
| 9 | Resilience |
| 10 | Leadership |
| 11 | Decision-Making |
| 12 | Developing Self and Others |
| 13 | Global and Strategic Perspective |
| 14 | Results Orientation |

Importance = level of requirement * frequency of use

Behavioural Competencies Ranked by Importance

| | |
|----|----------------------------------|
| 1 | Communication |
| 2 | Influencing |
| 3 | Client Orientation |
| 4 | Teamwork |
| 5 | Planning and Organising |
| 6 | Rule Compliance |
| 7 | Adaptability & Openness |
| 8 | Managing Knowledge |
| 9 | Resilience |
| 10 | Leadership |
| 11 | Decision-Making |
| 12 | Developing Self and Others |
| 13 | Global and Strategic Perspective |
| 14 | Results Orientation |

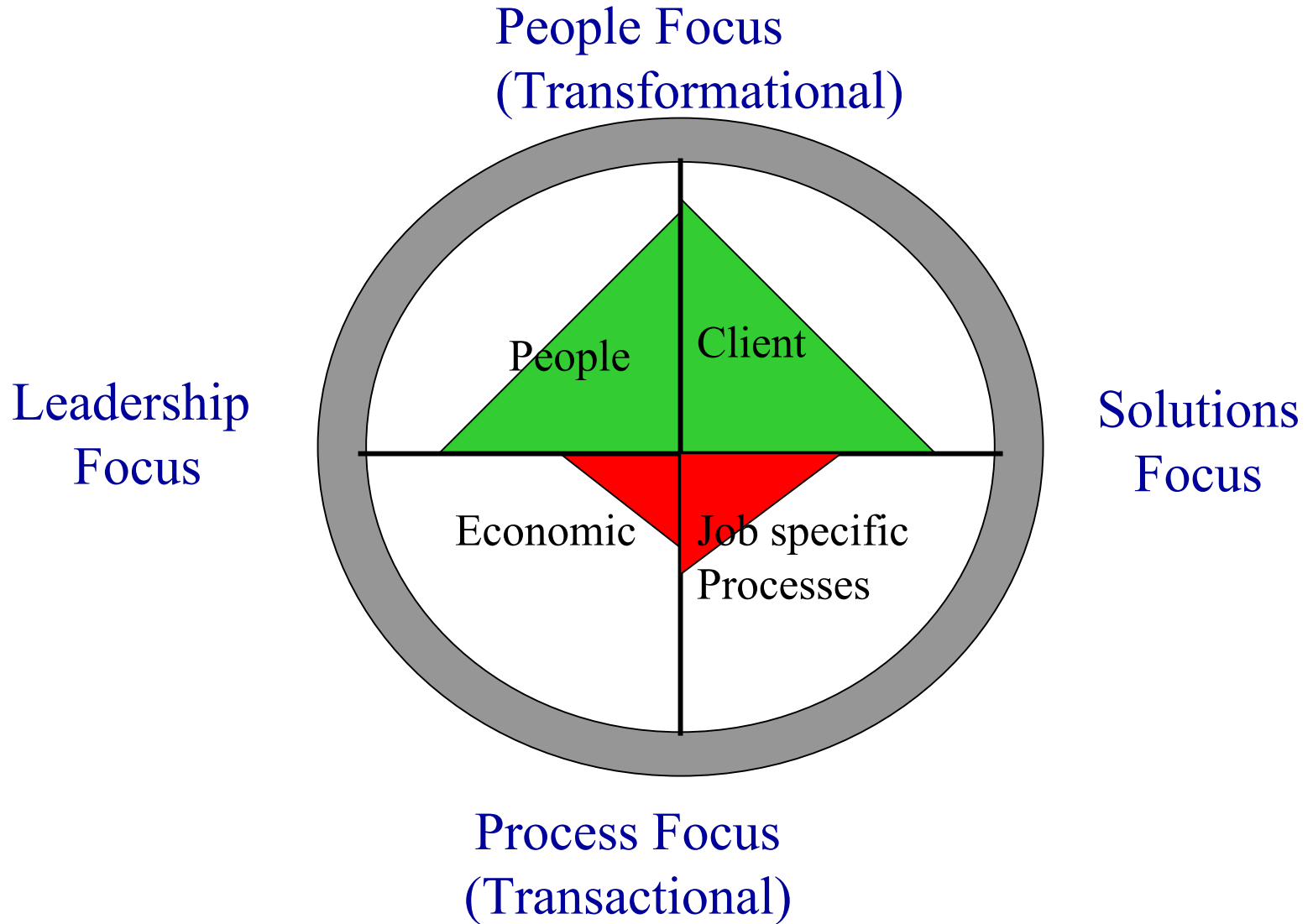
Importance = level of requirement * frequency of use

red = more than 30% of population needs to develop

Amber = 10% up to 29 % of population needs to develop

Green = less than 9% of population needs to develop

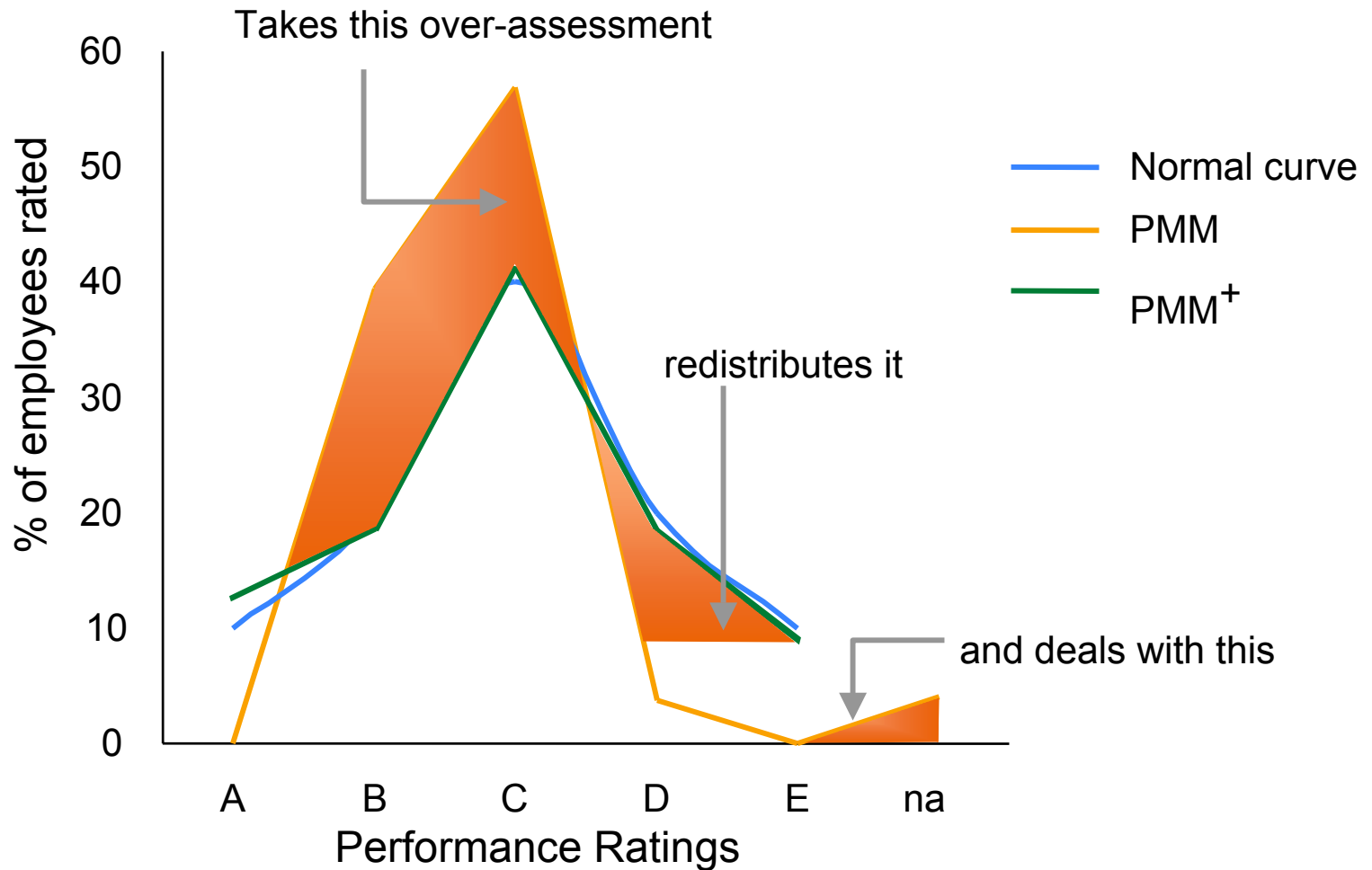
Factor Analysis



Intentionally blank for
confidentiality reasons - will be part
of demonstration during congress
presentation

Comparison of PMM and PMM⁺ results

52% have a development need Vs. to 7%



ab

Relationship between Compensation and Competence (pilot data)

