



Australian Government

FNSINC611 Apply economic principles to work in the financial services industry

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with the FNS Financial Services Training Package Version 8.0. Supersedes and is equivalent to FNSINC601 Apply economic principles to work in the financial services industry.

Application

This unit describes the skills and knowledge required to apply broad principles of financial economics that underpin a range of tasks and functions in the financial services industry. It includes understanding how financial instruments are priced in markets, and techniques and processes that government and organisations use to manage financial risk, demonstrating broad knowledge of economic theories and related decision making in a national and organisational economic context.

The unit applies to individuals who have understand economics and how it impacts work in the financial services industry. The skills and knowledge described in this unit also underpin other skills required for work in the financial services industry and may be applied in all sectors of the industry.

No licensing, legislative or certification requirements apply to this unit at the time of publication.

Unit Sector

Industry capability

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Identify economic principles that impact work	1.1 Develop knowledge of economic principles relevant to industry and own role 1.2 Develop knowledge of microeconomic theory and influences on financial products and services that relate to tasks within

ELEMENT	PERFORMANCE CRITERIA
	own role 1.3 Identify capital adequacy regulation and requirements applicable to work functions
2. Use knowledge of economic principles in work	2.1 Apply relevant financial modelling techniques to economic data to inform decision making 2.2 Analyse and apply appropriate asset pricing models 2.3 Apply models to determine organisational value in relation to capital structure 2.4 Evaluate own work in context of relevant economic principles
3. Review work and maintain understanding of economic principles	3.1 Research current economic theories and their impact on the industry and confirm relevant current knowledge 3.2 Evaluate own work in context of relevant economic principles 3.3 Integrate contemporary economic principles into work practices

Foundation Skills

This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.

SKILL	DESCRIPTION
Learning	Ensures knowledge of products, legislation, regulations and standards relevant to role is accurate, comprehensive and current
Numeracy	Performs mathematical calculations to analyse financial information, costs and values for pricing models and capital structure
Reading	Analyses complex documentation from a variety of sources, and consolidates information relating to specific criteria to assist in making high level business and organisational decisions
Self-management	Identifies key factors that impact on decisions and their outcomes, drawing on experience, competing priorities and decision-making strategies where appropriate
Technology	Uses the main features and functions of digital tools to complete work tasks and access information

Unit Mapping Information

Supersedes and is equivalent to FNSINC601 Apply economic principles to work in the financial services industry.

Links

Companion Volume Implementation Guide is found on VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSINC611 Apply economic principles to work in the financial services industry

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Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- apply economic principles to at least one product and one service
- apply financial modelling techniques to at least one scenario.

Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- key features of common economic theories that relate to the financial services industry
- key features of microeconomic principles and how they relate to financial services industry products, services and organisational practices
- capital adequacy requirements for financial services organisations based on financial product mix
- asset pricing models and their use in identifying organisational value and capital structures
- key economic theories and valuation of assets relevant to own role
- financial modelling techniques and tools
- industry or organisation financial markets, products and services
- legislative and statutory requirements and industry codes of practice relevant to own role
- techniques and tools for evaluation and interpretation of research data.

Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- office equipment, technology, software and consumables
- current financial services industry economic literature and research.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

Links

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