knowIT Group CPD Policy

Contents

knowIT Group (knowIT) applies a Continuing Professional Development (CPD) approval policy that helps Australian Financial Services (AFS) Licensees, and their Relevant Providers, to meet their obligations. knowIT's policies and procedures apply rigorous standards to ensure all knowIT approved training meets the requirements of the Financial Adviser Standards and Ethics Authority (FASEA). CPD that meets the requirements of knowIT's CPD policy receives the knowITcert endorsement.

FASEA's Continuing Professional Development Policy (FPS004) and the Legislative Instrument registered to govern CPD, outline FASEA's standards for AFS Licensees approving CPD training. A minimum of 70 per cent of CPD undertaken by each Relevant Provider each year must be approved.

knowIT's approval process ensures standards are applied to each training module. These include:
- Minimum qualifications and experience requirements for the authoring Subject Matter Expert(s) and Peer Reviewer.
- Minimum reputational and experience standards for the business providing the training.
- A clear framework outlining the level of the training.
- Stated learning outcome requirements and clear ties between the learning outcomes and module assessments.
- A clear methodology for determining the number of CPD hours applied to the module.

On top of these FASEA requirements, knowIT's approval process also applies:
- A clear method of review and audit for each module,
- Minimum standards to those conducting peer reviews of the training module,
- Identification as to whether the training contains content relevant to the Tax Practitioner Board's (TPB) Continuing Professional Education (CPE) policy for registered tax (financial) advisers,
- Clear identification of how each module benefits advisers and their businesses, and
- Clear identification of the features of each module.

Authoring Subject Matter Expert

In order to qualify for knowIT approval, the responsible SME who authored the module must:
- Hold a tertiary qualification (a minimum of AQF level 7) that is relevant to the subject matter of the training module, and
- Have a minimum of 10 years of relevant industry experience, or
- Have a minimum of 20 years of relevant industry experience and be a recognised expert in the relevant financial services field.

Peer Reviewer

knowIT will arrange for a peer review of the module to be undertaken. The reviewer will:
- Hold a tertiary qualification (a minimum of AQF level 7) that is relevant to the subject matter of the training module, or
- Have a minimum of 20 years of relevant industry experience.

Tertiary qualifications

While an Authoring SME or Peer Reviewer may be exempt from holding tertiary qualifications if they have significant experience in the relevant area, at least one of the Authoring SMEs or the Peer Reviewer must hold the required formal tertiary qualification.

CPD Providers

In order to qualify for knowIT approval, the organisation or business that provides the CPD module must:
- Undertake operations in the course of its daily business that are relevant to the subject matter of the training,
- Be able to demonstrate that the business and its principals are of good standing and sound reputation,
- Be able to demonstrate reliable review processes for training to ensure its currency while available.

Training level

The approval applicant will assign each module one of three levels – foundations, intermediate or complex. This level will be assessed by the Peer Reviewer. If the module fails to accurately meet the standards of any level, no approval will be provided.

The qualities of each training level are outlined below.

Foundations
- The training explains the foundational factual knowledge of the subject matter, including concepts and rules.
- The learner is required to demonstrate the understanding of the rules, regulations and factual aspects of the general subject manner.

Intermediate
- The training explains the factual knowledge of the subject matter, including concepts and rules.
- The training applies those concepts and rules of subject matter to client and business situations.

- The learner is required to demonstrate their understanding of the rules, regulations and the factual aspects of subject manner.
- The learner is required to apply their understanding of subject matter to client and business situations

Complex
- The training can assume the learner understands the foundational factual knowledge of the subject matter, including concepts and rules
- The training demonstrates the application of those concepts and rules to client and business situations.
- The training demonstrates the strategic application of those concepts and rules to maximise client or business outcomes.
- The learner is required to demonstrate their understanding of the rules, regulations and factual aspects of subject manner.
- The learner is required to apply their understanding of the subject matter to client and business situations.
- The learner is required to apply their understanding of the subject matter strategically to maximise client or business outcomes.

Application of CPD Hours

CPD hours are to be applied to training based on the following principals:
- The required face-to-face or webinar contact time.
- The estimated reading time. Time is allocated according to level of training as follows:
  - For foundational concepts, 5 mins is allocated per 500 words or part thereof,
  - For intermediate concepts, 10 mins is allocated per 500 words or part thereof,
  - For complex concepts, 15 mins is allocated per 500 words or part thereof.
- The estimated online module time. Time is allocated according to:
  - The length of multimedia pieces included,
  - The estimated time an average learner would require to complete all non-multimedia screens.
- The estimated time to complete exercises. Questions, calculations, reflections or practical exercises may form part of the training itself and the time it would take an average learner to complete these exercises is included in the CPD hours.
- The assessment time. This is the estimated time an average learner would require to complete the assessment successfully. The following factors are to be taken into consideration:
  - The level of the questions in the assessment (foundational, intermediate or expert), and
  - The style of the questions (including multiple choice, calculations, short answers, essay or in-person assessment).

The application of CPD hours is to be provided by the approval applicant and assessed by the Peer Reviewer. These hours are to be split according to the proportion of the training that applies to each Category (see Categories section).

The resulting time is then rounded to the nearest half hour unless the training is based on clear timeframes that require smaller fractions of hours.

Categories

Each module is to fit into, and thus be allocated hours in, one or more of the four categories as identified by FASEA;
1. Technical competence,
2. Client care and practice,
3. Regulatory care and compliance, and
4. Professionalism and ethics.

Further category definitions (from Corporations (Relevant Providers Continuing Professional Development Standard) Determination 2018):

Technical Competence - The activity is designed to enhance participants' technical proficiency and ability to develop and provide advice strategies that are appropriate to the objectives, financial situations and needs of different classes of retail clients.

Client Care and Practice - The activity is designed to enhance participants' ability to act as a client-centric practitioner in advising retail clients.

Regulatory Compliance and Consumer Protection - The activity is designed to enhance participants' understanding of applicable legal obligations and how to comply with them.

Professionalism and Ethics - The activity is designed to enhance participants' capacity to act as an ethical professional.

TPB relevant content

Those who are registered as tax (financial) advisers with the TPB are required to meet the CPE requirements of that regulatory body. For training to be considered relevant CPE, it must meet a number of criteria outlined in the TPB's Explanatory Paper 06/2014.

The criteria include that the training be relevant to the tax (financial) services that the adviser provides and that it be delivered by persons or organisations with suitable qualifications and/or practical experience in the subject area.

The approval applicant will indicate whether the training includes elements relevant to the provision of tax (financial services) and the peer reviewer will assess the validity of that claim.

Type

Each module is to be classified according to FASEA's outlines on types of training. That is it is:

- **Formal relevant education** (provided by an Education Provider), such as degree equivalent study to meet legislative requirements (such as bridging courses and approved degree studies) and any formal study towards other qualifications and designations relevant to the practice of the Relevant Provider,
- **Non-formal education,** including :
  - Education for the purposes of achieving a relevant professional designation,
  - Education for the purposes of meeting requirements in specific financial advice,
  - Education for the purposes of accreditation in specific forms of financial products relevant to licensing arrangements, or
- **Other CPD**, such as sessions or workshops such as conferences, PD days, update sessions, which are relevant to financial advice.

The type of the training is to be identified by the approval applicant and assessed by the Peer Reviewer.

Stated learning outcomes and verification of learning

Each training module must include a list of stated learning outcomes. The number and detail of these learning outcomes should be appropriate to the length and level of the module. Learning outcomes must be numbered.

All learning outcomes must be assessed formally through an examination or other question and answer process. This process must demonstrably cover each of the learning outcomes and each assessment question must be linked to one or more of the numbered learning outcomes.

The authoring Subject Matter Expert must provide the learning outcomes and link the outcomes to the assessment questions. The peer reviewer must assess whether the Subject Matter Expert's assertions are accurate.

Assessment must be marked to a standard pass level of 70 per cent for closed book or restricted information assessments, and 90 per cent for open book assessments.

Training value

Each module will be identified by the approval applicant as meeting one or more of a number of set criteria that indicate how the training's content is valuable to the learner and their business. These include:

- Advice compliance
- Business generation
- Client retention
- Enhanced client engagement
- Specialist application of theoretical concepts
- Broad application of theoretical concepts
- Business efficiencies
- Personal development

The criteria will be assessed by the Peer Reviewer.

Learning features

Each module will be identified by the approval applicant as meeting one or more of a number of set criteria that indicate how the training's content is delivered to the Learner. These include:

- Interactive
- Multimedia
- Live discussion
- Post-event discussion
- Segmented/modularised
- Able to interrupt and retain work
- Live delivery
- Static/recorded delivery
- Document only
- Feedback requested

The criteria will be assessed by the Peer Reviewer.

Continuous improvement

Reviewing

Modules are required to be reviewed for accuracy and efficacy by the CPD provider at a minimum annually, or at the request of knowIT Group upon observation of obsolescence.

Currency dates

Training modules that are available for an extended period of time must include date it was last reviewed and the date of next review / when the module lapses.

Evidence

CPD providers are to provide as much evidence substantiating the training as possible for assessment by the Peer Reviewer. Evidence may include:

- Speaker notes
- Presentations
- Assessments
- Recordings
- Online modules
- Reading materials
- Other documentation

If the Peer Reviewer does not feel the documentation is sufficient to establish the content of the training and the method of delivery, further evidence may be requested.

Use of the knowITcert logo and title

Where CPD has the knowITcert endorsement applied, the applicant may use the knowITcert logo to promote that specific CPD module or event. A certificate outlining the details of knowIT approval may be provided to those who complete the CPD, along with a copy of this policy or reference to its location on the knowITdigital website.