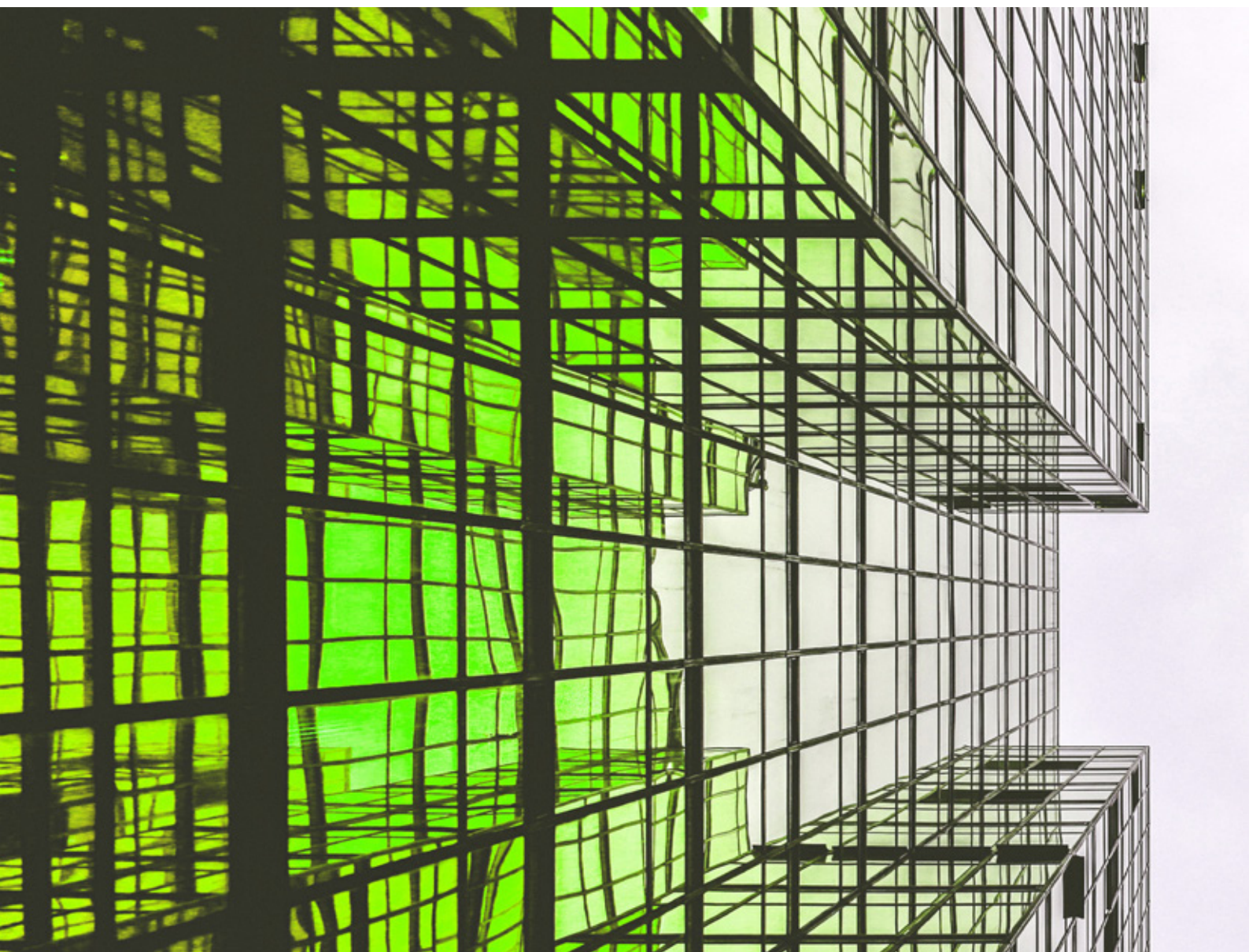


# Professionalism: Conduct & Ethics



# About the course

**'... to achieve fair, honest and efficient outcomes, the people in finance need to refocus on building a highly professional and ethical mindset ... employing firms, and the sector more broadly, need to have as their gold standard, professionalism – that is, to ensure the competence and conscientiousness of their employees.'**

*James Shipton, Chair, ASIC, Keynote address to Australian Council of Superannuation Investors Annual Conference, 17 May 2018*

## Why does professionalism matter?

Professionalism is an essential element for a successful finance industry and, ultimately, contributes to the better performance of the wider economy.

As ethical conduct is a key indicator of professionalism, training in conduct and ethics is important for finance industry firms, individuals who work in these firms and the regulatory environment in which the firms operate:

- **For individuals** – achieving a government-recognised skill set in conduct and ethics demonstrates their commitment to professionalism and is a valuable step on the pathway to a rewarding career.
- **For firms** – strong professional values foster respect and trust in financial firms, promote client confidence and support the conditions that generate fair and sustainable profits.
- **For the regulatory environment** – Conforming to a recognised government benchmark for conduct and ethics training is a transparent and achievable way for a firm to demonstrate its commitment to the high professional standards expected by the financial regulators.

Professionalism is considered the key to both improving conduct and rebuilding public trust and confidence in the fairness and efficiency of financial markets.

## So what is professionalism?

Professionalism is more than just technical competence and compliance with the law—it also requires behavioural and interpersonal skills and ethical competence.

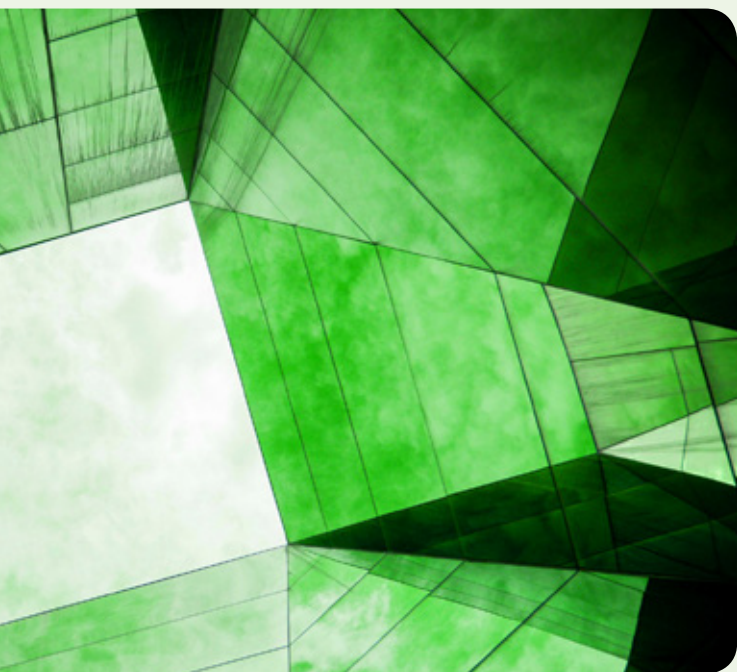
Professional ethical competence is a complex concept but includes the adherence to professional codes of conduct, sensitivity to ethical issues in the environment, client-centredness, ethical decision-making skills, judgement and skills for speaking up and acting on values.



## Demonstrating competency in conduct and ethics

Many firms already have mature comprehensive in-house conduct training programs. The challenge for firms has been to prove to regulators that employees completing these bespoke programs have reached a common industry standard of knowledge and skills.

The development by the industry of the government-endorsed ASQA skill set in business conduct and ethics defines a common industry standard for the finance industry. AFMA's *Professionalism: Conduct & Ethics* creates a pathway to meet this standard.



## Build ethical competence in your organisation

There has never been a more important time to support the training and development of your staff to build their professionalism by enhancing their ethical competence and to embed ethical values in the organisation's culture.

Professionalism is about individuals exercising their specialist work knowledge and skills in an ethical and principled way, with an overriding care for clients and stakeholders. To undertake their work responsibilities professionally, your staff must be equipped with a toolbox of professional skills and knowledge.

All staff should understand how codes of conduct, including relevant organisational and industry codes, affect how they perform their job responsibilities. It is essential that they know how to use an ethical decision-making methodology to analyse situations where they are unsure as to the right course of action.

Just as important is that staff recognise that psychological and situational factors influence decisions as to whether or not to act on values. They must also have the capabilities required to speak up and act on values effectively.

## Foundation skills

AFMA's course, *Professionalism: Conduct & Ethics* has been designed to provide foundation skills for ethical competence for the finance industry. This course can deliver the core conduct and ethical skills and knowledge necessary to be a finance industry professional. When completed in conjunction with AFMA's Financial Markets Program, which covers the essential technical knowledge in financial markets, it provides a complete industry accreditation package.

## Professionalism: Conduct & Ethics

Until now, there have been few practical, financial markets-focused resources available to help financial firms build ethical competence in the organisation. That's why AFMA has launched *Professionalism: Conduct & Ethics*.

This course provides participants with an easy-to-use framework to identify internal biases and support ethical decision making, and teaches practical approaches to speaking up and acting on ethical issues. These essential skills ensure individuals, teams, divisions and organisations can be confident that their work meets existing and emerging conduct standards and enables them to demonstrate this to others, both within the industry and outside it.

With a version of the course designed specifically for the financial markets with input from AFMA member firms and external parties, the course draws on ethical theory and applies it to real-world financial market case studies. The course is flexible and can be deployed with different case studies in any finance context.

Critically, participants learn how to act on values conflicts in the workplace, i.e. how to raise these issues in an effective manner. To address a situation with an ethical component is frequently a matter of competently employing the same analytical skills that are used to solve technical problems.

Completed via a combination of online lessons, workshop attendance and written assessment the overarching objective of the course is to equip individuals with a kit of practical tools for acting ethically in their professional life, with each lesson addressing a different skill or tool.

## Based on the national standard for ethics and conduct education

*Professionalism: Conduct & Ethics* is based on the *FNSSS00013 Business Ethics and Conduct Skill Set*, which was endorsed by the Australian government in December 2017 and is the VET sector standard for ethics and conduct education in the finance industry. AFMA worked closely with industry and government to develop the skill-based competencies that underpin the skill set.

The *FNSSS00013 Business Ethics and Conduct Skill Set* is the first nationally recognised standard for ethics training in Australia.

# Course outline

## Learning outcomes

This course equips individuals to:

- apply ethical theories to a scenario and appraise the different conclusions arising from each
- analyse a range of difficult workplace ethical issues and determine a course of action using the AFMA Ethical Decision-Making Framework
- evaluate the situational and psychological barriers to ethical decision making and actions when you encounter values conflict in the workplace
- apply codes of conduct, including the AFMA Code of Conduct, when making decisions in 'grey' areas where there is no clear law or rule, or where values appear to be in conflict
- identify components of the ethical dilemma, including the reasons and rationalisations to be addressed and what is at stake for all parties
- formulate strategies and processes for responding to situational and psychological barriers to ethical decision making in the workplace
- determine a course of action, including steps to take, people to talk to, and what the reaction may be and how to respond
- apply communication and interpersonal skills when acting on a decision based on ethical principles
- identify individuals and/or resources that may provide advice and guidance on ethical dilemmas if required
- critically reflect on own actions and values to enhance personal ethics and capacity for good professional judgment.



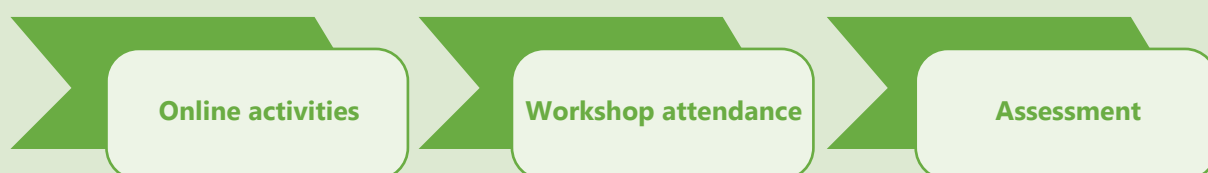
## Who is the course for?

This course is designed for anyone working in financial markets and will be particularly useful for those in front, middle and back office roles. There are no prerequisites.

## Practical skills

The course has a strong applied focus and features case studies specific to financial markets. It provides individuals with the practical skills and tools essential for identifying and analysing ethical issues and speaking up. Skills are taught through application to a series of authentic workplace-based case studies.

## The learning process



## Program details

<b>Structure</b>	A combination of online activities, workshop attendance and assessment
<b>Duration</b>	7 weeks
<b>Workload</b>	20-30 hours, depending on prior knowledge and experience
<b>CE hours</b>	10 hours

## Duration

AFMA provides a maximum of 6 months to complete the full *FNSSS00013 Business Ethics and Conduct Skill Set* (from date of initial registration). It is important to note that AFMA has structured the module so that it should be completed in a time frame of 7 weeks.

## Online lessons

### Lesson 1

#### What is the right thing to do?

In this lesson:

- ethical theories and how they influence beliefs and actions are analysed
- the difference between ethical conduct and compliant or legal conduct is considered
- reflective techniques, which are critical for professional practice are discussed
- use of the AFMA Ethical Decision-Making Framework to analyse complex ethical dilemmas is introduced.

### Lesson 2

#### Cognitive biases and social dynamics

In this lesson:

- cognitive biases, social dynamics, situational factors and financial rewards, and how they influence how situations are framed and understood, are explained
- strategies for countering the impact of cognitive biases, social dynamics, situational factors and financial rewards are outlined
- how to incorporate the knowledge and awareness of both the drivers of their behaviour and that of others when using the AFMA Ethical Decision-Making Framework is explained.

### Lesson 3

#### Taking the ethical path

In this lesson:

- the question, 'Once you have worked out the right action to take, how do you get it done?' is addressed
- individuals identify factors that enable them to speak up and those that make it difficult
- strategies for addressing everyday values conflicts and ethical challenges including pre-scripting responses are explored
- regulatory and organisational processes and protections for speaking up are examined.

## Workshop

An integral part of the course is a half-day, face-to-face workshop taught by an industry expert. The workshop is highly interactive and based on working through case studies in small groups. The primary focus is on applying the knowledge and skills gained from the online lessons to workplace-based case studies.

## Assessment

For this module, students are required to:

- complete a series of pre-workshop assessable online activities
- participate in assessable workshop activities
- prepare one skills assessment demonstrating mastery of the requisite competencies.

## Statement of attainment

Upon completion of the *Professionalism: Conduct & Ethics* module individuals will be awarded the *FNSSS00013 Business Ethics and Conduct Skill Set*.

The following units of competency will be awarded:

- FNSINC503 – Identify situations requiring complex ethical decision making
- FNSINC504 – Apply ethical frameworks and principles to make and act upon decisions

The skill set is nationally recognised within the Australian Qualifications Framework and is government endorsed.

## Blended learning

Students will gain online access to comprehensive learning material containing the core content, activities, case studies and readings. Students will participate in a face-to-face workshop and learn from industry experts. Online support and study resources are provided through AFMA Moodle.

## Confidentiality

All facilitators, assessors and students will be required to complete and submit a confidentiality statement prior to commencement in the module.

## How to register

To register for the *Professionalism: Conduct & Ethics* module, visit [www.afma.com.au](http://www.afma.com.au) and download the registration form. Submit your completed form to [education@afma.com.au](mailto:education@afma.com.au).

For group bookings, in the first instance please send an email of enquiry to [education@afma.com.au](mailto:education@afma.com.au).

## Alternative completion options

### Recognition of prior learning (Assessment only)

Experienced individuals who have sufficient professional work experience and training may be eligible to apply for recognition of prior learning (RPL). They must complete a skills assessment for the course but are exempted from the learning requirements.

### Credit transfer

Course exemption (from training and assessment) may be obtained through mutual recognition of the relevant units of competency achieved through study at other registered training organisations (RTOs).

### In-house training

AFMA can deliver the course in-house at a time and location suitable to your organisation. We can also customise the course to suit the individual requirements of your organisation, provided the customisation remains with the national qualification framework.

## AFMA

RTO ID 91407

*Building Australia's financial markets by promoting efficiency, integrity and professionalism*

AFMA is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets – including the capital, credit, derivatives, foreign exchange and other specialist markets.

Key objectives of AFMA include:

- promoting high professional standards through accreditation programs and education
- encouraging responsible conduct and behaviour by establishing efficient and ethical market practices
- promoting financial markets as essential elements of the Australian financial system and the development of effective policies for their supervision and management locally and globally
- effectively representing member firms' views in relation to the good reputation of the financial markets and their regulation by government
- promoting and facilitating the development and maintenance of efficient and competitive markets for financial instruments and related activities.