



FPC007B Client Engagement Skills



Subject outline

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Section 1 — General information

1.1 Administrative details

Duration	Credit points	Level
One study period (12 weeks)	6	AQF8

1.2 Core or elective subject

This is a core subject for the Graduate Diploma of Financial Planning and Master of Financial Planning.

1.3 Delivery mode

This subject is delivered online.

1.4 Prerequisites

There are no prerequisites for this subject. However please review the 'Assumed knowledge' section below to understand the prior knowledge Kaplan advises you should hold before enrolling in this subject.

1.5 Assumed knowledge

Whilst there are no prerequisites for this subject, Kaplan assumes that students have completed FPC001B Economic and Legal Context for Financial Planning, FPC002B Ethics and Professionalism in Financial Advice, FPC003 Superannuation and Retirement Advice and FPC004 Insurance Advice, or understand the content covered in those subjects, prior to undertaking FPC007B Client Engagement Skills.



1.6 Course transition subject equivalence

Students may not be required to complete this subject if they have transitioned from a SIA/Finsia/Kaplan course and have completed the following subject:

- there are no equivalences for this subject.

1.7 Work integrated learning

There are no placements, internships or work experience requirements associated with undertaking this subject.

1.8 Other resource requirements

Students do not require access to specialist facilities and/or equipment to undertake this subject.

Section 2 — Academic details

2.1 Subject overview

This subject focuses on Behavioural Finance concepts to understand different types of behavioural biases that impact an individual's financial decision-making. It examines Portfolio and Prospect theories and the application of behavioural finance on the outcomes of client engagements. It explains how emotional intelligence and critical thinking can assist a financial adviser to understand their client's decisions.

Students can apply their understanding of the above key concepts, by critically evaluating their own emotional intelligence strengths and weakness and evaluate personal communication styles, to support client relationships.

2.2 Subject learning outcomes

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

1. Critically evaluate the explanations of market and investor behaviour according to Portfolio and Prospect theories.
2. Extend the insights of behavioural finance to understand the nature of client relationships in the context of financial planning.
3. Compare and contrast the effects of emotionally intelligent behaviours and critical thinking behaviours on the outcomes of client engagements in a financial services company or licensee.
4. Critically examine the authenticity of communications from a financial adviser to a client with feedback from an assessment of communications styles.
5. Evaluate a range of heuristics, biases and decision errors made by financial advisers and clients in a context of financial services.
6. Build a professional development plan based on results and feedback from various sources.

2.3 Topic learning outcomes

Topic 1: Introduction to behavioural finance

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

- explain how mainstream theories in economics and finance are used by economists and regulators to assess market efficiencies and investor behaviours
- examine how and why financial planners, clients and investors may succumb to systematic decision errors and biases according to the concepts in behavioural finance
- understand the strengths and weaknesses of portfolio theory and prospect theory as explanations of investor and market behaviour
- compare and contrast the effects of decision heuristics on a range of cognitive biases identified by current research in behavioural finance.



Topic 2: Emotional intelligence and critical thinking

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

- support the value of emotional intelligence with codes of conduct and practice standards defined by leading professional associations of financial planners
- assess their own emotions and the emotions of others in various situations encountered in professional relationships with financial planners and clients
- discuss the importance and characteristics of critical thinking and emotional thinking for making financial recommendations for clients
- understand the effects of emotions and moods on the ability of humans to process and recall information, as it pertains to the contexts of financial planning
- infer the general degree of emotional intelligence in other individuals
- evaluate their own emotional intelligence with the Genos model.

Topic 3: Authentic communication

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

- infer how well their communication style gives other individuals an impression of their authenticity
- explain the role of human values in shaping perceptions of authenticity in their communications with other financial planners and clients
- infer how paraverbal and non-verbal communication affects the receptiveness of messages communicated to themselves and others
- discuss the range of communication behaviours as indicators of how other individuals may perceive their communication style
- evaluate how to adapt their communication style to better suit the expectations of other individuals and situations.

Topic 4: Consumer behaviour

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

- understand the consumer decision-making process for selecting and purchasing financial products and services, based on the cognitive model of human information processing
- establish the underlying motivations of a client to accept and implement financial advice
- select a method of consumer research that is appropriate for understanding client motivations, and for contributing to market plans
- discuss the buying behaviours among segments of financial clients, based on current research in financial consumer behavior
- understand the influences of post-purchase behaviours on a client's likelihood of continuing in a professional relationship with a financial planner.

2.4 Assessment schedule

Assessment	Description	Week	Topics	Weighting	Subject learning outcomes assessed
Task 1	Forum submission and peer review	Week 5	1	10%	LO1, LO5
Assignment 1	Interview and critical analysis of two interviews	Week 7	1	45%	LO1–LO2
Assignment 2	Complete Genos Survey and evaluate communication style	Week 12	2–4	45%	LO3–LO6

Please refer to our website <www.kaplanprofessional.edu.au> to review student policies relating to your assessment, including the *Kaplan Assessment Policy* and *Academic Integrity and Conduct Policy*.

2.5 Prescribed text

Pompian, M 2012, *Behavioural finance and investor types: managing behaviour to make better investment decisions*, John Wiley & Sons, Hoboken, New Jersey.

2.6 Study plan

Week(s)	Topic name	Study load in hours
1–2	Topic 1: Introduction to behavioural finance	15
3	Topic 2: Emotional intelligence and critical thinking	15
4–5	Task 1 Forum submission (Weighting 10%)	10
6–7	Assignment 1 (Weighting 45%)	25
8	Topic 3: Authentic communication	15
9–10	Topic 4: Consumer behaviour	15
11–12	Assignment 2 (Weighting 45%)	25
Total minimum study load		120 hours

Additional study hours (if required), dependent on knowledge and personal commitments	60 hours
Total study load, including additional study hours	180 hours