

AFA4 Professional Conduct & Governance for Financial Advisers

Subject overview

This subject explores corporate governance and how it influences behaviours and promotes consumer confidence in financial planning. It discusses leadership, culture and behaviours. It looks at how culture influences organisational behaviour, business growth and professional best practice. The subject also discusses risk management and risk management strategies.

Subject learning outcomes

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

1. Explain how culture and leadership affect performance.
2. Explain the risk management process.
3. Identify principles and standards of best practice and apply them in the financial services context.
4. Compare and contrast the different sources of law in the Australian legal environment and the regulations that apply to financial advice.
5. Discuss corporate, regulatory and individual responses to ethical decision making in the context of the current environment in financial services.
6. Explain what constitutes illegal conduct.

Subject snapshot

The table below provides a quick overview of this subject. It lists each topic and identifies when assessment items occur. This snapshot is a useful tool for developing a study plan.

| Week(s) | Topic name | Recommended student effort |
|--------------------|--|----------------------------|
| 1 | Topic 1: Leadership and culture | 7 hours |
| 2 | Topic 2: Risk management | 7 hours |
| 3 | Topic 3: Governance | 8 hours |
| 4 | Topic 4: Roles and responsibilities | 8 hours |
| 5 | Topic 5: Legal environment | 8 hours |
| 6 | Topic 6: Role of ethics in financial services | 8 hours |
| 7 | Topic 7: Professional conduct | 8 hours |
| 8 | Topic 8: AFSL obligations | 8 hours |
| 9 | Topic 9: Illegal conduct | 8 hours |
| 10–12 | Exam (Weighting 40%) Assignment (Weighting 60%) | 40-50 hours |
| Total hours | | 120 hours |

Assessment schedule

| Assessment | Description | Week | Topics | Weighting | Subject learning outcomes assessed |
|------------|----------------------|---------|--------|-----------|------------------------------------|
| Exam | Multiple choice exam | Week 12 | 1–9 | 40% | LO1–6 |
| Assignment | Governance plan | Week 12 | 1–9 | 60% | LO1, 2, 3, 5 |