

## **Focus on financial advice qualifications an overdue step; but beware, all degrees are not equal.**

Australia's largest privately-owned financial services training company has welcomed the Federal Government's focus on enhanced academic [qualifications](#) but is concerned that exemptions for so-called 'degree-equivalents' potentially undermines the aim of improving financial advice for consumers.

[Mentor Education](#) founder and principal, Dr. Mark Sinclair, today said enhancing qualifications was a long overdue step, critical in underpinning the professionalism of financial advice practitioners and the industry. However, those advisers who have hybrid degrees should only be allowed to provide limited financial advice. Only a fully-fledged 24-subject financial planning degree should be considered sufficient for full service, holistic financial planners.

"While acknowledging there is angst amongst some sections, the reality is the financial advice industry simply cannot progress further, and take its place alongside trusted advisers such as accountants, lawyers, doctors, teachers, etc., without appropriate and benchmarked higher education academic qualifications," Dr. Sinclair said.

"Whilst some important details are being worked through - such as what kind of qualification will apply to what kind of adviser - most of the parliament, professional industry member associations and key stakeholders support the effort to create better standards. It will catalyse long term positive change across the industry".

"Having educated over 15,000 financial advisers since we began operations over 14 years ago, we believe this is a very important and overdue step that will lift the industry's game and benefit consumers.

"The new education requirements should be contemporary and appropriate to both existing advisers and new industry entrants.

"For established advisers it should acknowledge their experience and provide a framework around their hands on knowledge and depth of expertise – a framework they can leverage to further enhance their business success and client advice endeavours.

"New entrants will benefit with a qualification that will underpin their on going professional and self employed careers," Dr. Sinclair said.

## 8 Criteria to Guarantee Financial Planning Degrees

Dr. Sinclair believes that **the new legislation needs to adhere to 8 criteria** which would guarantee that any Financial Planning Degree should:

1. Not create new hurdles for financial advisers who will only ever be providing **limited** advice (e.g. Accountants focusing on SMSF advice or advisers focusing on Life Insurance)
2. Be a Bachelor of Financial Planning, with 24 relevant financial planning subjects (not a 12-subject Masters or a hybrid Bachelor's Degree such as a Bachelor of Commerce with some financial planning subjects).
3. Provide credits/exemptions for study already undertaken at the Diploma and Advanced Diploma qualification levels with at least three years' current experience.
4. Be manageable, flexible and affordable.
5. Not have any so-called "Degree equivalents" - such as an industry association four subject postnominals. These four subjects, together with the 8 subjects in an Advanced Diploma can provide credits/exemptions towards a 24 subject Bachelor's degree, but it's ludicrous to call them a degree equivalent and will only leave the industry open to further ridicule.
6. Be advised and informed by - but not governed by - the proposed Standards Setting Body.
7. Be preparation for a centralised entrance exam that will provide a critical benchmark ensuring a consistent industry wide standard and assurance in the competency areas that relate to the 24 financial planning subjects in the Bachelor's degree.
8. Be supported by assessed (structure) CPD with minimum annual hours/points for competency areas related to advice authorisation, to identify and fill knowledge gaps in preparation for reexaminations every three years. Linking CPD outcomes to preparation for renewal exams every three years is the only effective way to ensure that all advisers keep abreast of the ever-changing legislative and knowledge requirements expected and required of an advice professional.

"These 8 points are integral to the effective enhancement of financial planner qualifications," Dr. Sinclair said.

"Mentor Education strongly supports the government and industry bodies that are dedicated to raising the professional standards of Australia's financial advisers."

Dr. Sinclair also confirmed that *CoreData* has been engaged by Mentor Education to undertake a comprehensive survey of adviser expectations and views. The findings will be used to develop Mentor Education's Bachelor of Financial Planning (Degree) and Dr. Sinclair is confident that the professional qualification will become the 'gold standard' for financial advisers.

*(The CoreData survey results will be circulated via another media communiqué in the near future)*

ENDS



**Dr. Mark Sinclair**  
Managing Director  
Mentor Education

### **About Mentor Education**

Established in 2002 and headquartered in Melbourne, Mentor Education is Australia's largest privately owned financial services training company. Mentor Education has educated over 15,000 thousand financial advisers. Employing 27 staff, the highly successful business specialises in the provision of professional and personal development training through face-to-face, distance education and interactive e-learning facilities.

Mentor Education courses lead to qualifications in financial planning, accounting, bookkeeping, mortgage broking and credit management. Specialist adviser courses are also provided as well as Continuous Professional Development technology and content. As a registered RTO, all Mentor Education qualifications are nationally recognised.

### **About Dr. Mark Sinclair.**

Dr. Mark Sinclair is the Managing Director of Mentor Education.



*High resolution image  
available on request*

Dr. Sinclair started providing financial services training in 2003 with a strong desire to provide high levels of student satisfaction and skill-based learning outcomes. This 'student focus' is a direct result of Mark's doctoral studies, corporate advisory experience with AT Kearney and KPMG, and his time tutoring to the MBA program at RMIT.

During his career, Mark has advised senior executives at over 100 organisations in a broad range of industries throughout Australia, Southeast Asia and the Middle East including strategic assignment with the Commonwealth Bank of Australia, Department of Education, Telstra and the Reserve Bank of Indonesia

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