

# elevation

In helping financial advisers meet their continuous learning obligations and commit to personal and professional development, technology and education providers are helping the industry catch up to more established professions. **Karren Vergara** reports.



**L**ifelong learning and continuous improvement are a must for financial services professionals to stay on top of their game.

Esteemed professions have long recognised that learning doesn't end at the tertiary level – it is an ongoing process of enhancing professional competence in a structured and disciplined way.

The Financial Adviser Standards and Ethics Authority sought to elevate the advice industry to this league, instigating the process of formalising continuous professional development (CPD) in 2017 in a bid to make a program that is robust and relevant in upskilling advisers.

The global pandemic upended many aspects of financial advisers' professional lives. How they upskill and develop professionally was no exception. The convenience of on-demand and virtual learning has subsequently become a cornerstone offering for educational providers catering to time-poor advisers who have to squeeze in CPD on top of a stretched workload.

Financial Advice Association Australia general manager of education and professionalism Anne Palmer<sup>01</sup> says people like to learn in different ways and the association caters to all preferences.

"Some people love to read content and pass through it, and some like to watch a webinar or listen to an audio. Some people love networking and learning in that way as well," she says.

Throughout the year, the FAAA provides about 20 hours' worth of CPD at local events; 13 hours at its annual Congress plus another 34 hours members can access online afterwards. Then there are nationwide roadshows that come with an additional five hours.

"We've got a lot of content available, over 200 hours a year on the Learn system, and probably another 50 hours at live events as well," she says.

"It is important to note that a lot of the knowledge that advisers want to listen to or want to gain comes from their peers, so we facilitate and bring that information to the fore





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**Anne Palmer**  
general manager  
of education and  
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**Ben Travers**  
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so that advisers can learn from other advisers and experts.”

Prosperity Wealth Advisers financial adviser Ben Travers<sup>02</sup> has been instrumental in helping shape continuous learning content amidst the early days of professionalisation after the Hayne Royal Commission, which culminated in contributing to the Kaplan curriculum in 2021.

He studied the masters in financial planning at Kaplan, producing a research paper called *Moving towards an ethical and professional industry*. From there, he became part of the editorial committee with a group of advisers who brainstormed ideas that were relevant and topical at the time and spurred Kaplan to write the articles and content.

CPD, for many qualified professionals, is indispensable even though it may at times feel like an onerous and box-ticking exercise.

Travers says it doesn't have to be this way if a structure is applied to it. He will typically do one or two CPD courses per week and allocate an hour or so on Friday afternoon, for example, to stay on top of it.

“CPD has been around for years. It's not going anywhere. We just need to be smarter on how we achieve it and get the best learning outcome,” he says.

“The only problem is there aren't as many conferences as they used to be. You're forced online to study more, and not everyone gets the full learning outcome out of studying something online – people like the human interaction. I think there probably needs to be more options in terms of how people absorb that learning. CPD is great online but it's not for everybody.”

### Stay on track

In this digital age, seamlessly maintaining a logbook of completed CPD hours should be a given. Yet the advice industry's ability to do this is piecemeal at best.


Palmer says that a “surprising number of members do track their content on spreadsheets, which is difficult for reporting and compliance.”

Kaplan, which is a major provider of CPD, uses a tool called On Track. Palmer says the FAAA is currently developing its own tracker, while a few smaller players and AFSLs have their own in the form of a digital tracker or a spreadsheet.


At the end of the day, she says, so long as advisers can report on it and the AFSL is confident it has met its requirements is all that matters.

Ensombl chief executive Clayton Daniel<sup>03</sup> is looking to solve the administrative gaps in CPD for advisers and will soon launch a new app that aims to harmonise the disparate CPD administration and process.

“We've built a way for licensees to provide compliant CPD from all the work that they now do with financial planners,” he says.

 *The quantum 40 hours is an onerous target. There are very few professions that have that number of hours. CFPs are the top of the crop and we encourage them to stay there through continuous learning.*

**Anne Palmer**



“When this goes to market, we're going to, for the first time ever, give Australian AFSLs the ability to give their advisers compliant CPD points for all live streamed events.”

Ensombl will also work with licensees and practices of any size and give them the ability to host their own events.

“Their advisers will be able to gather points from anywhere within the industry and streamline CPD directly across into their CPD reporting environment,” he says.

“Our goal is to create a network effect of CPD. It's not just an adviser turning up to their licensee and receiving points, but if they go on to, for example, Aspire CPD. What we want is Aspire CPD points to automatically go into the advisers' register, so they don't have to download a PDF, upload a PDF, get someone from the licensee to sign off on it [and so forth]. There's a lot of hand holding that doesn't need to happen.”

Ensombl, with 10,000 members, is modelled on Doximity, a vertical social media platform and online community of doctors in the US.

“Ensombl has been the ‘town halls’ for conversation in the advice industry for a few years now, but the element that we've missed from the Doximity business model is the CPD platform. That's something that we've been working on in the background for five years, and we are finally getting close to launch at the end of this year,” Daniel explains.

The app has undergone beta testing and will have its first paying client by the end of December.

Daniel makes it clear that Ensombl's app is not another CPD platform. What it does is fill two gaps in the market.

“We saw advisers undergoing genuine professional development with their licensees. But it was either non-compliant or they weren't receiving the CPD. Both of those are huge issues,” he says.

ASIC requires all financial advisers, excluding provisional advisers, to participate in development programs and activities that ensure they maintain and extend their professional capabilities, knowledge, and skills. This equates to 40 hours per year with a minimum of 24 hours split across four areas (see Figure 1).

On the road to professionalisation, the ad-

vice sector raised its standards in line with others in financial services.

Chartered Accountants (CAs) in Australia and New Zealand must complete a minimum of 20 CPD hours each year, which form part of the 120 hours required each triennium. The requirements mirror what CPA Australia mandates its members.

Chartered Financial Analysts (CFAs), meanwhile, must earn at least 20 professional learning credits per year. One credit equates to 60 minutes of educational activity.

Certified Financial Planners (CFPs) are held to an even higher standard.

“Historically, prior to CPD being mandated for all advisers, we set the standard for 40 hours for CFPs,” Palmer says.

“We set them a very high target. When the legislation came through, all advisers now have a 40-hour target. We haven't asked our CFPs to do more hours. But this year, we have started to accredit content in terms of how much it stretches people in terms of foundation, intermediate, or advanced.”

The FAAA typically provides CFP-only events and content, which Palmer says is designed to challenge them.

“We like to provide content for our CFPs that is a higher educational standard and stretches them. The quantum 40 hours is an onerous target. There are very few professions that have that number of hours. CFPs are the top of the crop and we encourage them to stay there through continuous learning,” she adds.

### Averting disaster

At AMP's in-person events, the group executive of advice Matt Lawler<sup>04</sup> says he sees enthusiasm and a large turnout from advisers who are eager to expand their knowledge.

“Advisers have always been very conscious



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chief executive  
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marketing  
and business  
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manager  
AccountantsIQ

of their professional development requirements, but they're also keen to learn, to grow because that actually feeds into them giving better advice to their clients," he says.

"To me, it's a reflection on those that have remained in the profession. While we've lost a lot of advisers, those professionals that have remained are serious, long-term professional advisers."

AMP partners with Kaplan to provide a tracking system of advisers' CPD hours. It also features online tutorials and CPD-qualified sessions that allow them to fill any gaps on-demand.

It goes further to customise content and events for the subsectors in advice. Admin Essentials caters to administration staff, such as paraplanners, while the topic of practice principles target business owners, and discusses areas such staff remuneration and how to achieve efficiencies.

Ethics has garnered special attention since the Hayne Royal Commission, requiring the biggest weighting compared to other key learning areas.

It is a common thread among peak finance professional bodies, which have increasingly embedded ethics in their continuous learning. Since July 1, all CAs, for example, regardless of designation, must include at least six hours of verifiable ethics-related CPD for trienniums. This used to be only two hours.

Tax laws and financial markets are constantly

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**Clayton Daniel**

changing. Many clients would expect their financial advisers to have their fingers on the pulse. Aged care advice is another topic that will be pertinent to advice conversations going forward.

AccountantsIQ last year launched Aged-CareIQ, a self-service resource split into six parts that cover how the aged care system works, funding, and funeral and estate planning, to address the demand from accountants and advisers.

"Aged care can be a hard topic to talk about," AccountantsIQ marketing and business development manager Louise Richmond<sup>05</sup> says.

"Estate planning is an area advice professionals are used to facilitating for their cli-

ents. But with the aged care piece, help can be needed in a flash. Someone can break a hip or have a stroke and then becomes an instant need for home care help, and things can go downhill dramatically from there."

AgedCareIQ also helps take away the emotion as it's "short and sharp" and provides information and help with what to do next.

"We also highlight a lot of red flags in certain scenarios. This helps the adviser, their client or even their staff to take the next steps to get aged care assistance in place and organised more efficiently and effectively. It's the type of guidance and information advice professionals are looking for in this space," Richmond says.

Advisers now don't have any excuses for not meeting their CPD obligations.

"If an adviser does not fulfil CPD requirements, a breach of the guidelines is reported, and then there's a rectification that needs to happen. And if it happens consistently, that person could lose their licence," Lawler warns.

Daniel points out that prior to Covid, one in four meetings were done virtually.

"Three in four meetings are now done virtually. We've gone from a situation where it was a novel idea to have a meeting online, but now it's become expected to be normal," Daniel says. So too is the ability to learn flexibly.

"Before Covid, when everything was in person, that was never a problem. Everyone would get together in a room, and everyone would have a tick on their name, and they would get the points. But now everything's moved online," he adds.

Travers finds value in both the online and in-person format of continuous learning.

"I don't rely on conferences, or any form of fund manager catch ups, for example. I think you've got to go spend time to read and learn," he says.

"And then when you're at a conference, that allows you to go to the sessions that you really want to hear about, because you've ticked the boxes on the compliance side."

In October, LawCPD launched the Universal CPD Tracker, a free app that streamlines and tracks CPD point for lawyers, alerts them of deadlines, and provides feedback on their progress. It promises not only to save time, but help legal professionals stay compliant.

Ensombl's financial advice version could finally help ease the headaches licensees have long endured, particularly to minimise their compliance risks.

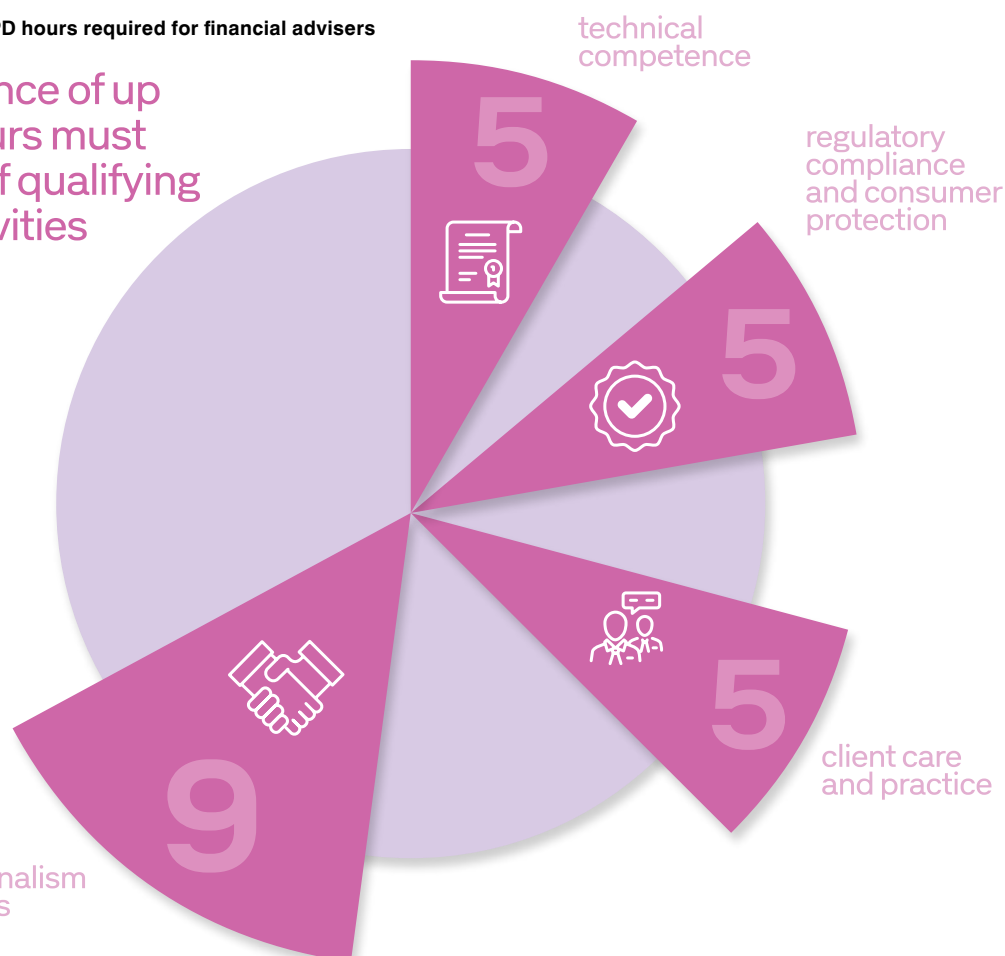
One licensee Daniel worked with called CPD administration "an absolute disaster".

"Licensees have to share regulatory and technical updates. There's a lot of professional development that goes on between a licensee and an adviser. But currently, there's no compliant way to confirm to ASIC that someone not only attended, but actually was actively engaged and learned from the session," he says.

"I've seen some very complicated spreadsheets set up, and let me tell you, they're all still based on hope, faith, and trust." **FS**

**Figure 1. Total CPD hours required for financial advisers**

The balance of up to 40 hours must consist of qualifying CPD activities



Source: ASIC