

## RG 105 Organisational Competency

The Australian Securities & Investments Commission (ASIC) requires all licensees to demonstrate competence to provide the financial services they are authorised to provide under their licence. ASIC's requirements are outlined in *Regulatory Guide 105*.

ASIC will assess Responsible Managers to ensure that they have the knowledge and skills needed to:

- ✓ manage their business
- ✓ ensure the quality of services provided is adequate
- ✓ ensure that they are able to comply with their licence obligations

The overriding factor considered by ASIC is that the Responsible Managers must:

- ✓ have the relevant knowledge about the financial services and products for which they will be responsible
- ✓ understand and be able to comply with the licensee's obligations under the AFS licence
- ✓ have the relevant experience to perform the role

Relevant knowledge can be demonstrated in one of 5 ways (see *RG 105.43*).

### Option 2: Overview

Experienced Responsible Managers (5 years relevant work experience in the immediate past 8 years) seeking to meet Option 2 can be individually assessed by one of Financial Education Professional's Authorised Assessors as having relevant knowledge equivalent to a diploma.

- ✓ Identifying the experience and expertise your Responsible Managers need to ensure the licensee meets its obligations;
- ✓ Review the Responsible Managers to determine whether they have the experience and expertise required
- ✓ In the event of a shortfall, recommend strategies to meet that shortfall

## RG 105 Option 2 Individual Assessment

Financial Education Professionals provides independent validation of compliance with RG 105 Organisational Competencies. This involves the following steps, processes and outcomes.

### *Step 1: Needs Analysis*

Process: Investigate the environment and identify the competencies that the licensed entity should require of its Responsible Managers. This involves desktop research of material provided by the licensee, possibly supplemented with face-to-face discussions.

*Outcome: Recommendations on the competencies required*

### *Step 2: Review of Responsible Managers/Managers*

Process: Review of the roles of each of the proposed Responsible Managers, identification and confirmation of suitable competencies, review of existing qualifications, matching to competencies required under your specific licence, identification of any gaps and recommendations to meet gaps. This task involves desktop research and may require short meetings with some individual staff members.

*Outcomes:*

- ✓ *Report on what knowledge and experience have been successfully demonstrated and the knowledge and experience that are required to be demonstrated*
- ✓ *Recommendations on how Responsible Managers can meet any outstanding requirements*

### *Step 3: Individual Assessment*

Process: Where Responsible Managers meet ASIC's experience requirement (5 years relevant experience within the immediate past 8 years), they can be individually assessed by one of our Authorised Assessors as having relevant knowledge equivalent to a diploma. We will provide a briefing on how this is conducted prior to the assessment.

*Outcome: Confirming that knowledge and experience has been demonstrated successfully*

### *Step 4: Certification*

Process: Financial Education Professionals is a Registered Training Organisation and an ASIC Authorised Assessor. We issue a detailed report and Certificates of Attainment confirming demonstration of appropriate knowledge and experience to meet compliance with RG 105, under Option 2.

*Outcome: Detailed Report and Certification of Compliance*

## Fee and how to enrol

As our assessment work is tailored, fees will be determined on an individual corporate basis. It is also dependent on the number of individuals requiring assessment. Please contact us directly to discuss your requirements.

## Further information

Tel: +61 2 9252 7437

Email: [enquiries@financialeducation.com.au](mailto:enquiries@financialeducation.com.au)