

Skills matrix vs competency framework: *what's the difference?*

These two terms get used as if they mean the same thing, and they do not. One is a strategic map of how people should perform across an organisation; the other is an operational tool for measuring who can do what, right now. This is the difference, why it matters, and how the two work best together.



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THE SHORT ANSWER

A competency framework is the strategic, organisation-wide definition of the competencies, the skills, knowledge and behaviours, that roles require, usually with proficiency levels for each. A skills matrix is the operational tool that measures how capable specific people actually are against those requirements, on a clear rating scale. The framework answers "what good looks like and how people should perform"; the matrix answers "who can do what, and how well, today". In short: **the framework sets the standard, the matrix measures reality against it, and you need both.**

KEY TAKEAWAYS

- **They are not the same tool.** A competency framework is strategic and broad; a skills matrix is operational and granular.
- **"How you perform" vs "what you can do".** Frameworks include behaviours and values; matrices focus on measurable, demonstrable skills.
- **Strategic vs tactical.** Frameworks drive hiring, progression and performance; matrices drive gaps, training and work allocation.
- **They are complementary.** The framework defines the targets; the matrix measures people against them. Each is stronger with the other.
- **Most teams should start with the matrix.** It delivers value fastest, and a framework can grow around it over time.

— START HERE

Two tools, two *different jobs*

The confusion is understandable: both deal with capability, both use proficiency levels, and the terms are often swapped carelessly. But they sit at different altitudes and do different jobs, and using one when you need the other is a common, costly mistake.

A competency framework: the strategic standard

A competency framework is an organisation-wide definition of the competencies people need to succeed, typically grouped into clusters such as technical, behavioural and leadership. Crucially, it reaches beyond pure skill into **how people are expected to perform and behave**: collaboration, judgement, adaptability, values. It usually defines proficiency levels for each competency and ties them to roles and grades, so it can underpin recruitment, performance management, progression and succession. It answers the strategic question: *what does good look like here, and how should people show up?*

A skills matrix: the operational measure

A skills matrix is a grid that maps specific people against the specific skills their work requires, with a capability rating in each cell. It is narrower, more concrete and more quantifiable: it focuses on **what people can actually do, measured on a scale**. It is the tool a team leader reaches for to spot gaps, plan training, allocate work and manage risk this quarter. It answers the operational question: *who can do what, to what level, right now?*

The simplest way to tell them apart

A useful shorthand: a skills matrix asks "can you do this?", while a competency framework asks "how do you do this?". The matrix is tactical, granular and measured with ratings; the framework is strategic, holistic and assessed through behaviours and evidence. Neither is better; they simply answer different questions. The mistake is expecting one to do the other's job, asking a strategic framework to help you staff next week's rota, or asking an operational matrix to define your leadership values.

— WHY IT MATTERS NOW

Confusing the two *wastes both*

Treating these tools as interchangeable leads teams to build the wrong thing, an elaborate framework when they needed a working matrix, or a bare matrix when they needed strategic structure. Knowing which job you are solving saves a great deal of wasted effort.

8%

GARTNER, 2024

of organisations have reliable data on their workforce's skills, the gap a skills matrix exists to close.

39%

WEF, 2025

of workers' core skills are expected to change by 2030, so both the standard and the measure must stay current.

63%

WEF, 2025

of employers call skills gaps the biggest barrier to transformation, a gap you can only act on once you measure it.

The practical point is one of sequence and fit. A competency framework is a significant strategic undertaking, valuable, but slow to build and easy to over-engineer. A skills matrix delivers usable insight in an afternoon. Many organisations stall for months designing a perfect framework while their most pressing need, simply **knowing who can do what**, goes unmet. Understanding the difference lets you solve the urgent operational problem now with a matrix, and grow the strategic framework around it as the need becomes clear, rather than confusing the two and doing neither well.

— SIDE BY SIDE

The same team, through two lenses

The clearest way to grasp the difference is to see what each tool captures about the very same person. Here is one team member viewed first through a competency framework, then through a skills matrix.

COMPETENCY FRAMEWORK

How they perform

A strategic view of behaviours and capabilities tied to the role and its grade:

- Analytical thinking — Advanced
- Collaboration — Proficient
- Customer focus — Advanced
- Leadership potential — Developing

Used for: hiring, progression, performance reviews, succession.

SKILLS MATRIX

What they can do

An operational view of measurable skills, scored on the 0 to 5 scale:

- Complaint handling — 4
- CRM / Salesforce — 3
- Data analysis — 2
- Compliance (KYC) — 2

Used for: gap analysis, training plans, work allocation, cover.

Notice how they complement rather than compete. The framework's broad "Analytical thinking, Advanced" is a strategic expectation; the matrix's "Data analysis, 2" is the concrete, measured reality that sits underneath it. One tells you how the person should think and behave to succeed in the role; the other tells you, precisely and quantifiably, which tasks they can do unsupervised today. A complete picture of capability usually needs both: **the framework to set direction, the matrix to ground it in fact.**

— THE SCALE BEHIND THE SCORES

The 0 to 5 capability framework

Whichever tool you use, the ratings need a clear, shared scale, so a given level means the same thing for everyone. This fixed framework, developed by Dr Alex J. Martin-Smith, provides that, defining each level the same way so scores are consistent, comparable and trustworthy.

0

No skill required or desired

EXCLUDED

No expectation that the person or role needs this skill within the next year. Take a longer-term view here, and do not use this level for short-term assessments. A 0 drops the skill out of that person's score entirely.



In training / Trainee

WEIGHTING 25%

Expected to be proficient within a year. Has completed up to 75% of training and does not yet fully understand the quality requirements.



Developing capabilities

WEIGHTING 50%

Has completed more than 75% of training. Can probably perform the task alone, but consistent quality and productivity are not yet evidenced, so complex output still needs checking or verification.



Capable

WEIGHTING 75% - USUAL TARGET

Has completed 100% of training and shown consistent quality and productivity. Can work unsupervised. This is the level most roles aim for, the point at which a person genuinely counts on a skill.



Subject Matter Expert / Trainer

WEIGHTING 100%

Prolonged experience at a consistent quality and productivity level. Works autonomously and can train others to a high standard. If the skill has not been used in three months, drop back to Level 3 to reconfirm competence.



Strategic ownership / Leadership

WEIGHTING 100%

Can define and develop new processes and skill requirements, show cross-function expertise, and demonstrate leadership. Carries the same numeric weight as Level 4; the purple flag highlights strategic capability and helps you spot succession candidates.

How a competency requirement meets the matrix

A competency framework sets the target level a role needs for each competency; the skills matrix records the actual level each person holds. Each level carries a proficiency weighting, Level 1 = 25%, 2 = 50%, 3 = 75%, 4 and 5 = 100%, with 0 excluded, so a person's capability is the average across the skills their role needs. Comparing held level against the framework's required level is exactly how a gap becomes visible.

A worked example. The framework requires Level 3 in Compliance (KYC); the matrix shows what people actually hold:

Framework requires **Level 3** (capable, works unsupervised)
Matrix shows Sarah 2, Mark 1, Priya 4, James 1, Aisha 1, Tom 2
meets the required level → **Priya only** – the standard set, the reality measured.

— SEE IT ON A REAL TEAM

The framework sets the target, the matrix *measures the team*

Here is how the two work together in practice. A competency framework defines what one role requires, the competencies and the level for each; the skills matrix then measures the team against those targets, turning the strategic standard into an operational gap list.

Role competency
framework sets the target

	Target	Sarah	Mark	Priya	Aisha	Meets target?
Complaint handling	3	4	3	3	3	All
CRM / Salesforce	3	3	4	3	3	All
Data analysis	3	2	1	2	2	None
Compliance (KYC)	3	2	1	4	1	1 of 4

2 competencies fully covered across the team (Complaint handling, CRM)

2 competencies below the framework's target (Data analysis, Compliance)

Illustrative example on the Upleashed 0 to 5 framework. The blue Target column is the competency framework's requirement; the coloured cells are the skills matrix's measured reality.

HOW THE TWO TOOLS COMBINE

- **The framework sets the bar.** Each competency has a required level (here, Level 3) drawn from the role's strategic definition, what the organisation has decided "good" means for this job.
- **The matrix measures against it.** The scored cells show who actually meets each target today, turning the abstract standard into a concrete, person-by-person picture.
- **The gaps fall out automatically.** Data analysis and Compliance sit below target across the team, so the framework's standard has just produced an operational training priority.
- **Neither tool does this alone.** Without the framework there is no target to measure against; without the matrix there is no measured reality. Together they turn strategy into action.

— POINT BY POINT

The differences that actually matter

Beyond the headline distinction, the two tools differ in scope, focus, assessment and use. Here is how they compare across the dimensions that decide which you reach for.

Dimension	Competency framework	Skills matrix
Scope	Broad: skills, knowledge, behaviours and values	Narrow: specific, role-related skills and tasks
Question it answers	How should people perform and behave?	Who can do what, and to what level?
Altitude	Strategic and organisation-wide	Operational and team-level
Assessment	Qualitative: behaviours, evidence, feedback	Quantitative: a rating on a defined scale
Mainly used for	Hiring, progression, performance, succession	Gap analysis, training, allocation, cover
Time to value	Slower: a significant design effort	Fast: usable insight in an afternoon

Read down the columns and the pattern is clear: the framework is the strategic, behavioural, slower-burn instrument; the matrix is the operational, measurable, fast-acting one. In a mature organisation the two link directly, the competency framework defines the levels each role requires, and the skills matrix measures real people against them, so strategy and daily reality stay connected. The framework gives the matrix its targets; the matrix gives the framework its evidence.

— AVOID THESE

Six mistakes when choosing between them

MISTAKE 01

Using the words interchangeably

Calling everything a "competency matrix" blurs a real distinction. Be clear whether you need a strategic standard or an operational measure.

MISTAKE 02

Building a framework you do not yet need

Months spent designing a perfect framework while nobody can answer "who can do what?" is effort in the wrong place.

MISTAKE 03

Expecting a matrix to set strategy

A skills matrix measures; it does not define your values or leadership expectations. Do not ask it to carry the framework's job.

MISTAKE 04

Letting them drift apart

A framework whose levels never feed the matrix's targets, or a matrix that ignores the framework, wastes the link between them.

MISTAKE 05

Over-engineering either one

Too many competencies, or too many skills, and neither tool gets maintained. Keep both to the vital few that matter.

MISTAKE 06

Measuring behaviours with a skills scale

Soft, behavioural competencies need qualitative evidence, not a forced number. Match the assessment method to what you are judging.

— START WHERE THE VALUE IS FASTEST

A framework can wait. A working matrix tells you *who can do what today*.

Building a full competency framework is a worthwhile long-term project, but it should not hold up the operational visibility you need now. A purpose-built skills matrix gives you that immediately: the grid and the fixed 0 to 5 scale are ready, the analytics calculate capability and coverage, and when you do define a competency framework, its required levels drop straight in as the matrix's targets. Start with the measure; grow the standard around it.



The Advanced Excel Skills Matrix gives you the operational measure first: capability, coverage and gaps against required levels, ready to connect to a competency framework's targets, all on the same 0 to 5 framework used throughout this guide.

TRY IT FREE	MOST POPULAR	WHEN YOU ARE READY
£0 The online 5x5 builder maps a small team in your browser, with no sign-up. A fast way to get the operational measure.	£199 The full Excel template: heat map, capability analytics, required-level targets, up to 30 people and 30 skills. One-off, yours forever.	£1 Upgrade to PulseAI in your first year for a living, web and mobile version with AI skill suggestions and reminders.

— COMMON QUESTIONS

Quick *answers*

Q Is a competency framework the same as a skills matrix?

No. A competency framework is the strategic, organisation-wide definition of the competencies, including behaviours and values, that roles require. A skills matrix is the operational tool that measures how capable specific people are against those requirements. The framework sets the standard; the matrix measures reality against it.

Q What is the simplest way to tell them apart?

A skills matrix asks "can you do this?", while a competency framework asks "how do you do this?". The matrix is granular, measurable and tactical; the framework is broad, behavioural and strategic. Both use proficiency levels, but they answer different questions.

Q Which one do I need?

If your pressing problem is knowing who can do what, spotting gaps and planning training, you need a skills matrix, and you can have it working this week. If you are designing role expectations, progression and values across the organisation, you need a competency framework. Mature organisations use both, linked together.

Q Can the two work together?

Yes, and ideally they do. The competency framework defines the proficiency level each role requires; the skills matrix measures real people against those targets. The framework gives the matrix its targets, and the matrix gives the framework its evidence, so strategy and daily reality stay connected.

Q Should I build the framework or the matrix first?

For most teams, the matrix first. It delivers usable insight almost immediately and solves the urgent operational question. A competency framework is a larger strategic undertaking that can grow around the matrix once the need is clear, rather than holding up value while it is designed.

Q Why do people call a skills matrix a "competency matrix"?

Because in casual use the terms overlap, and a skills matrix can include some competencies. The distinction that matters is scope and purpose: if the tool is measuring specific, demonstrable skills on a rating scale, it is functioning as a skills matrix, whatever it is called.

— ABOUT THE AUTHOR



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Alex is the creator of the Upleashed capability framework that powers Skills Matrix Template, the award-winning Excel skills matrix. A Chartered Manager with an MBA, an LLM and a doctorate in business administration, he has spent more than two decades helping operations, HR and quality teams turn capability from a gut feel into something they can measure, manage and prove.

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A stylized, handwritten signature in black ink that reads "Alex J. Martin-Smith". The signature is fluid and cursive, with the last name being more prominent.

Dr Alex J. Martin-Smith

— SOURCES

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Set the standard, *measure the reality*.

You now know the difference and how the two fit together. The quickest way to start is to build the operational measure first: score your team on one clear scale this week, then let any competency framework you develop set the targets the matrix measures against.

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