

National Unit Specification: general information

UNIT	Financial Services: Legislation, Guidelines and Working Relationships (Higher)
CODE	DV7D 12
COURSE	National Progression Award Financial Services (Higher)

SUMMARY

This Unit is a mandatory Unit of the National Progression Award Financial Services. It is intended for either candidates who are currently working in the financial services sector or candidates who have a desire to enter employment in the financial services sector.

This Unit is designed to enable candidates to develop a knowledge and understanding of legislation and policies and procedures. The legislation and policies specified within the Unit will impact on effective internal and external working relationships and underpin the overall success of an organisation operating within the financial services sector.

OUTCOMES

- 1 Demonstrate knowledge and understanding of the impact of Equal Opportunities legislation on working relationships in the Financial Services sector.
- 2 Demonstrate knowledge and understanding of the impact of the Diversity at Work guidelines on working relationships in the Financial Services sector.
- 3 Investigate the impact of the Financial Services Authority (FSA) guidelines on organisations in the Financial Services sector.
- 4 Demonstrate knowledge and understanding of a policy specific to the organisation which promotes effective internal and external working relationships.

Administrative Information

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RECOMMENDED ENTRY

Entry is at the discretion of the centre. However candidates would normally be expected to have attained one of the following, or equivalent:

- ◆ relevant knowledge and experience of working in the Financial Services sector; or
- ◆ qualifications at SCQF level 5 (Intermediate 2 or Standard Grade Credit level)

CREDIT VALUE

1 credit at Higher (6 SCQF credit points at SCQF level 6*)

**SCQF credit points are used to allocate credit to qualifications in the Scottish Credit and Qualifications Framework (SCQF). Each qualification in the Framework is allocated a number of SCQF credit points at an SCQF level. There are 12 SCQF levels, ranging from Access 1 to Doctorates*

CORE SKILLS

There is no automatic certification of Core Skills in this Unit.

National Unit Specification: statement of standards

UNIT Financial Services: Legislation, Guidelines and Working Relationships (Higher)

Acceptable performance in this Unit will be the satisfactory achievement of the standards set out in this part of the Unit Specification. All sections of the statement of standards are mandatory and cannot be altered without reference to the Scottish Qualifications Authority.

OUTCOME 1

Demonstrate knowledge and understanding of the impact of Equal Opportunities legislation on working relationships in the Financial Services sector.

Performance Criteria

- (a) List key categories covered by Equal Opportunities legislation.
- (b) Give examples of discriminatory behaviour for each area.
- (c) Explain how adherence to Equal Opportunities legislation benefits working relationships, giving clear examples.
- (d) Describe procedures which an employee should follow if he/she feels that they have been discriminated against and identify the relevant organisational documentation.

OUTCOME 2

Demonstrate knowledge and understanding of the impact of the Diversity at Work guidelines on working relationships in the Financial Services sector.

Performance Criteria

- (a) List key categories covered by the Diversity at Work guidelines.
- (b) Give examples of behaviour which would conflict with the Diversity at Work guidelines.
- (c) Explain how adherence to the Diversity at Work guidelines benefits working relationships, giving clear examples.

OUTCOME 3

Investigate the impact of the Financial Services Authority (FSA) guidelines on organisations in the Financial Services sector.

Performance Criteria

- (a) Describe clearly the role of the FSA.
- (b) Explain the objectives of the FSA.
- (c) Identify and complete organisational documentation which adhere to FSA guidelines and which promotes effective external working relationships.
- (d) Summarise an organisation's complaints procedures, which customers can follow, relating to the aims of FSA guidelines.

National Unit Specification: statement of standards (cont)

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OUTCOME 4

Demonstrate knowledge and understanding of a policy specific to the organisations which promotes effective internal and external working relationships.

Performance Criteria

- (a) Describe key aspects of the policy which promotes both effective internal and external working relationships in an organisation.
- (b) Explain the benefits to the organisation of implementing the identified policy including the impact on internal and external working relationships.
- (c) Identify organisational documentation relating to the policy in question.

EVIDENCE REQUIREMENTS FOR THIS UNIT

Evidence may be written, diagrammatic or orally recorded as long as the method chosen provides the appropriate evidence, as required by the Outcomes, Performance Criteria and Evidence Requirements.

The evidence for this Unit will be obtained by means of a **folio**.

The folio will be compiled and organised by the candidate with evidence gathered throughout the Unit, using relevant organisational documentation which is most appropriate based on the individual's job role as long as the method chosen is deemed, by the assessor, to be appropriate to the Evidence Requirements in question.

The folio should contain:

- ◆ a list of six key categories of Equal Opportunities legislation
- ◆ a list of three key areas addressed by the Diversity at Work guidelines
- ◆ one example, for each of the areas (Equal Opportunities legislation and the Diversity at Work guidelines) of behaviours/attitudes which fall into the category of discriminatory
- ◆ a description or detailed flow chart outlining the process which should be adhered to if an employee believes he/she is being discriminated against, together with the identification of the relevant documentation which should be completed in such circumstances
- ◆ an explanation of how adherence to Equal Opportunities legislation can promote effective working relationships giving at least one example relevant to internal working relationships and one example relevant to external working relationships
- ◆ an explanation of how adherence to Diversity at Work guidelines can promote effective working relationships giving at least one example relevant to internal working relationships and one example relevant to external working relationships
- ◆ a brief summary/explanation of the role of the FSA
- ◆ an explanation of at least three of the objectives of the FSA
- ◆ one completed type of organisational documentation which adheres to FSA guidelines and which promotes effective external working relationships

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UNIT Financial Services: Legislation, Guidelines and Working Relationships (Higher)

- ◆ a brief summary of the complaints procedure that an external customer should be advised to follow should they require to do so, explaining exactly how this process fulfils one of the FSA's aims "*...to help retail consumers achieve a fair deal*"
- ◆ a description of the key aspects of a policy specific to the organisation which promotes effective internal and external working relationships
- ◆ an explanation of how the organisation benefits from implementing such a policy, with reference to both internal and external working relationships, together with copies of the relevant organisational documentation

These completed documents should be in response to real life or simulated situations.

The folio should be supported by a signed assessor checklist confirming that all evidence presented is complete and to the required standard.

The Assessment Support pack produced for this Unit provides examples of assessment methodologies and materials. Centres may use these or develop their own based on existing organisational activities, assessments and tests provided these meet the standard required as specified in the Evidence Requirements above.

An appendix which lists the key areas of the various legislation acts and guidelines, although not exhaustive, is included within this Unit.

National Unit Specification: support notes

UNIT Financial Services: Legislation, Guidelines and Working Relationships (Higher)

This part of the Unit Specification is offered as guidance. The support notes are not mandatory.

While the exact time allocated to this Unit is at the discretion of the centre, the notional design length is 40 hours.

GUIDANCE ON THE CONTENT AND CONTEXT FOR THIS UNIT

This Unit is intended to define and consolidate the link between legal requirements, guidelines and organisational policies and investigate how these impact on the individual in their specific role.

The content of this Unit covers some of the introductory aspects of the Regulatory Framework which candidates working within the Financial Services Sector require to understand. It also highlights the importance of guidelines/policies and procedures which, whilst not mandatory, are imperative for a credible organisation within the financial services sector to adhere to. The areas covered are Equal Opportunities legislation, Diversity at Work guidelines, the FSA's (Financial Services Authority) guidelines and the policies and procedures of the organisation itself. Candidates need to develop a working knowledge of the relevant regulation/best practice in these areas. This knowledge is required to ensure that candidates do not breach the regulatory/advisory guidelines.

Organisations include: banks (retail and corporate), National Savings and Investments, building societies, investment operations, credit unions, finance companies, pension companies and insurance companies.

Each outcome is focused on a particular regulatory area. Candidates are required to be aware of why regulations/guidelines are necessary, and specifically in what ways they promote effective internal and external working relationships. The Performance Criteria are designed to provide a range of activities and experiences in order to consolidate these links within the minds of the candidate.

Much of the work of this unit will be done as part of the everyday normal activities carried out by the candidate in his/her current role. The range of formats available to the candidate, eg demonstrate/explain orally/write a description etc. will allow the candidate a great deal of flexibility in providing the required evidence. Compiling the evidence as part of an overall folio will encourage the development of general skills such as time management, organisation of resources and information retrieval that will be both required and developed within the Financial Services Sector.

GUIDANCE ON LEARNING AND TEACHING APPROACHES FOR THIS UNIT

As far as possible, Learning and Teaching Approaches for this Unit should be practical and experiential. Much of the information for the Unit will stem from workplace demonstration and explanation. It is anticipated that organisational guidelines/policies and procedures will be investigated by the candidate. If possible, regulatory requirements should be explained by a competent industry professional who can relay practical experiences and knowledge to the candidate.

By investigating Equal Opportunities legislation and Diversity at Work guidelines, candidates should be encouraged to undertake research and where possible should have access to a Human Resources specialist. Specific attention should be paid to the positive, promotional roles of Equal Opportunities legislation and Diversity at Work guidelines rather than adopting a protective focus.

National Unit Specification: support notes (cont)

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By investigating FSA guidelines and organisational policies and procedures, it is hoped that where possible, candidates will undertake practical tasks to reflect the specific nature of the Financial Services Sector. Candidates should be encouraged to develop a reasoned argument for regulatory and organisational requirements with reference, where possible to actual cases.

Learning and Teaching Approaches in this Unit should take account of the employment status of the candidate. In particular, this unit will raise awareness of working relationships in the sector.

The investigative nature of the Unit and folio provide opportunities for:

- ◆ working independently
- ◆ developing organisational skills
- ◆ developing aspects of oral and written communication skills

GUIDANCE ON APPROACHES TO ASSESSMENT FOR THIS UNIT

For the folio, a holistic approach to collecting evidence would be most suitable. It is anticipated that gathering of evidence for the folio will be an on-going activity throughout the Unit.

Investigative notes should include:

- ◆ a list of a minimum of six main ‘groupings’ under which it is unlawful to discriminate against a person
- ◆ a list of a minimum of three key areas which are addressed by the Diversity at Work guidelines
- ◆ a description for each of these groupings of what behaviours/attitudes may fall into the category of discriminatory
- ◆ a description of the process which should be adhered to if an employee believes he/she is being discriminated against, including completion of any relevant accompanying organisational documentation
- ◆ a description of how adherence to Equal Opportunities legislation can promote effective working relationships giving at least one example relevant to internal working relationships and one example relevant to external working relationships
- ◆ a description of how adherence to Diversity at Work guidelines can promote effective working relationships giving at least one example relevant to internal working relationships and one example relevant to external working relationships
- ◆ a brief written summary or oral explanation of the role of the FSA
- ◆ an explanation of at least three of the objectives of the FSA
- ◆ a description of organisational documentation which adheres to FSA guidelines and which promotes effective external working relationships
- ◆ a description of organisational documentation, accurately completed which are required to implement organisational policies and procedures; one which promotes effective internal working relationships, and one which promotes effective external working relationships
- ◆ a brief written summary, oral explanation of or flowchart outlining the complaints procedure that an external customer should be advised to follow should they require to do so, explaining exactly how this process fulfils one of the FSA’s aims “...to help retail consumers achieve a fair deal”

National Unit Specification: support notes (cont)

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CANDIDATES WITH ADDITIONAL SUPPORT NEEDS

This Unit Specification is intended to ensure that there are no artificial barriers to learning or assessment. The additional support needs of individual candidates should be taken into account when planning learning experiences, selecting assessment instruments or considering alternative Outcomes for Units. For information on these, please refer to the document *Guidance on Assessment Arrangements for Candidates with Disabilities and/or Additional Support Needs* (SQA, 2004).

Financial Services: Legislation, Guidelines and Working Relationships (Higher)

Outcome 1 — Equal Opportunities legislation

The purpose of this Act is to promote equal rights for women and men in matters relating to work, the terms and conditions of employment and other working conditions, and opportunities for development in work (equality in working life).

The aim of the Act is primarily to improve women's conditions in working life.

Key Categories

Section 2. Employers and employees shall co-operate as regards active measures to ensure that equality in working life is attained. They shall in particular endeavour to equalise and prevent differences in pay and other conditions of employment between women and men who perform work which is regarded as equal or of equal value. They shall also promote equal opportunities for pay development for women and men.

Work is to be regarded as of equal value with other work if it, on an overall assessment of the requirements imposed for the work and its nature, may be deemed to be of equal value with the other work. The assessment of the requirements imposed for the work shall be made taking into account criteria such as knowledge and skills, responsibility and effort. When assessing the nature of the work particular regard shall be taken of the working conditions.

Section 3. The employer shall, within the framework of its operations, conduct goal-orientated work in order to actively promote equality in working life.

Detailed provisions regarding employers' obligations are set forth in Sections 4-11.

Working conditions

Section 4. The employer shall carry out such measures as, taking into consideration the employer's resources and the circumstances in general, may be required in order to ensure that working conditions are suitable for both women and men.

Section 5. The employer shall facilitate the combination of gainful employment and parenthood with respect to both female and male employees.

Section 6. The employer shall take measures to prevent and preclude an employee being subjected to sexual harassment or harassment resulting from a complaint about sex discrimination.

Sexual harassment means such unwanted conduct based on sex or unwanted conduct of a sexual nature, that violates the integrity of the employee at work. (SFS 1998:208)

Recruitment, etc.

Section 7. The employer shall, through training, skills development and other suitable measures, promote an equal distribution between women and men in various types of work and within different categories of employees.

Section 8. The employer shall endeavour to ensure that both women and men apply for vacant positions.

Section 9. When at a workplace there is not, in the main, an equal distribution of women and men in a certain type of work or within a certain category of employees, the employer shall, in respect of new positions, especially endeavour to recruit applicants of the underrepresented sex and shall seek a gradual increase in the proportion of employees of that sex.

The provisions of the first paragraph shall, however, not apply where there exists special cause not to implement such measures or where such measures cannot reasonably be demanded taking into consideration the employer's resources and the circumstances in general.

Pay issues

Section 10. With the purpose of discovering, rectifying and preventing unwarranted pay differentials and other terms of employment between women and men, the employer shall annually survey and analyse:

- ◆ regulations and practice concerning pay and other terms of employment that are applied with the employer, and
- ◆ pay differentials between women and men who perform work which is regarded as equal or of equal value

The employer shall assess whether the pay differentials prevailing are directly or indirectly connected to sex. This assessment shall in particular relate to differentials between:

- ◆ women and men who perform work which is regarded as equal, and
- ◆ groups with employees who perform work that is or is usually regarded to be female dominated and groups with employees who perform work which is regarded as of equal value with such work but neither is nor normally regarded as female

Outcome 2 — Diversity at work

Diversity at work guidelines are designed to value and promote Diversity in all areas of recruitment, employment, training and promotion within organisations. It emphasises the business and personal benefits that accrue from valuing the differences between people, rather than just complying with the law.

Key Categories

- ◆ Inclusiveness
- ◆ Meritocracy
- ◆ Employees can develop full potential regardless of race, gender, marital status, age, disability, religious belief, political opinion or sexual orientation

Outcome 3 — Financial Services Authority

Roles and Objectives

The FSA is a statutory body set up under the Financial Services and Markets Act 2000. The Act sets the four statutory objectives which are supported by a set of principles of good regulation which they must have regard to when discharging their functions.

The FSA main role can be summarised under three broad headings:

- ◆ promoting efficient orderly and fair markets
- ◆ helping retail consumers achieve a fair deal; and
- ◆ improving our business capability and effectiveness

The Financial Services and Markets Act states four statutory objectives:

- ◆ market confidence: maintaining confidence in the financial system
- ◆ public awareness: promoting public understanding of the financial system
- ◆ consumer protection: securing the appropriate degree of protection for consumers; and
- ◆ the reduction of financial crime: reducing the extent to which it is possible for a business to be used for a purpose connected with financial crime

These are supported by a set of principles of good regulation which assist them in discharging their function.