

FINC 7015 PRINCIPLES OF FINANCIAL PLANNING

Credit Points 10

Legacy Code 200866

Coordinator Julie Knutsen ([https://directory.westernsydney.edu.au/search/name/Julie Knutsen/](https://directory.westernsydney.edu.au/search/name/Julie%20Knutsen/))

Description This introductory unit describes the nature and process of financial planning and financial planning participants within the Australian economic, legal, social, cultural and ethical environment. The key influences affecting the client relationship are identified along with a focus on the use of verbal and non-verbal communication skills to develop client rapport. The unit also involves evaluating data collection and risk tolerance tools and identifying the impact of the regulatory and economic environment on stakeholders. Other topics involve budgetary analysis, term structure, investment decisions, ethics, client goal-setting and statement of advice compliance. The unit provides the foundational knowledge essential to develop and apply comprehensive knowledge across all financial planning areas.

School Business

Discipline Investment and Securities

Student Contribution Band HECS Band 4 10cp

Level Postgraduate Coursework Level 7 subject

Equivalent Subjects LGYB 6479 Principles of Financial Planning (PG)

Restrictions

Students must be enrolled in 2671/2770 Master of Commerce (Financial Planning) or 2690 Graduate Certificate in Commerce (Financial Planning).

Learning Outcomes

On successful completion of this subject, students should be able to:

1. Identify and articulate the key influences that can affect the relationship between the financial planner and the client and develop strategies for effectively managing the client-planner relationship;
2. Identify and articulate the primary pieces of legislation that impact on the financial services industry;
3. Demonstrate the manner in which conflicts of interest arise and identify how ethics is part of the decision making process;
4. Explain how the economic environment and Australian government policy instruments impact on financial planning ;
5. Use a range of calculations and data collection tools to make appropriate recommendations to clients.

Subject Content

1. The Economic Environment & Term Structure: business economics, behavioural economics, consumers, products and the efficiency of markets, government policy (incorporating both fiscal and monetary policy), business cycle, economic indicator & the impact on investment decisions, present value and future value calculations.
2. The Financial Planning Environment: I: identifying financial planning participants, stakeholders, career specialisations in financial planning.
3. The Financial Planning Relationship: key influences and strategies for effectively managing the client-planner relationship.

4. The Financial Planning Ethical Environment: includes conflicts of interest and ethics in the decision making process and the relationship between regulation and ethics.
5. Introduction to Behavioural Finance: key influences for managing the client-planner relationship; behavioural economics; Identify and learn from what has been discovered in the field of psychology to develop theories and models to describe how investors actually make their decisions.
6. Behavioural Finance (Part II); addressing human emotions; guide clients towards achieving goals & expectations; identifying biases and errors.
7. The Purpose of the Statement of Advice (SoA): an introduction to the key components of a compliant Statement of Advice to meet the needs of the client and adviser. Includes client objectives, needs, financial situation, data collection tools, risk
8. The Financial Planning Regulatory Environment: introduces contract law, common law, consumer law and corporation law as it applies to financial planning. Self- regulation of the industry is also introduced.
9. The Financial Planning Regulatory Environment (Part II): The Financial Planning Regulatory Environment: introduces contract law, common law, consumer law and corporation law as it applies to financial planning. Self- regulation of the industry is also introduced.

Assessment

The following table summarises the standard assessment tasks for this subject. Please note this is a guide only. Assessment tasks are regularly updated, where there is a difference your Learning Guide takes precedence.

Item	Length	Percent	Threshold	Individual/ Group Task
Portfolio	500 words each	20	N	Group
Case Study Participation	25 minutes	15	N	Individual
	10 activities must be attempted to have the met the requirements for completing this assessment task.	15	N	Individual
Case Study	2 hours	50	Y	Individual

Prescribed Texts

- Taylor, S 2020, Financial planning in Australia, 9th edn, LexisNexis, Chatswood, Australia.

Teaching Periods

Quarter 2

Online

Online

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View timetable (https://classregistration.westernsydney.edu.au/even/timetable/?subject_code=FINC7015_22-Q2_ON_O#subjects)

Quarter 4

Online

Online

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