Indonesia Water Community-Based Organizations (BPSPAMS) Competency Model

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**Executive Summary**

Since the 1990s, the Indonesian government has built over tens of thousands of water supply facilities across the country's over 70,000 villages. These facilities are managed by community-based organizations (BPSPAMS) that have proven to deliver much needed service in areas where local water utilities have not reached. BPSPAMS have the potential to continue expanding their reach in delivering water supply services, but this growth is dependent on their ability to overcome challenges related to their internal institutional capacity.

This competency model is designed to help water supply BPSPAMS self-assess their current institutional maturity and understand the competencies required to reach the next level. The model is broken up into four primary domains: Governance, Technical, Financial Management, and Operations. Within each domain, specific competencies are described along a spectrum of maturity (foundational, intermediate, or advanced).

To use this model, BPSPAMS should:

1. **Establish a baseline** by honestly evaluating their current state in each competency.
2. **Consider which competencies to prioritize**: once the BPSPAMS has determined its current maturity, the BPSPAMS management team should consider which competencies are most critical to advancing the mission and vision of the organization. It is typically more effective for a BPSPAMS to focus on several critical competencies - or perhaps one domain - as opposed to working to improve in each competency simultaneously. Ultimately, the BPSPAMS should consider what competencies help it move towards a maturity state where it can maintain a high level of delivery in a sustainable way.
3. **Record "Action Items"**, documenting official decisions on next steps to strengthen these critical competencies.

**Note**: Competencies highlighted in **bold text** are minimum requirements to be considered for financing. Because obtaining financing is a critical challenge for many BPSPAMS, organizations may consider placing particular emphasis on trying to meet these minimum standards for financing if obtaining credit is a future possibility. If this competency model is used as a basis for determining credit-worthiness from a financier's perspective, a neutral party with institutional development expertise should conduct the assessment rather than have the BPSPAMS, self-assess.
What is a competency model?
A "competency model" is a tool that describes the skills, behaviors, and attitudes that characterize an organization and/or its staff at various maturity levels. These maturity levels typically range from beginner to intermediate to advanced. The skills, behaviors, and attitudes are generally organized along several “competencies”, which may in turn be organized into broader “domains,” or categories of competencies.

Competency models are useful for organizations for multiple reasons. In particular, they:
1. Transparently lay out performance expectations for an organization and/or its staff
2. Provide a roadmap for organizations and/or their staff for capacity development and career planning
3. Focus organizations and/or their staff on priorities that are critical to increasing their performance in the industry

Why is there a Water Supply BPSPAMS Competency Model?
This competency model is designed to help water supply BPSPAMS self-assess their current institutional maturity and understand the competencies required to reach the next level. The tool is designed to be a self-assessment for BPSPAMS management teams to use directly.
How do I self-assess against the competency model?

1. For each competency, ask which described characteristics are true for your BPSPAMS.

2. Rate your BPSPAMS as “foundational”, “intermediate”, or “advanced” in each competency based on answers from Step 1.

3. After rating your BPSPAMS against each competency, establish your organization’s goal (e.g., obtain a loan for expansion, or increase coverage in the existing community).

4. Identify priority competencies to strengthen that will most contribute to your BPSPAMS goal.

5. Define action steps with deadlines and who is accountable.

### Indonesia Water Supply BPSPAMS Maturity Model

<table>
<thead>
<tr>
<th>Domain</th>
<th>Competency</th>
<th>Foundational</th>
<th>Intermediate</th>
<th>Advanced</th>
<th>Action Items</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governance</td>
<td>Organizational Structure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Cluster (Mission and Vision)</td>
<td>BPSPAMS has no shared (un)policed with vision</td>
<td>BPSPAMS operates in the present with little expectation reaching towards the future</td>
<td>BPSPAMS operates in the vision with expectation reaching towards the future</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Legal Status and Compliance</td>
<td>BPSPAMS has a license to operate</td>
<td>BPSPAMS has a legal basis to operate</td>
<td>BPSPAMS has a legal and operational framework</td>
<td></td>
</tr>
<tr>
<td>Technical</td>
<td>Technical Knowledge</td>
<td>BPSPAMS does not have the necessary technical knowledge</td>
<td>BPSPAMS has the necessary technical knowledge</td>
<td>BPSPAMS has the advanced technical knowledge</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Installation</td>
<td>BPSPAMS does not have a plan for installation</td>
<td>BPSPAMS has a plan for installation</td>
<td>BPSPAMS has a comprehensive plan for installation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Maintenance</td>
<td>BPSPAMS does not conduct maintenance</td>
<td>BPSPAMS conducts maintenance</td>
<td>BPSPAMS conducts maintenance</td>
<td></td>
</tr>
</tbody>
</table>

Description of how foundational, intermediate, and advanced BPSPAMS are characterized (skills, behaviors, attitudes) for each competency.

An “action items” column to capture key decisions on next steps.
## Competency Model

*Note: Competencies highlighted in **bold text** are minimum requirements to be considered for financing.*

### Governance Domain

<table>
<thead>
<tr>
<th>COMPETENCY</th>
<th>Foundational</th>
<th>Intermediate</th>
<th>Advanced</th>
<th>Action Items</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Organizational Structure</strong></td>
<td>▪ BPSPAMS structure is informal and undefined</td>
<td>▪ There is distinction between the governing body and the core staff but tasks/responsibilities still overlap</td>
<td>▪ There is a distinction between the governing body and the core staff, with clear tasks and responsibilities</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ There is no difference between the governing body, the core staff, and specific types of resources (technical, financial, administrative)</td>
<td>▪ There is distinction between technical, financial, and administrative roles, but a shortage of skilled people to fill positions</td>
<td>▪ There is distinction between technical, financial, and administrative roles and adequate skilled resources to fill positions</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ There is no standard operating procedure for decision-making, policy or action</td>
<td>▪ Standard operating procedure exists, but used inconsistently in decision-making processes</td>
<td>▪ A standard operational procedure is used for decision-making</td>
<td></td>
</tr>
<tr>
<td><strong>Charter (Mission and Vision)</strong></td>
<td>▪ BPSPAMS has no charter (janji pelayanan), mission, and/or vision</td>
<td>▪ BPSPAMS has a charter, mission, and/or vision, but they are not published/accessible for customers or the community</td>
<td>▪ BPSPAMS has a charter, mission, and/or vision published/accessible for customers or the community</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ BPSPAMS operates in the present without a clear plan for future expansion or moving towards sustainability</td>
<td>▪ BPSPAMS has a clear plan for expansion, but it is not referenced for daily management</td>
<td>▪ BPSPAMS has a clear plan for expansion and sustainability, which is referenced for daily management</td>
<td></td>
</tr>
<tr>
<td><strong>Legal Status and Compliance</strong></td>
<td>▪ BPSPAMS is not registered as a legal entity (BUMDES, cooperative, or association)</td>
<td>▪ BPSPAMS is registered as a legal entity (BUMDES, cooperative, or association)</td>
<td>▪ BPSPAMS is a registered, legal entity (BUMDES, cooperative, or association)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ BPSPAMS has no license to operate</td>
<td>▪ BPSPAMS has legal access to land and water source</td>
<td>▪ BPSPAMS has a license to operate</td>
<td></td>
</tr>
<tr>
<td></td>
<td>▪ BPSPAMS has legal access to land and water source</td>
<td></td>
<td>▪ BPSPAMS publicly displays legal credentials</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>▪ BPSPAMS meets or surpasses required water quality standards</td>
<td></td>
</tr>
<tr>
<td>COMPETENCY</td>
<td>Foundational</td>
<td>Intermediate</td>
<td>Advanced</td>
<td>Action Items</td>
</tr>
<tr>
<td>--------------</td>
<td>------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Technical Knowledge</strong> *</td>
<td>BPSPAMS has a charter, mission, and/or vision published/accessible for customers and the community</td>
<td>Staff has basic water management information/knowledge (technical requirements, methods, resources)</td>
<td>Staff can identify necessary information requirements (technical requirements, methods, resources)</td>
<td><strong>Technical Knowledge</strong> * Examples on next page</td>
</tr>
<tr>
<td></td>
<td>BPSPAMS has a clear plan for expansion and sustainability, which is referenced for daily management</td>
<td>BPSPAMS receives information from other BPSPAMS or industry organizations</td>
<td>BPSPAMS has a procedure to capture and manage operational information</td>
<td>BPSPAMS shares and receives information with other CBOs or industry organizations</td>
</tr>
<tr>
<td><strong>Installation</strong></td>
<td>BPSPAMS is able to install household connections</td>
<td>BPSPAMS able to install household connections and master meter</td>
<td>Staff fully understand what needs to be installed and what data should be tracked and why</td>
<td>BPSPAMS has installed a master meter covering the whole network and uses it to collect all necessary information</td>
</tr>
<tr>
<td></td>
<td>Staff is unaware of need to install a master meter to monitor system processes</td>
<td><strong>BPSPAMS has installed water meter to record system processes, but staff do not use the information</strong></td>
<td>BPSPAMS has a routine process &amp; budget to monitor and replace water meter and</td>
<td></td>
</tr>
<tr>
<td><strong>Maintenance</strong></td>
<td>BPSPAMS does not have tools or processes to monitor and replace broken water meters</td>
<td>BPSPAMS has a program to monitor and replace broken water meter, but the system is not consistent or proactive</td>
<td>Staff conducts advance maintenance (cleaning, checking, monitoring) regularly and have a documented plan for preventative maintenance</td>
<td>BPSPAMS conducts water quality analysis two or more times a year</td>
</tr>
<tr>
<td></td>
<td>Staff conduct maintenance only on an emergency basis and do not practice preventative maintenance</td>
<td><strong>Staff conduct regular basic water system maintenance (cleaning, checking, monitoring) on their system</strong></td>
<td>BPSPAMS conducts water quality analysis once per year</td>
<td></td>
</tr>
<tr>
<td></td>
<td>BPSPAMS does not conduct water quality analysis</td>
<td>BPSPAMS conducts water quality analysis</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Technical Examples:**

- **Foundational Technical Knowledge:** Staff lacks relevant knowledge to measure flow rate of water sources, to assess production capacity, and to identify the pump that fits their system.

- **Intermediate Technical Knowledge:** Staff understands basic installation and maintenance principles and is able to measure flow rate of water sources, production capacity, but cannot estimate the water demand for future planning. Staff is able to identify the right pump for the system but unable to estimate electrical consumption.

- **Advanced Technical Knowledge:** Staff is able to measure flow rate of water sources, production capacity and able to estimate the water demand for future planning. Staff is able to identify the pump that fits to their system as well as to estimate electrical consumption.
## Indonesia Water Community-Based Organization (BPSPAMS) Competency Model

### Financial Management Domain

<table>
<thead>
<tr>
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</tr>
</thead>
</table>
| Accounting and Budgeting | • Management and staff are not aware of the need to budget or plan financially, and lack accounting/financial management skills  
                          • Accounting and budgeting, if used at all, are done on an ad-hoc basis  
                          • Financial reports are non-existent  | • Management and staff are aware of the need to budget and plan financially and have or are seeking the appropriate skills  
                          • Accounting and budgeting are done on an ad-hoc basis  
                          • Financial plans or reports, if generated, provide limited insight into the actual financial situation of the BPSPAMS  | • BPSPAMS has a defined financial management process, but it is not always followed  
                          • Financial reports are produced regularly providing accurate and complete financial data for at least the past two years  
                          • Reports reflect BPSPAMS priorities, financial health and expose issues or irregularities. | • BPSPAMS has a defined financial management process, but it is not always followed  
                          • Financial reports are produced regularly providing accurate and complete financial data for at least the past two years  
                          • Reports reflect BPSPAMS priorities, financial health and expose issues or irregularities. |
| Pricing               | • BPSPAMS uses inconsistent prices without considering willingness to pay, affordability, or profitability  
                          • Management and staff do not understand the tariff setting process, including reasonable assumptions  
                          • BPSPAMS cannot educate customers on reasonable water tariffs  | • Leadership has an informal method to determining pricing  
                          • Management and staff understand tariff setting process and its assumptions  
                          • Management and staff understand need to apply progressive tariff and are able to review, plan, and propose water tariff adjustments, although they are not always smoothly implemented  | • Leadership has a defined methodology for determining prices that considers both customers' willingness to pay and the threshold for sustainable profitability  
                          • Management and staff apply progressive tariff and customer categorization (e.g. social, ordinary household, business)  
                          • Management and staff have the ability to review, plan, and propose water tariff adjustments and effectively carry them out | • Leadership has a defined methodology for determining prices that considers both customers' willingness to pay and the threshold for sustainable profitability  
                          • Management and staff apply progressive tariff and customer categorization (e.g. social, ordinary household, business)  
                          • Management and staff have the ability to review, plan, and propose water tariff adjustments and effectively carry them out |
| Billing and Collection | • The BPSPAMS has no consistent billing or collection practices; process varies from customer to customer  
                          • BPSPAMS cannot respond professionally if bills are met with resistance or not paid  
                          • BPSPAMS does not have system to trace customer complaints on water bill  | • BPSPAMS leadership has an informal, but consistent process for billing and collection  
                          • Customer complaints and delinquent payments are tracked and addressed professionally  | • BPSPAMS has a clearly outlined and effective billing and collection process that is publically documented and explained to new customers  
                          • BPSPAMS understands the importance of customer service  
                          • BPSPAMS is able to leverage technology for billing processes | • BPSPAMS has a clearly outlined and effective billing and collection process that is publically documented and explained to new customers  
                          • BPSPAMS understands the importance of customer service  
                          • BPSPAMS is able to leverage technology for billing processes |

*Examples on next page*
*Financial Management Examples:

- **Foundational Billing & Collection**: Manual billing system: meter reading is recorded in hand-written in a book, then manually calculated to arrive at amount billed to customers.

- **Intermediate Billing & Collection**: Semi-computerized billing system: meter reading is input, calculation is made, payment of customer bills is based on computer-generated list of bills

- **Advanced Billing & Collection**: Computerized billing system: customers’ bills are computer generated based on meter results
## Operational Domain

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Human Resources (HR)</strong></td>
<td>• BPSPAMS staff are all volunteers</td>
<td>• BPSPAMS does not gather data in its operations</td>
<td>• BPSPAMS has paid staff</td>
<td>• BPSPAMS has formal procurement standard operating procedures in place</td>
</tr>
<tr>
<td></td>
<td>• BPSPAMS has no current programs for staff development of technical skills</td>
<td>• BPSPAMS leaders and staff are unaware of any relevant data to measure performance to inform decisions on operations</td>
<td>• BPSPAMS professional development program is comprehensive and contributes to staff’s desire to work there</td>
<td>• Staff are aware of and follow standard operating procedures while leaders enforce compliance</td>
</tr>
<tr>
<td><strong>Procurement</strong></td>
<td>• The organization buys supplies (procurement) on an ad hoc basis, without following any processes, policies, oversight or sign-off</td>
<td>• BPSPAMS has some standard operating procedures in place for procurement, but they are not always followed</td>
<td>• BPSPAMS can verify that the best value/best quality items were procured, and procurement was in line with specifications provided</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Leaders view procurement on a short-term basis, focusing on immediate needs rather than a long-term strategy</td>
<td>• Leaders are beginning to think of procurement strategically</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Customer Service / Public Relations (PR)</strong></td>
<td>• BPSPAMS has no designated office</td>
<td>• BPSPAMS has an office and has posted its hours</td>
<td>• BPSPAMS has an office, has posted its hours, and effectively messages the value of its services</td>
<td>• BPSPAMS consistently tracks and analyzes stakeholder satisfaction</td>
</tr>
<tr>
<td></td>
<td>• BPSPAMS does not engage its community of customers</td>
<td>• BPSPAMS engages informally with its community of customers about the value of its services</td>
<td>• BPSPAMS has an office, has posted its hours, and effectively messages the value of its services</td>
<td></td>
</tr>
<tr>
<td><strong>Data Collection and Usage</strong></td>
<td>• BPSPAMS does not gather data in its operations</td>
<td>• BPSPAMS collects data manually but does not use it for decision-making</td>
<td>• BPSPAMS has standard tools and processes for data collection and is able to meet its own and stakeholder’s requests for data</td>
<td>• Staff can ensure that data is accurate and reliable</td>
</tr>
<tr>
<td><em>Examples on next page</em></td>
<td>• BPSPAMS leaders and staff are unaware of any relevant data to measure performance to inform decisions on operations</td>
<td>• Management and staff are aware of data to measure performance, but have not set up a data collection and analysis system</td>
<td>• Leaders and staff routinely review indicators and use as inputs to update the mission and vision</td>
<td></td>
</tr>
</tbody>
</table>
**Operational Examples:**

- *Foundational Data Collection & Usage:* Staff is unfamiliar with data collection uses, concepts and tools (surveys for customer satisfaction, etc.)

- *Intermediate Data Collection & Usage:* BPSPAM may have data points on paper customer application that are not being used to improve operations

- *Advanced Data Collection & Usage:* Data collected is actionable and supports a culture of data-driven decision-making
Sources
This competency model was developed based on:

1. Interviews with Indonesian Water CBO staff, local banks, and government officials
3. The final report of the Multi Village Pooling (MVP) Project (Study on the Willingness to Pay for Piped Water Service in East Java and West Java), prepared by AKADEMIKA - Center for Public Policy Analysis, August 2009 for the World Bank's Water and Sanitation Program
5. "Dealing with Informality in Water Supply services in Indonesia," SmartLessons article, written by Deviariandy Setiawan of the World Bank's Water and Sanitation Program, November 2010
6. CYPRESS Maturity Model Benchmarking Tool, Deloitte Consulting LLP

Who should you contact for help understanding this competency model?
To learn more about this competency model, please reach out to:

Devi Setiawan
Community Development Specialist & Indonesia Country Program Coordinator
World Bank Water & Sanitation Program
dsetiawan@worldbank.org
+62 (21) 5299-3175