

**The London Institute
of Banking & Finance**

Wealth Management



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MODULE SPECIFICATION

1. Title	Wealth Management	
2. Start date	2016	
3. Level of module	Level 6 FHEQ	
4. Number of credits	30 Credits	ECTS Value
		15
5. Status	An optional module within: <ul style="list-style-type: none"> • BSc (Hons) in Banking Practice and Management (full- and part-time) • BSc (Hons) in Finance, Investment and Risk (full- and part-time) 	
6. Recommended prior modules	N / A	
7. Programmes of study to which module contributes	<ul style="list-style-type: none"> • BSc (Hons) in Banking Practice and Management (full- and part-time) • BSc (Hons) in Finance, Investment and Risk (full- and part-time) 	
8. Campus / Partner	N / A	
9. Syllabus overview	<p>Wealth Management is an option module aimed at students who wish to build upon their previous knowledge of financial markets and products by analysing and evaluating the core financial service of wealth management. In particular, students will analyse the services provided under the wealth management banner and evaluate the process of advising High Net Worth Individuals. The significant rise in the number of such individuals has been a major feature of the financial services industry over the last decade.</p> <p>The module examines the core features of a typical wealth management division including investment services, brokerage and financial planning as well as international and private banking. Students will examine the various categories of client, identify and assess their needs, develop solutions and justify advice. Such advice will range from core financial planning (life cover / pension requirements), through to making investment recommendations from a range of financial products such as an equity / bond based portfolio, to hedge funds / private equity holdings. The module also provides relevant context by comparing alternative regulatory regimes an adviser could be working within, in particular this will focus on the details of what is required to become, and remain, authorised by the Financial Conduct Authority (FCA) within the UK. In addition students will evaluate contemporary issues that impact upon the wealth management service.</p> <p>Through the assessment, students will have the opportunity to demonstrate their technical knowledge of the broad range of issues that High Net Worth Individuals will face and for them to make suitable recommendations to address such issues. The module will not only broaden students' knowledge and understanding of the financial services industry but also further develop their intellectual and practical skills via the analysis and evaluation of the wealth management process.</p> <p>The first part of the syllabus examines the UK regulatory regimes governing practice in the financial markets as well as the differing client segments that prevail in the private banking area. Students will examine the various client needs, develop solutions and justify advice.</p> <p>The syllabus then focuses on the core features of a typical wealth management division including investment services, brokerage and financial planning as well as international and private banking.</p>	

From here the focus switches to the various strategies to managing a portfolio of client's assets, plus the options available when investing client's funds. Students will be required to design, monitor and critically assess a bespoke portfolio with reference to market indices and empirical evidence. The final elements of the syllabus investigate the tax regimes that wealth managers need to assess and factor into their recommendations. In addition students will examine and evaluate pertinent contemporary issues that impact upon the wealth management service as a whole.

10. Intended subject specific learning outcomes and, as appropriate, their relationship to programme learning outcomes

On completion of this module, students will be able to achieve the following:

- a) Perform a segmental analysis of the market for wealth management products.
- b) Analyse the factors that need to be considered when advising a High Net Worth client.
- c) Evaluate a client's needs, assess their options, develop solutions and justify recommendations.
- d) Analyse the core services of a wealth management division.
- e) Analyse alternative investment strategies with reference to empirical evidence.
- f) Design, monitor and critically assess a bespoke portfolio with reference to market indices and empirical evidence.
- g) Analyse alternative financial regulatory regimes and the responsibilities of a FCA authorised adviser within the UK Financial regulatory environment.
- h) Evaluate the various tax considerations that need to be taken into account when making a recommendation for a High Net Worth client.
- i) Investigate contemporary issues that impact upon the wealth management service and assess their relevance.

These intended module learning outcomes contribute to the following programme learning outcomes:

- BSc (Hons) in Banking Practice and Management (full- and part-time): A1, A2, A3 and A4.
- BSc (Hons) in Finance, Investment and Risk: A1, A3 and A5.

11. Intended generic learning outcomes and, as appropriate, their relationship to programme learning outcomes

On completion of this module students will be able to demonstrate achievement of the following generic learning outcomes:

1. Ability to apply cognitive skills of analysis, synthesis and evaluation to the management of organisations and their external environment.
2. Ability to apply both qualitative and quantitative skills in order to analyse problems, identify appropriate solutions and make decisions.
3. Ability to develop and defend arguments / concepts through multiple perspectives.
4. Ability to work with material across a range of subject areas and to recognise the links and interrelationships between them.
5. Ability to conduct research into relevant issues.
6. Ability to understand the process and causes of change within organisations.
7. Ability to abstract meaning from information and communicate effectively in a manner appropriate to the context and audience using a range of media.
8. Ability to plan and study independently and utilise resources effectively.

These intended generic learning outcomes contribute to the following programme learning outcomes:

- BSc (Hons) in Banking Practice and Management: B–D.
- BSc (Hons) in Finance, Investment and Risk: B–D.

12. Learning and teaching

A. Learning hours

For a module of study worth 30 credits, the total expected study hours are 300 (ie ten hours per credit). The contact hours will depend upon the student's mode of study.

B. Tuition support

Distance learning

Distance learning allows students to study independently within a clear framework, but at a pace that suits their personal circumstances and study needs. Over their course of study (24 weeks), students will be provided with comprehensive learning materials, study guides and will be assigned to a subject specialist academic tutor to support their studies. Distance learners will have regular contact with their The London Institute of Banking & Finance Academic Tutor and further practical support is available from The London Institute of Banking & Finance Student Services.

Flexible learning

Flexible learning allows distance learners to opt for three face-to-face workshops of approximately six hours each, evenly spread at appointed dates in each session (24 weeks).

Dispersed campuses

Dispersed campus students will have regular face-to-face sessions over each session of study. The timing will depend upon local timetabling arrangements (eg via evening classes).

Full-time students

Full-time students will study on a semester basis supported by their module lecturer. The weekly timetable will be advised at the start of the programme.

C. Learning materials and learning outcomes

The learning and teaching strategy is designed to ensure that the students achieve the learning outcomes by the end of the module. The learning and teaching methods include formal lecture and tutorial (full-time), online learning support from an appointed lecturer (distance / flexible learning), private study of text and other supporting materials, a formal assignment, informal exercises, (both individual and group-based), and pooling of experience and knowledge through class / forum and individual discussion. The assessment strategy is designed to achieve a balance between testing the student's skills of knowledge recall and understanding, and those of research and application.

D. Reading

Students will be provided with a core text, as detailed below, but will also be expected to read and research the recommended reading on the course website. Lecturers may also recommend additional reading throughout the module.

Essential reading

Evensky, H., Horan, S. M. and Robinson, T. R. (2011) *The New Wealth Management: The Financial Advisor's Guide to Managing and Investing Client Assets*. Wiley.

Further reading

- Chorafas, D. N. (2006) *Wealth management: private banking, investment decisions, and structured financial products*. Amsterdam: Elsevier. EBSCOhost ebook collection [online].
- Reuvid, J. (ed.) (2007) *The Handbook of personal wealth management*, 3rd ed. London: Kogan Page. MyiLibrary [online].

Journals

- Journal of Wealth Management.
- Wall Street Journal.

Each student will have access to the Virtual Learning Environment (VLE) and to KnowledgeBank learning resources (an electronic library service). A list of further readings relating to the syllabus and summative assignment can be found on the VLE.

It should be noted that due to the rapidly changing environment that encapsulates the financial services sector, the reading list above is indicative only. It is subject to review and update at the discretion of the module team. An up-to-date reading list is published in the Student Study Guide issued at the commencement of the module.

13. Assessment

Component	Duration / length	Weighting
Component 1 Summative assignment	4,000 words including quotations and in-text citations	30%
Component 2 Examination	3 hours (plus 15 minutes' preparation time)	70%

Component 1: Summative assignment

This component will contribute 30% of the overall assessment and will be based upon the submission of one assignment at the end of the course but prior to the examination. The focus of the assignment will be on exploring the relationships between issues and topics within the module syllabus (maximum 4,000 words including quotations and in-text citations). The pass mark for this component is 40%.

Component 2: Examination

This component will contribute 70% of the overall assessment. A variety of question styles and approaches may be included in the examination. Questions might require responses that involve both discursive and quantitative elements. Students will typically be required to explore and compare specific aspects of an issue or to apply their technical abilities and understanding to, for example, solve a problem or provide a recommendation.

The question paper will be structured as follows:

- **Section A** consists of two compulsory questions worth 20 marks each drawn from Section 1 of the syllabus—Regulatory Environment, and section 2 of the syllabus Client Identification and Analysis.
- **Section B** consists of four 30-mark questions, any two of which must be answered drawn from the rest of the syllabus.

The pass mark for this component is 40%.

Time allowed: 3 hours (plus 15 minutes' preparation time).

A scientific calculator may be used but it must not be programmable, nor have a wireless-communications capability, nor be capable of storing textual information. It must also not require a mains electricity supply. Calculators with any further functions are not allowed in the examination room.

At regular intervals during the course of study, students will be expected to submit short formative assignments. These assignments will take the form of developmental learning activities towards the assessed assignment and unseen examination components and will be integrated within the study plan. They will provide students both with opportunities to reinforce their learning as they progress

At regular intervals during the course of study, students will be expected to submit short formative assignments. These assignments will take the form of developmental learning activities towards the assessed assignment and unseen examination components and will be integrated within the study plan. They will provide students both with opportunities to reinforce their learning as they progress through the course of study and the opportunity to prepare for both the summative assignment and unseen examination.

Whilst these formative assignments will not contribute to the overall assessment, students are strongly advised to take the opportunity to complete them, as feedback will be provided from their lecturer on their progress through the course of study.

Students should be aware of the regulations governing the award of credit and the arrangements for compensation, condonement and the capping of marks. Students should also be aware of the regulations relating to the resitting of assessment components and / or the retaking of modules. This information is contained within The London Institute of Banking & Finance's [General and Academic Regulations](#) for Students sections 7, 8 and 9.

Module Grading

A student's module performance grade is determined by their overall weighted average percentage score in accordance with the following:

3 rd	40% - 49%
2.2	50% - 59%
2.1	60% - 69%
1 st	70% - 100%

14. Syllabus

1. Regulatory Environment

Analyse the features of key financial regulatory regimes operating in the UK and around the world. Students will be able to review and evaluate the regulation and legislation pertinent to the UK financial market. To include:

- Evaluation of the UK financial regulatory environment including the Financial Services Marketing Act, the Principles of Business, Codes of Practice and Retail Distribution Review.
- Examination of the requirements for being an authorised financial adviser and the various forms of financial advice (tied / multi-tied, etc).
- Assessment of the implications of European regulation and legislation, for UK Wealth Manager.
- Analysis and comparison of the offshore regulatory environments to the UK.
- Ethical and professional standards.

2. Client Identification and Analysis

Analyse the market for wealth management products. Students will examine the various categories of clients, their needs and priorities. To include:

- Analysis of the segmentation of the market for wealth management products, both private and institutional, within the UK financial context (eg entrepreneurs / city executives / professionals / landowners / pension funds / charities, etc).
- Examination and assessment of the requirements of expatriates / inpatriates, philanthropy, family businesses and assessment of the importance of the protection of wealth through succession planning, tax planning and use of trusts.
- Cultural and ethical considerations (eg Islamic compliant products, socially responsible products).

3. Needs Analysis and Relationship Management

Consider a client's particular needs and assess the client's options, develop solutions and justify recommendations. Students will examine how a Wealth Manager will manage a portfolio of clients profitably. To include:

- Examination and profiling of the client, assessment of their needs, attitude to risk including capacity for loss and presentation of suitable recommendations.
- Evaluation of the techniques required to manage a portfolio of clients profitably within different wealth management institutions (family offices / private banks / retail banks, etc).
- Examination of the techniques of client acquisition and retention.

4. Wealth Management: products and services

The various features and services provided by a typical wealth management division including: investment services, brokerage, international and private banking. Investigating options available to High Net Worth Clients by analysing their functions, characteristics and appropriate usage. To include:

- Analysis of the product components of investment services, brokerage, international and private banking.
- Analysis of the different types of investment services offered – (execution / discretionary / advisory) and examination of the different types of investments available.
- Evaluation of the characteristics and purposes of alternative investment products, and vehicles, with reference to international markets and empirical evidence.
- Examine the rise in demand for ethical products and the ethical debate.

5. Portfolio and Risk Management: investment strategies, risk analysis and portfolio theory

Analyse the techniques involved in establishing a client's investment profile and attitude to risk to aid the development of a bespoke recommended portfolio.

- Establishing a client's investment profile and preferences – (ie reference currency / attitude to risk / investment objectives / expected returns / time horizon).
- Assess client personal circumstances, knowledge, experience and age / life cycle stage.
- Analyse investment strategies (eg growth / income / combined / fundamental / technical / leverage / shorting) with reference to empirical evidence.
- Assess the use of Modern Portfolio Theory when constructing a portfolio (eg the Capital Asset Pricing Model, the Efficient Markets Hypothesis).
- Design, monitor and critically assess a bespoke portfolio with reference to market indices, benchmarking and empirical evidence.
- Analyse the hedge fund market and the various strategies that fund managers use to enhance investment returns and reducing a portfolio's volatility (ie the use of financial futures).
- Assess on-going portfolio performance relative to benchmark or agreed metrics (presentation of performance, Global Investment Performance Standards - GIPS).

6. Tax and Taxation Planning

Analysis of tax issues relevant to high net worth clients in the creation of a balanced portfolio. This includes:

- Analysis of the various types of tax applicable within the UK. (Income / Capital Gains / Inheritance).
- Examination of the practical and ethical issues relating to the delivery of tax efficient advice covering tax evasion and tax avoidance.
- Discussion of the tax considerations for non-UK domiciles living in the UK and the specific tax considerations for US Nationals living within the UK.