



**Australian Government**

**Department of Education, Employment and Workplace Relations**

# **FNSFPL602A Determine client requirements and expectations for clients with complex needs**

Release: 1

## **FNSFPL602A Determine client requirements and expectations for clients with complex needs**

### **Modification History**

Not applicable.

### **Unit Descriptor**

<b>Unit descriptor</b>	<p>This unit describes the performance outcomes, skills and knowledge required to determine a client's financial planning requirements and expectations when their situation and or objectives are complex and require high level questioning skills and in-depth financial knowledge.</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**

<b>Application of the unit</b>	The unit has application to senior financial planners, senior para-planners and senior technical staff.
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### **Licensing/Regulatory Information**

Not applicable.

### **Pre-Requisites**

<b>Prerequisite units</b>	

## Employability Skills Information

<b>Employability skills</b>	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
<p>1. Discuss the financial planning process, services and options with the client</p>	<p>1.1. Financial planning process, the licensees and principals, services and capacity of the organisation and the representative are explained to the <i>client</i> to establish the relationship</p> <p>1.2. Fees and charges are explained to the client and an assessment made of the client's understanding of the fees and charges before proceeding with delivery of service</p> <p>1.3. Relationship to other financial services is explained to the client and <i>clients with special needs</i> are identified and appropriate action taken or referral made</p> <p>1.4. Procedures for internal and external complaints handling and resolution are explained to the client</p> <p>1.5. The client is encouraged to ask questions that are responded to accurately and appropriately</p>
<p>2. Establish the client's personal and family financial situation</p>	<p>2.1. The client's personal and <i>family financial situation</i> is determined</p> <p>2.2. The client's expectations, requirements, priorities and objectives for their personal and family finances are established</p> <p>2.3. <i>Relevant facts and information</i> including financial, personal and family histories are obtained, checked with the client, <i>documented</i> and managed <i>confidentially</i> in accordance <i>with company policy and guidelines</i> and <i>relevant legislation and industry codes of practice</i></p> <p>2.4. Summary analysis of client's personal and family financial position is developed based on extent of client disclosure</p>
<p>3. Establish the client's business financial situation</p>	<p>3.1. The client's <i>business financial situation</i>, expectations, requirements, priorities and objectives for their business finances are established and documented</p> <p>3.2. Summary analysis of client's business financial position is developed based on extent of client disclosure</p>
<p>4. Identify and gather information on any complex taxation and/or estate issues the client may have</p>	<p>4.1. Taxation and or estate issues are identified and discussed with the client</p> <p>4.2. The <i>client's expectations, requirements</i>, priorities and objectives for issues identified are established and documented</p> <p>4.3. Summary analysis of client's taxation and estate</p>

<b>ELEMENT</b>	<b>PERFORMANCE CRITERIA</b>
	financial position is developed based on extent of client disclosure
5. Establish a holistic picture of the client's requirements and expectations	5.1. Information gathered is combined to generate a comprehensive view of the client's financial situation 5.2. Interdependencies and implications are identified and discussed with the client with further questioning and information gathering as required 5.3. An initial summary of the client's financial position is developed and their expectations, priorities and requirements discussed with them and reviewed against the comprehensive position
6. Identify risks or unusual requirements	6.1. Risk issues and tolerance are explored comprehensively and ethically with the client with any unusual risks and or requirements assessed for viability 6.2. Risks to the client and or practice are assessed for their impact on financial planning services according to company policy and guidelines and relevant legislation

## Required Skills and Knowledge

### REQUIRED SKILLS AND KNOWLEDGE

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

#### Required skills

- Highly developed communication skills to:
  - determine and confirm complex client requirements, using questioning and active listening as required
  - liaise with others, share information, listen and understand
  - use language and concepts appropriate to cultural differences
- well-developed research and analysis skills for:
  - accessing and managing comprehensive and complex information
  - interpreting complex documentation
  - coordinating multiple tasks
  - forming a holistic perspective of complex situations and identify implications
- well-developed numeracy skills to accurately analyse, record and store data in accordance with organisational requirements
- superior literacy skills for analysing complex 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
- highly developed 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
- critical reasoning skills

#### Required knowledge

- available information and research sources
- business principles and law
- complaints handling processes
- economic climate and outlook
- family structures and legal implications
- financial product, features and benefits, service terms and conditions
- indications and implications of risk and fraud
- organisational policy, procedures and requirements

<b>REQUIRED SKILLS AND KNOWLEDGE</b>
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| <ul style="list-style-type: none"><li>• property structures and legal implications</li><li>• relevant financial industry and related legislation and codes of practice</li><li>• sales and marketing techniques appropriate to the financial services industry</li><li>• sound knowledge of local and international financial markets and investments</li></ul> |
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## Evidence Guide

<b>EVIDENCE GUIDE</b>	
<p>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.</p>	
<b>Overview of assessment</b>	
<b>Critical aspects for assessment and evidence required to demonstrate competency in this unit</b>	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> <li>• comply with relevant industry codes of practice, legislation and regulations and organisational policies and procedures</li> <li>• discuss the financial planning process, services and options with clients and establish their personal, family and business financial situation</li> <li>• identify client strengths and liabilities in their financial management and information on any complex taxation and or estate issues they may have</li> <li>• establish a holistic picture of the clients' requirements and expectations to identify risks or unusual requirements and assess risk and fraud indicators</li> <li>• empathise and build rapport with clients by offering thorough and ongoing assistance with all enquiries and requests for service</li> <li>• maintain and use knowledge of, and communicate the features and benefits of products and services available</li> <li>• maintain and use thorough knowledge of legislation and financial implications affecting family and business structures</li> <li>• maintain and use thorough knowledge of taxation and property structures and financial implications.</li> </ul>
<b>Context of and specific resources for assessment</b>	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> <li>• 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</li> <li>• access to and the use of a range of common office equipment, technology, software and consumables.</li> </ul>
<b>Method of assessment</b>	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> <li>• evaluating an integrated activity which combines the elements of competency for the unit or a cluster of related units of competency</li> <li>• observing processes and procedures in workplaces or role plays</li> </ul>



<b>EVIDENCE GUIDE</b>	
	<ul style="list-style-type: none"><li>• verbal or written questioning on underpinning knowledge and skills which may include formal examinations</li><li>• setting and reviewing workplace projects and business simulations/scenarios</li><li>• evaluating samples of work</li><li>• accessing and validating third party reports.</li></ul>
<b>Guidance information for assessment</b>	

## Range Statement

<b>RANGE STATEMENT</b>	
<p>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.</p>	
<p><b><i>Clients</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• agents</li> <li>• companies and organisations</li> <li>• intermediaries</li> <li>• members of the public</li> <li>• trustees.</li> </ul>
<p><b><i>Clients with special needs</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• clients who are deficient in English</li> <li>• clients with a variety of products and services</li> <li>• clients with complex estate planning situations</li> <li>• clients with unbalanced financial situations</li> <li>• people with a disability</li> <li>• the needs of people from different cultural backgrounds</li> <li>• very young or older age groups.</li> </ul>
<p><b><i>Family financial situation</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• dependants</li> <li>• financial arrangements involving siblings, parents or others</li> <li>• marital and/or primary relationship status</li> <li>• relationship history involving financial implications</li> <li>• other personal financial arrangements.</li> </ul>
<p><b><i>Relevant facts and information</i></b> may include:</p>	<ul style="list-style-type: none"> <li>• age</li> <li>• Capital Gains Tax (CGT) impact</li> <li>• contingent liabilities and assets</li> <li>• acting as a guarantor</li> <li>• current level of liquidity</li> <li>• current portfolio including:                             <ul style="list-style-type: none"> <li>• family holdings</li> <li>• family structure and dependents</li> <li>• funds available for investment</li> <li>• home ownership</li> <li>• insurance and superannuation arrangements</li> <li>• interest in deceased estates</li> </ul> </li> <li>• employer details</li> <li>• experience with investment in stock markets</li> </ul>

<b>RANGE STATEMENT</b>	
	<ul style="list-style-type: none"><li>• extent to which the client is geared</li><li>• level of debt</li><li>• marginal tax rates</li><li>• occupation</li><li>• past, present and future employment prospects</li><li>• personal income</li><li>• previous financial history such as:<ul style="list-style-type: none"><li>• bankruptcy</li><li>• refusal of credit</li></ul></li><li>• related details such as stocks acquired prior to 20/09/1985.</li></ul>

<b>RANGE STATEMENT</b>	
<b><i>Documentation</i></b> may include:	<ul style="list-style-type: none"> <li>• advice</li> <li>• agreements</li> <li>• bills</li> <li>• brochures</li> <li>• contracts or policy statements</li> <li>• in-house publications</li> <li>• legal, government, professional or other documents</li> <li>• meeting notes</li> <li>• memos</li> <li>• official, general and other correspondence</li> <li>• program recommendations</li> <li>• prospectuses</li> <li>• quotations</li> <li>• receipts</li> <li>• records of telephone conversations</li> <li>• reference to all evidence and information considered</li> <li>• reports                             <ul style="list-style-type: none"> <li>• research</li> <li>• statistical</li> <li>• ad hoc</li> <li>• transaction</li> <li>• other</li> </ul> </li> <li>• written reasons for adopting or incorporating certain information in preference to other information.</li> </ul>
<b><i>Confidentiality</i></b> includes:	<ul style="list-style-type: none"> <li>• any requirements under legislation such as                             <ul style="list-style-type: none"> <li>• Consumer Affairs Act</li> <li>• Consumer Credit Code</li> <li>• industry codes of practice</li> <li>• Privacy Act</li> </ul> </li> <li>• standards set out in company policies and procedures.</li> </ul>
<b><i>Company policy and guidelines</i></b> may include:	<ul style="list-style-type: none"> <li>• advertising and marketing</li> <li>• clerical procedures</li> <li>• codes of practice</li> <li>• complaints and dispute resolution procedures</li> <li>• IT and administrative systems</li> <li>• policies and procedures in relation to client service</li> <li>• product or service development.</li> </ul>
<b><i>Relevant legislation and</i></b>	<ul style="list-style-type: none"> <li>• Australian Securities and Investments Commission</li> </ul>

<b>RANGE STATEMENT</b>	
<b><i>industry codes of practice</i></b> may include:	(ASIC) Act, policy and guidelines <ul style="list-style-type: none"> <li>• analysis skills to form a holistic perspective of complex situations and identify implications</li> <li>• Consumer Affairs Act</li> <li>• Consumer Credit Code</li> <li>• contract law</li> <li>• Corporations Act</li> <li>• industry codes of practice</li> <li>• Insurance Act</li> <li>• Life Insurance Act</li> <li>• Privacy Act</li> <li>• social security regulations</li> <li>• State and Territory legislation</li> <li>• Taxation Acts</li> <li>• Trade Practices Act</li> <li>• trust law.</li> </ul>
<b><i>Business financial situation</i></b> may include:	<ul style="list-style-type: none"> <li>• assets and liabilities</li> <li>• business interests and structures</li> <li>• history of bankruptcy.</li> </ul>
<b><i>Client expectations and requirements</i></b> may include:	<ul style="list-style-type: none"> <li>• comprehensive financial planning</li> <li>• portfolio advice</li> <li>• product specific advice and/or service.</li> </ul>

## Unit Sector(s)

<b>Unit sector</b>	Financial planning
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## Competency field

<b>Competency field</b>	
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## Co-requisite units

<b>Co-requisite units</b>		