
In Principle

Good Practice CPD Principles for
Providers of Continuing Professional
Development to New Zealand
Financial Advisers



A. Background

- A.1** These are the Good Practice Continuing Professional Development (CPD) Principles, prepared by The Skills Organisation following industry consultation.
- A.2** They apply to all of The Skills Organisation's Delegated Assessment Organisations (DAOs). They may be voluntarily adopted by any other CPD provider.
- A.3** They apply in respect of CPD provision for all financial advisers, but in particular for Authorised Financial Advisers (AFAs).

NOTE: Refer to the Financial Advisers Act 2008 and the Code of Professional Conduct for AFAs.

B. Published CPD policy

- B.1** When adopting these Principles, a CPD provider should prominently publish a CPD Policy, for example on the CPD provider's website, and that CPD Policy should:
- state that the provider manages one or more CPD programmes in accordance with the Good Practice CPD Principles, and
 - set out the provider's approach to each Principle.

For the purposes of B.1, "*manages CPD programmes*" means taking overall responsibility for the content, delivery and assessment of a CPD programme.

For clarity, management of a CPD programme does not prevent a CPD provider from arranging that a third party actually develop, deliver or assess the CPD. Examples of third party involvement include the provision of CPD by external training providers, or the use of overseas material where it is determined by the CPD provider that it is appropriate in other respects.

Principle 1

01

Take into account the interests of the CPD recipient, the wider industry, and the clients.

The CPD provider should, when managing CPD programmes, operate a process for taking into account the interests of:

- 1.1 the CPD recipient, to the extent that the needs of the recipient are communicated to the CPD provider, and

NOTE: The Code of Professional Conduct for AFAs requires AFAs to maintain a Professional Development Plan (PDP). Reference to this document by CPD providers, if practical, will assist in recognising the needs of the specific CPD recipient.

- 1.2 the CPD recipient's employer, business, profession, clients and / or market in which the adviser operates, and
- 1.3 as far as is practicable, the CPD recipient's clients or public, noting that a purpose of the [Financial Advisers Act 2008](#) is to encourage public confidence in the professionalism and integrity of financial advisers.

Principle 2

02

Identify elements of structured CPD programmes

The CPD providers should set out those elements within each of their CPD programmes that they consider result in the programme meeting the requirements to be considered “structured”. Examples of elements that a CPD provider may consider, where applicable, include but are not limited to:

- 2.1 Identification of the objectives and content of the CPD being offered, in order that CPD recipients understand how their skills and knowledge are expected to develop as a result of participation, and / or
- 2.2 A description of how the CPD activity is measured, quantified or benchmarked (including the number of CPD hours that it involves), for example against national standards or the offerings of other CPD providers, and / or
- 2.3 Identification of how the CPD recipient actively engages in the learning, such as through group discussion, self-evaluation and / or assessment, and / or
- 2.4 An explanation of how the CPD recipient can obtain relevant third party verification of the successful completion of the CPD.

- 2.5** Where the CPD provider considers it is necessary or appropriate, the provider should seek a second opinion from an appropriate party to confirm their view that the CPD contains relevant elements to be considered to be structured.

NOTE: For a structured CPD programme to contribute towards an AFA's structured hours requirement, it must also be relevant to that AFA's financial adviser services - see Standard 18 in the [Code of Professional Conduct for AFAs](#).

NOTE: Unstructured learning (eg participation in communities of practice or reading of professional journals) is an integral part of Good Practice CPD.

Principle 3

03

Promote the broader objectives of CPD

The CPD provider should provide guidance and leadership that promotes the broader objectives of CPD. In consultation with relevant stakeholders, they should:

- 3.1** Promote CPD for personal growth (rather than solely for the maintenance of competence or correction of deficiencies or meeting prescribed minimum requirements), and / or
- 3.2** Encouraging diversity in CPD by broadening the range of available topics in CPD programmes, and / or
- 3.3** Collaborate with other CPD providers to identify needs and trends across the industry and develop appropriate CPD responses, and / or
- 3.4** Recognise and promote to CPD recipients that 'continuous' is a key component of good quality professional development.

NOTE: In this context providers should recognize that although it may be possible to meet all of a recipient's obligations by means of a single CPD event, this might not result in the best quality outcome.

Principle 4

04

Promote and monitor quality of CPD provision

The CPD provider should operate a policy for promoting high quality standards and monitoring the quality assurance of its activities, including for example:

- 4.1 Requiring individuals engaged in the development and delivery of CPD to have technical and teaching / training expertise and / or qualifications that are appropriate to the scope, nature and complexity of the material being offered, and / or
- 4.2 Obtaining an independent review of its curriculum content and / or teaching standards to a degree that is appropriate to the scope, nature and complexity of the material being offered, and / or
- 4.3 Obtaining feedback from (or researching the views of) CPD participants and other stakeholders and / or
- 4.4 Referenced or benchmarking CPD material to internal or external benchmarks or industry wide norms where appropriate because of the scope, nature and complexity of the content.

Principle 5

05

Simplify CPD

The CPD provider should operate a policy that seeks to reduce access and / or administrative barriers to participation by CPD recipients in order that CPD recipients can focus on the substance of the CPD. This includes, for example:

- 5.1 Provision of online support, and / or
- 5.2 Clear guidance on whether a CPD programme is structured or not, and / or
- 5.3 A system for expressly recognising CPD received through other CPD providers, if applicable.

NOTE: This principle provides flexibility for CPD providers to refer recipients on to other providers. This principle may be useful where other providers offer different courses, as it enables the recognition of CPD received from these other providers. It may also enable the recognition of CPD received from overseas providers, particularly where the needs of the recipient are not easily met using local provision alone.

Principle 6

06

Monitor CPD activities for consistency with these principles

The CPD provider should operate a process to clearly identify any of its CPD activities that are not consistent with these Good Practice CPD Principles. Such a process would identify why an activity did not follow the principles and what the appropriate remedial action might be.

The provider should have a process to:

- 6.1 Identify any activities that are not consistent with the principles.
- 6.2 Remedy those inconsistencies as appropriate
- 6.3 Identify and remedy any consequences of the delivery of the prior CPD that has been identified as being inconsistent with the principles [ie. correct the prior consequences as well as the future delivery.

NOTE: This Principle is based on the concept of "managing CPD programmes", where the CPD provider **takes responsibility** for CPD development, delivery or assessment. CPD activities where the CPD provider does not **take responsibility**, but merely offers or purports to accredit CPD developed by another party, would not be consistent with the principle of 'managing' a CPD programme.

SIX

PRINCIPLES

- 01 Take into account the interests of the CPD recipient, the wider industry, and the clients

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- 04 Promote and monitor quality of CPD provision

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ABOUT

The Skills Organisation

The Skills Organisation is recognised by the government and industry as the national standards setting body for the financial services industry under the Industry Training Act 1992.

In this role, The Skills Organisation develops national standards of competence, manages training arrangements and provides skills leadership to the financial services industry.

In furtherance of The Skills Organisation's statutory skills leadership responsibility, The Skills Organisation has developed these Good Practice CPD Principles for providers of Continuing Professional Development to New Zealand Financial Advisers in collaboration with CPD providers.

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