



Australian Government

Department of Education, Employment and Workplace Relations

FNSASIC301C Establish client relationship and analyse needs

Revision Number: 1

FNSASIC301C Establish client relationship and analyse needs

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	This unit describes the performance outcomes, skills and knowledge required to satisfy the training requirements for authorisation by an Australian ASIC registered License (AFSL) holder to provide advice on deposit products, non-cash payment facilities and general insurance products at Tier 2 level. This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by ASIC.
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Application of the Unit

Application of the unit	This unit applies to job roles involving provision of advice on financial products and services at ASIC Tier 2 level.
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

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. Establish relationship with client	1.1. A range of communication and interpersonal skills are used to establish the knowledge level of the client 1.2. Enquiries in relation to products and services are responded to by explaining the range of products and services available and their relevant fee and charging methodology 1.3. Client is informed of the role of the adviser and the licensee/principal responsible for the adviser's conduct including procedures for complaints handling and the circumstances in which they should be engaged
2. Identify client' objectives, needs and financial situation	2.1. A range of communication and interpersonal skills are used to gather client personal, financial and business details 2.2. Client's needs and their product risk profile are identified by encouraging expression of their objectives and goals (short-, medium- and long-term goals as relevant to the product) 2.3. Client expectations of cash flow and relevant taxation obligations are established and confirmed
3. Analyse client's objectives, needs, financial situation and risk profile	3.1. An assessment of client's needs is undertaken, utilising all information gathered and taking into account client's product expectations and specific needs 3.2. Client is consulted throughout the analysis for further clarification where necessary 3.3. The need for specialist advice is analysed and the client is referred to an appropriate adviser for higher level or specialist advice if required 3.4. Product risk profile of the client is assessed and agreed demonstrating understanding of the ASIC identified generic and specialist knowledge relevant to the products being offered

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

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

Required skills

- communication skills to:
 - determine and confirm client requirements, using questioning and active listening as required
 - present products and services to clients clearly and thoroughly
 - negotiate agreed outcomes with clients
 - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
 - identify and use financial product information
 - access and use appropriate software such as spreadsheets and databases
 - use internet information
- literacy skills for analysing information and products to ensure appropriateness to client needs, currency and accuracy
- analytical skills to determine client risk profiles and undertake a needs analysis
- interpersonal skills to establish rapport with clients and to liaise with other team members
- organisational and time management skills to sequence tasks, meet timelines and arrange meetings

Required knowledge

Generic knowledge requirements

- the economic environment and characteristics and impact of economic and business cycles including:
 - interest rates
 - exchange rates
 - inflation
 - government monetary and fiscal policies
- the operation of financial markets, the roles played by intermediaries and issuers, structure and inter-relationships within the financial markets, and inter-relationship between industry sectors
- financial products, including:
 - the concept of a financial product
 - general definition
 - specific inclusions and exclusions
 - types of financial investment products
 - types of financial risk products

REQUIRED SKILLS AND KNOWLEDGE

- taxation issues in relation to the products and markets in which they operate
- advisory functions, including:
 - the role of the representative or adviser
 - participants in the advisory services market
 - range of services provided
 - profile and financial information of the client
 - appropriateness of a risk assessment
- the legal environment and disclosure and compliance, including:
 - relevant legal principles (e.g. Corporations Act, Financial Services Reform Act (FSRA), Trade Practices Act)
 - the relationship between ethics and regulatory requirements (e.g. good faith, utmost good faith, full disclosure of remuneration/fees and any other conflicts of interest which may influence the adviser's recommendation)
- relevant industry codes of practice and conduct
- complaints resolution procedures (internal and external)
- ASIC regulatory guidelines

Specialist knowledge requirements

- the specific industry or product in which they are operating. For general insurance products this includes:
 - types of general insurance products/policies
 - standard cover (and deviations)
 - policy wordings
 - taxes and charges
 - insurance claims
 - premium rating/risk selection
 - reporting
 - product development
 - underwriting
- for deposit products and non-cash payment facilities this includes:
 - types of products/facilities
 - product/facility characteristics

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:

- interpret and comply with industry regulations and codes of practice including, for insurance products, the required approval or authority to accept the transfer of risk
- analyse the characteristics of financial products and services, financial markets and the roles of other specialist providers and licensees
- assess the impacts of taxation on client's financial requirements for specific products considered.

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
- access to financial services product information.

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
- observing processes and procedures in workplaces or role plays
- verbal or written questioning on underpinning knowledge and skills
- setting and reviewing workplace projects and business simulations or scenarios
- accessing and validating third party reports.

Guidance information for 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>Adviser</i> may include:	• all natural persons who provide financial product advice to retail clients • any representative of a licensee • employee or owner.
<i>Client needs</i> , objectives and financial situation may include:	• business needs • debt position • expectations of access to product • expectations of income from product • expectations of lifecycle and length of product • family income • security.
<i>Risk profile</i> may include:	• access restrictions on product • borrowing risk and gearing • economic • market and sector risks: • economic cycle • fixed interest • property • stock market • risk factors and return expectations • specific product risk • volatility of income and capital.
<i>Information gathered</i> from the client may include:	• details of liabilities and potential liabilities of the client • details of client needs and objectives for income, security, liquidity, and the time period the client is planning for • disclaimers • disclosures • individual investment preferences and aversion or tolerance to risk • other client details such as: • employment security

RANGE STATEMENT	
	- likely events and their impact on the client - age - other products they have - product application forms - written advice.
Client product expectations may include:	- personal involvement: - active - passive - risk profile: - conservative - speculator. - moderate - their beliefs about performance - expectations of fluctuations in income or capital - being a long-term or short-term investor - need for security.

Unit Sector(s)

Unit sector	ASIC units
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Competency field

Competency field	
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Co-requisite units

Co-requisite units	FNSASIC302C	Develop, present and negotiate client solutions