



Australian Government

Department of Education, Employment and Workplace Relations

FNSFPL506A Determine client requirements and expectations

Revision Number: 1

FNSFPL506A Determine client requirements and expectations

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to determine client's financial requirements and expectations. It encompasses informing the client of the financial planning process and service, obtaining relevant information on their existing financial situation and expectations with respect to financial planning service offered by the representative, and preparing and updating necessary documentation.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p>
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Application of the Unit

Application of the unit	This unit has application to job roles such as trainee financial planners, financial planners and para-planners.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Inform client of the financial planning process and services	<p>1.1. Financial planning process and role and any limits of authority of the representative are explained to the client</p> <p>1.2. The licensees and principals of the organisation and services and capacity of the organisation, including any relationship to other financial services are explained to the client</p> <p>1.3. Fees and charges are explained to the client and the client's understanding of these confirmed before proceeding with delivery of service</p> <p>1.4. Clients with special needs are identified and appropriate action taken or referral made</p> <p>1.5. Procedures for internal and external complaints handling and resolution are explained to the client</p>
2. Obtain relevant information on client's existing financial situation	<p>2.1. Facts and information relevant to the client's particular service request are obtained and confirmed</p> <p>2.2. Client's expectations, requirements and objectives are identified with clients encouraged to disclose relevant information to determine their personal/financial situation and any special needs</p> <p>2.3. Relevant information on investments and assets held by the client and their current income, expenditure and liabilities situation are obtained</p> <p>2.4. A summary analysis of client's financial position is developed based on extent of client disclosure and requirements</p> <p>2.5. Risk and fraud indicators are identified accurately and consistently and all information is checked for consistency and potential conflict</p>
3. Determine client expectations and requirements with respect to financial planning service offered by the representative	<p>3.1. Client is encouraged to express and clarify their expectations from the financial planning process with any concerns identified and responded to promptly and appropriately</p> <p>3.2. Client's income and investment needs, preferences and priorities are established</p> <p>3.3. Risk issues and tolerance are explored comprehensively and ethically with the client</p> <p>3.4. A determination is made that the service being sought is within the capability and authority of the authorised representative</p> <p>3.5. A referral to another internal representative is made</p>

ELEMENT	PERFORMANCE CRITERIA
	<p>if service required by client is beyond scope of the representative</p> <p>3.6. Specialist advice is sought where necessary or client is referred to appropriate personnel or organisation where required services are not available or cannot be provided by the practice</p>
4. Prepare and update necessary documentation where required	<p>4.1. All relevant client facts, information and financial/personal histories are documented, checked with the client and managed confidentially in accordance with <i>company policy and guidelines</i> and relevant <i>legislation and industry codes of practice</i></p> <p>4.2. Client records are created or updated when necessary</p> <p>4.3. Client <i>documentation</i>, information and histories are filed in a format and location that is readily accessible</p>

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- well-developed communication skills to:
 - determine and confirm client and work requirements, using questioning and active listening as required
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- highly developed research skills such as:
 - accessing and managing information
 - interpreting documentation
- numeracy skills to accurately analyse, record and store data in accordance with organisational requirements
- well-developed literacy skills for analysing information and products to ensure appropriateness to client needs, currency and accuracy
- IT skills for accessing and using appropriate software such as spreadsheets and databases and using internet information
- self-management skills for complying with ethical, legal and procedural requirements
- learning skills to maintain knowledge of changes to compliance legislation and requirements
- problem solving skills to identify any issues that have the potential to impact on the planning process or outcome and to develop options to resolve these issues when they arise
- organisational and time management skills to sequence tasks, meet timelines and arrange meetings

Required knowledge

- appropriate financial industry sales and marketing techniques
- current economic climate and outlook
- financial product service terms and conditions
- internal and external complaint handling processes
- local and international financial markets and investments
- organisational policy, procedures and requirements
- processes involved in the preparation of financial plans
- relevant financial business principles and law
- relevant legislation and codes of practice

Evidence Guide

EVIDENCE GUIDE

The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.

Overview of assessment

Critical aspects for assessment and evidence required to demonstrate competency in this unit

Evidence of the ability to:

- comply with relevant legislation and regulations and organisational operating policies and guidelines
- clearly inform clients of the financial planning process and services and obtain all relevant information on clients' existing financial situation
- determine client expectations and requirements with respect to financial planning service offered by the representative
- identify risk and fraud indicators
- accurately record information and make summary analysis
- recognise authorities and assistance able to be offered by other advisers and organisations and determine where a referral to another adviser or organisation is appropriate.

Context of and specific resources for assessment

Assessment must ensure:

- competency is demonstrated in the context of the financial services work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment
- access to and the use of a range of common office equipment, technology, software and consumables.

Method of assessment

A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:

- evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency
- verbal or written questioning on underpinning knowledge and skills which may include formal examinations
- setting and reviewing workplace projects and business simulations/scenarios
- evaluating samples of work
- accessing and validating third party reports.

Guidance information for

EVIDENCE GUIDE**assessment**

Range Statement

RANGE STATEMENT

The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.

<i>Clients</i> may include:	<ul style="list-style-type: none"> agents companies and organisations intermediaries members of the public trustees.
<i>Clients with special needs</i> may include:	<ul style="list-style-type: none"> people from different cultural backgrounds clients who may have a difficulty in understanding the financial planning advice such as: <ul style="list-style-type: none"> people who are deficient in English very young or older age groups people with a disability
<i>Client's expectations and requirements</i> may include:	<ul style="list-style-type: none"> financial planning for a relatively small amount or for a simple financial strategy a limited or preset range of products need-specific advice and or service product-specific advice and or service.
<i>Relevant information</i> may include:	<ul style="list-style-type: none"> age contingent liabilities and assets (e.g. guarantor) current level of liquidity current portfolio (including family holdings, any Capital Gains Tax (CGT) related details such as stocks acquired prior to 20/09/1985) employer details extent to which the client is geared family structure, dependants and expectations funds available for investment health home ownership insurance and superannuation arrangements relevant deceased estates investment experience level of debt marginal tax rates

RANGE STATEMENT	
	<ul style="list-style-type: none"> • occupation • past, present and future employment prospects • personal income • previous financial history such as: <ul style="list-style-type: none"> • bankruptcy • refusal of credit • required flexibility • other information as identified in a 'fact find' document.
<i>Company policy and guidelines</i> may include:	<ul style="list-style-type: none"> • advertising and marketing guidelines • clerical procedures • codes of practice • complaints and dispute resolution procedures • IT and administrative systems • policies and procedures in relation to client service • product or service development requirements.
Relevant <i>legislation and codes of practice</i> may include:	<ul style="list-style-type: none"> • Australian Securities and Investments Commission (ASIC) Act, policy and guidelines • Consumer Affairs Act • Consumer Credit Code • contract law • Corporations Act • industry codes of practice • Insurance Act • Life Insurance Act • Privacy Act • social security regulations • State and Territory legislation • Taxation Acts • Trade Practices Act • trust law.
<i>Documentation</i> may include:	<ul style="list-style-type: none"> • agreements • bills • brochures • contracts or policy statements • in-house publications • legal/government/professional/other documents • meeting notes • memos • official/general/other correspondence • product recommendations

RANGE STATEMENT

	<ul style="list-style-type: none"> • prospectuses • quotations • receipts • records of telephone conversations • reference to all evidence or information considered • reports: <ul style="list-style-type: none"> • research • statistical • ad hoc • transaction • other • written advice • written reasons for adopting/incorporating certain information in preference to other information.
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Unit Sector(s)

Unit sector	Financial planning
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		