



# Standards – Competency Framework – Induction & Onboarding

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PASA 

## Standard:

### 5.1 Competency Framework – Induction & Onboarding

Administrators should have documented policies covering staff recruitment, specification of the role, onboarding, training and competency assessment to ensure deployed staff are suitably skilled for the tasks they will be asked to undertake.

## Rationale:

The staff recruited to undertake administration have the skills and experience relevant to the complexity of work they're undertaking. This is as important for new staff as for existing experienced staff. All staff should understand why work is undertaken and should have the skills to determine whether automated outcomes are correct.

## General Principles:

The service delivery is highly dependent on the competency and behaviour of staff carrying out the administration. The complex and varied nature of pension and benefit arrangements means staff are required to be trained to a high degree in an array of skills necessary to perform the full range of administrative activity.

The pensions landscape is continually changing and staff must keep pace with the changes and the impact these have on administration processes.

The competency matrix should capture non-pensions technical skills and the expected level of proficiency i.e. administration system, Excel etc.

There will be a variety of methods and tools used to capture, set out and measure competencies. The importance here is administrators, managers and Governing Bodies<sup>1</sup> have clear direction as to what skills, knowledge and behaviours are required in recruiting relevant and competent staff. Additionally, both the appointed administrator and their line managers understand the individual's current assessment against the role requirements and development pathway required to support the appointed administrator.

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<sup>1</sup> Governing Bodies should include, as appropriate, Trustees, Trustee Boards, Governance Committees and Boards and others charged with the oversight of the administration service delivery

Where some or all of the services are outsourced to a third party, these principles should be applied to the appointed administrator and their staff. The appointed administrator should report to the delegating party on the application of these principles and should have the right to audit the application of these principles.

### **Outcomes:**

Knowledgeable and competent administration staff are able to understand the work they're asked to do and have the skills required to deliver the specified administration services.

### **Measures/Evidence:**

It's important all staff (whether direct employees or staff applied through a third party outsourcing contract) have the skills and competency to undertake the role to which they're appointed. An appropriately structured induction, training and development process should be in place throughout the supply chain (including appointed third parties) to demonstrate to both new starters and on-going staff the competencies required, including:

- A documented role profile (or equivalent), clearly setting out for each role level within the administration function what skills, knowledge and behaviours are required for recruits and existing staff. This is so people can clearly see what's expected of them in their role and can see how they can continually develop and the Governing Body has the ability to measure output in both quantum and quality
- A recruitment policy demonstrating only individuals who meet relevant technical and behavioural competency criteria are appointed
- A competency matrix showing what the performance expectations for each role are
- A training and development log for all staff showing the future training required

Where services have been outsourced to a third party, the measures will include the receipt of reports from the appointed administrator confirming the compliance with these principles. The appointed administrator should also periodically validate the accuracy of such reporting through suitable activity.

## Accreditation Approach:

### For TPAs, in-house teams, Master Trusts and Annuity Providers:

PASA believes the level of skill required by administration staff should be consistent for all sizes and types of schemes. The standard requires all appointed administrators to demonstrate best practice in relation to staff recruitment and development and recognises the methods for achieving this best practice should be appropriate to the size and demands of the appointed administrator.

Where specialist teams exist, PASA expects staff to understand the context of the wider service offering of which they're a part and some base level training should be evident.

PASA expects TPAs to have a structured framework in place for recruitment, induction, competency assessment and, under Standard 5.2, formal appraisal documents. PASA will look for full compliance for all administration locations and teams and will seek evidence of this.

- **The Accreditation team will:**
  - **Require sight of the recruitment selection criteria and process and review a sample of recent (in the last 12 months) recruitment processes to ascertain how the competency criteria have been applied and monitor the outcome of the assessment stage**
  - **Seek to understand, through interviews and reviewing documentation, how competencies are captured and measured at recruitment**
  - **Seek to understand, through interviews and reviewing documentation, how competencies are captured and reviewed for on-going staff**
  - **Look for evidence future training and development needs are identified and recorded**

Where some services have been outsourced, copies of reports received from the appointed administrator will be reviewed for consistency of the application of these principles, together with evidence of the action taken to verify the information provided in the report.



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