



Private Wealth
& Family Office
Association

PWFO SWISS CERTIFIED
PRIVATE WEALTH & FAMILY OFFICE
PRATITIONER
FULL COURSE
(2020 EDITION)

STUDY GUIDE OUTLINE AND SYLLABUS

Strictly Private and Confidential and subject to Non-Disclosure



ABOUT THE AUTHOR



Ayoob Rawat is an international Chartered Accountant with over 40 years' experience in banking and finance. He is the Swiss contact member for the Institute of Chartered Accountants (ICAEW) in England and Wales, for which he was nominated its first Chairman.

Over the last 25 years, he has safeguarded more than \$30B in assets of Private Banking Families, Ultra and High Net Worth Individuals, Entrepreneurs and Private Clients first as CFO of a Swiss Private Bank then as a multi-family office practitioner.

While practicing, he felt the need to develop a user friendly global portfolio reporting software and therefore co-founded ClearVision, a software that serves the needs of Family Offices, Pension Funds, Private Banks and Trust Companies.

His long and enriching experience has led to a vision which is to make more people financially secured by the promotion of continuing education in Financial literacy, Personal Finance Planning, Financial Career Planning, in Private Wealth and Family Office by developing project-based courses, workshops, and conferences.

To realise his vision, Ayoob Rawat founded the Private Wealth & Family Office Association under Art 60 et seq. of the Swiss Civil Code with the mission of realizing his vision with other Partners in Learning (PiL). PiL are educators, business leaders, and inspired individuals, who also feel obligated to create a healthier, wealthier, happier, more knowledgeable and engaged society.

The curriculum that follows is flagship course out of a series that will be delivered through PWFO by Ayoob Rawat and his Partners in Learning.

This course is not theory based as it has been developed by a person who has practiced successfully for many years. The course combines E-Learning with Real-world Experience as the author knows that the digital world is a powerful tool in financial education, but good results come when united with real-life experiences.

COPYRIGHT

Copyright © 2020 by Ayoob Rawat

All rights reserved. This book or any portion thereof may not be reproduced or used in any manner whatsoever without the express written permission of the publisher except for the use of brief quotations in a book review.



Table of Contents

GENERAL INTRODUCTION TO THE COURSE	3
LEARNING OUTCOMES	3
ESSENTIAL READINGS	4
FURTHER READINGS	4
REFERENCES	4
MULTIPLE CHOICE QUESTIONS (MCQ)	4
PROJECT-BASED LEARNING (PBL)	4
ONLINE STUDY RESOURCES	4
SUBJECT GUIDE OUTLINE	5
HOW TO USE THIS SUBJECT GUIDE	6
ASSESSMENTS AND EXAMS	6
SYLLABUS	7
UNDERSTANDING THE CANDIDATES	8
MODULE 1 : OVERVIEW OF PRIVATE WEALTH AND FAMILY OFFICE (PWFO)	9
MODULE 2 : CAREERING IN THE PWFO INDUSTRY (THREE SECTIONS)	11
MODULE 3 : PROCESS 1 : INFORMATION GATHERING	14
MODULE 4 : PROCESS 2 : INTERPRETATION OF INFORMATION GATHERED	15
MODULE 5 : PROCESS 3 : THE MATCHING ANALYSIS PROCESS	16
MODULE 6 : PROCESS 4 : INVESTMENT STRATEGY	17
MODULE 7 : PROCESS 5 : SELECTION OF INVESTMENT MANAGERS	18
MODULE 8 : PROCESS 6 : DATA COLLECTION	19
MODULE 9 : PROCESS 7 : RECORDING, MONITORING, REPORTING	20
MODULE 10 : WEALTH MANAGEMENT REPORTING SOFTWARE	21
MODULE 11 : DATA PROTECTION	22
MODULE 12 : SOFT SKILLS	23
EXCEL APPENDIX - COURSE STRUCTURE MATRIX	24



GENERAL INTRODUCTION TO THE COURSE

This subject guide provides a comprehensive study and application of the principles of Private Wealth and Family Office (PWFO). It covers a broad range of topics through the lens of a PWFO practitioner, and aims to give a clear background to any students interested in the subject of private wealth and family office.

The contents of the subject guide can be broken down into four main parts:

- In Module 1 and Module 2, we investigate the concepts of wealth and family office and how PWFO can be practised as a career and as a business. We go through the building of a PWFO business and focus on the sales and marketing aspect of the PWFO Business
- In Module 3 to Module 9, we illustrate and examine the seven key processes involved in PWFO. We go through the seven steps that a PWFO practitioner needs to follow to deliver its professional services.
- In Module 10 and Module 11, we will focus on information technology in terms of data protection, General Data Protection Regulation (GDPR) and security and the practical uses of financial software which are used to assist a PWFO practitioner.
- In Module 12, we will lay emphasis on PWFO Soft skills. We will go through the traits that the author required to reach the top and finally walk the students through the steps of how they can find their key to success.

LEARNING OUTCOMES

By the end of this subject guide and after having done the relevant readings, the student should be able to:

- Discuss what a private wealth and family office does, and how the concepts of wealth and family office have evolved over time.
- Explain how PWFO can be practised as a career.
- Understand how to build up a business plan for a PWFO who wishes to set up a Business.
- Have a knowledge of the proper sales and marketing plan to be used when setting up a PWFO Business.
- List all key processes involved in PWFO.
- Understand the client's objectives using financial information gathering and analysis, and risk profiling from a PWFO perspective.
- Explain how to perform a financial inventory and a risk/return analysis for the client's existing net assets.
- Perform a matching analysis of the client's financial inventory against his/her current and future goals.
- Define a current investment strategy and compare it with a potential investment strategy.
- Discuss the selection process of investment managers and who will be chosen to implement the potential investment strategy.
- Understand what data collection and data custody are.
- Recording, Monitoring and Reporting on risk/return performance of investment managers.
- Explain the importance of data security and data protection (GDPR).
- Understand the properties and specifications of software applications available and how these help with the practice of a private wealth & family office.
- Have a knowledge of the traits required to reach the top as a PWFO.



ESSENTIAL READINGS

At the beginning of each chapter, at least one essential reading has been chosen and included. The essential readings will serve as a guide for a better understanding of the PWFO course due to its extensive treatment of the issues covered and its up-to-date discussions.

FURTHER READINGS

Please note that you are encouraged to read around the subject area in any text, paper or online resource. You may need to support your learning by reading as widely as possible and by thinking about how these principles apply in the real world.

REFERENCES

For certain topics, we may list journal articles or texts as supplementary references to the additional reading. It is not compulsory that you read this material, but it may be helpful if you wish to better understand some of the topics in this subject guide.

MULTIPLE CHOICE QUESTIONS

To further assist the student in mastering the subject, there will be 10 on-line questions that is required to be completed before moving to the next module.

PROJECT BASED LEARNING (PBL)

After each module, a project based learning activity has been included. This PBL approach concept has been designed to prompt the mind of the students to act as a real PWFO, hence ensuring that they can properly apply what they have learned in each module.

ONLINE STUDY RESOURCES

In addition to the subject guide and the Essential Reading, it is crucial that you take advantage of the available online study resources.

You can access our PWFO website and retrieve any information that you may deem important to have a better understanding of the topics in the private wealth & family office course.

Website: <http://www.pwfo.org>

'Test your understanding' questions, which may be accessed on the website, will guide you through the final exams.

Recorded Lectures: For some courses, where appropriate, the sessions shall be recorded and made available to help you grasp any information you might have missed out in live lectures.

Feedback Forms: These will be made available to you after each lecture or on the website in order for us to ensure that we meet your expectations.



SUBJECT GUIDE OUTLINE

Module 1 serves as an introduction to the meaning of Wealth and explores how the concept has evolved over time. This introductory part also discusses the concept of a family office and hence provides the foundation for understanding the meaning and purpose of a PWFO.

Module 2 Section 1 follows through with an extensive discussion of how a PWFO can be practised as a Career. The main aspects of PWFO as a career will cover the various job opportunities that are open after mastering the PWFO practice. Moreover, **Module 2 Section 2** of this chapter will assist the PWFO in considering the implications of setting up a PWFO business in the modern inclusive economy while emphasising the various aspects that are involved in the PWFO business. Lastly, **Module 2 Section 3** of this chapter will dive into the marketing environment of a PWFO business and assists in its SWOT Analysis. Furthermore, this chapter shares one sales & marketing plan that can be adopted by the PWFO to have an edge on the market while having a proper sales & marketing strategy.

Module 3 focuses on the initial step in the process of PWFO which is the collection of information about the client also known as financial & non-financial information gathering. This exercise is performed by a series of interviews of the client which also includes completing and answering different questionnaires and forms.

Module 4 then covers the second step in the process of PWFO which is a financial inventory of the client's net worth. This consists of a valuation of all the client's assets and liabilities. This chapter also goes on to explain how a high-level analysis is carried out on the information collected in order to determine the risk profile of the client.

Module 5 focuses on the third step in the process and explores the best possible way to match the client's current and future goals against its existing financial inventory. If need be, the current investment structure of the client will be adjusted to match his risk profile and his lifetime cash flow whilst taking into consideration all relevant information collected, like the 5 know yourself and the goals & aspirations questionnaires. This exercise is also known as portfolio rebalancing.

Module 6 discusses the fourth step and explains how all the Data and Schedules prepared in chapter 5, become the basis to discuss an investment strategy with the client. Therefore, this topic will serve as guide to design an investment strategy that will help the client reach his/her lifetime cash flow requirements while respecting his/her risk profile, the 5 know yourself and the goals & aspirations questionnaires.

Module 7 provides a detailed discussion of the fifth process of how a PWFO should proceed in the selection of investment managers and other service providers. The selection process takes into consideration the history, past performance and structure of investment managers and service providers.

Module 8 is the sixth process of PWFO and covers the ongoing data collection, data input and information processing. Where appropriate, through a right of access to all financial information from service providers and advice of capital inflows and outflows and bank charges and commissions, the change in net assets of the client is computed. This chapter will also cover the importance of data custody, data protection and data security.

Module 9 is the seventh step focusing on recording, monitoring and reporting of risk and return performance of the different investment managers, asset classes and funds. This final process tracks the performance of the client's portfolio over time.



Module 10 focuses mostly on a session whereby software applications available to assist in the activities of a PWFO practitioner will be discussed. This chapter also presents a discussion on financial technology (FINTECH)

Module 11 further discusses the importance of data custody, data protection and data security. It explains how personal data collected is secured and used for the benefit of the client.

Module 12 lays emphasis on the soft skills required to practice as a PWFO. It deals more specifically with the traits that the author required to reach the top and finally walk the students through the steps of how they can find their key to success.

HOW TO USE THIS SUBJECT GUIDE

This subject guide is written for students studying the private wealth & family office course. The aim is to help you interpret the syllabus by telling you what you are expected to know for each area of the syllabus and suggest the reading which will help you understand the course. It must be stressed that though this guide fully covers the whole syllabus, the essential textbooks will improve your understanding of the subject.

A different chapter is attributed to each major section of the syllabus and the chapter order of this guide follows the order of the topics as they appear in the syllabus.

You need to appreciate that different topics are not self-contained. There is a degree of overlap between the topics and you are guided in this through cross-referencing between different chapters in the guide. However, in terms of studying this guide, the chapters are designed as self-contained units of study, but for examination purposes you need to have an understanding of the subject as a whole.

We suggest that for each topic in the syllabus, you first read through the whole of the chapter in this guide to get an overview of the material to be covered. Then read the chapter again and follow up the suggestions for reading in the Essential Reading or Further Reading section. After this you should work through the 'MCQ and PBL' questions.

At the beginning of each chapter, you will find a list of learning outcomes. These tell you what you can expect to learn from that chapter of the subject guide and the relevant readings. You need to pay close attention to the learning outcomes and use them to check that you have fully understood the topics.

ASSESSMENTS

- The assessment method for this programme is by
 - (1) PWFO Examination (Case Study) which will be available to you after going through the PWFO Course.
 - (2) Project Based Learning (PBL) for the Matching Analysis Process (Module 5)
 - (3) MCQ Participation - confirmed by online register
 - (4) All other PBL (apart from PBL module 5) participation - confirmed by online register

- The contribution to the final mark is as follows:
 - (1) PWFO Examination (Case Study) – 60%
 - (2) PBL for the Matching Analysis Process (Module 5) – 20%
 - (3) MCQ Participation - confirmed by online register – 10%
 - (4) All other PBL (apart from PBL module 5) participation - confirmed by online register – 10%

- To pass the PWFO course, an associate/student must achieve a minimum of 60% in each of the assessment method.



SYLLABUS

- I. Overview of PWFO: Meaning of wealth. Overview of the history of banking and wealth management. Purpose of a family office. Definition and characteristics of PWFO. Evolution and future of PWFO.
- II. Section 1 – PWFO as a career: Objectives of PWFO as a Career. Career options as a PWFO practitioner. Roles and services of a PWFO practitioner. Separation of Duties in PWFO Services.

Section 2 – PWFO as a Business: Aspects of PWFO as a Business. Opportunities of PWFO as a Business. Challenges of PWFO as a Business. List of services offered by a PWFO Business. Pricing of the services offered by a PWFO Business. Steps in setting up a PWFO Business.

Section 3 - PWFO Sales & Marketing: Importance of having a Sales & Marketing Plan. 'Zen Presentation' by Patrick Murphy Sales and Marketing Plan. Filing the marketing plan questionnaire. The marketing environment. SWOT Analysis of the PWFO Business.
- III. The process of financial information gathering: Understanding the client's objectives. Understand the financial situation of the client using the risk and return questionnaire. Know your customer (KYC). Collect all bank statements, advices, circulars, current mandates.
- IV. Interpretation of information gathered (Financial Inventory): Results of financial information gathering. Assessment of the financial situation of the client and risk profile. Valuation of all assets and liabilities of the client. High-level risk and return analysis of existing structure and portfolio. Assessing risk profile and lifetime cash flow requirement.
- V. Matching Analysis Process (Matching Analysis against financial inventory): Matching the current status of the client with its risk profile and lifetime cash flow requirement. Risk Analysis report, expected return and risk, asset classes, defining asset allocation and the benefits of diversification.
- VI. Defining current year Investment strategy: Building up the portfolio. Percentage mix of equities, fixed income, alternative investments to meet the lifetime cash flow requirement of the client as per his/her risk profile.
- VII. Investment Manager Selection/ 3rd Party Service Providers: Selection of the appropriate banker, investment managers or any other professional service providers – history, past performance, and structure of service providers.
- VIII. Data collection: Information gathering from investment manager. Access to advices, statements and portfolio reports. Explanation of the investment strategies of fund managers. Importance of data protection and security.
- IX. Recording, monitoring and reporting on risk/return performance: Computation of the change in net assets of the client. Reviewing data and realigning, deselecting and reappointing managers and rebalancing portfolio where applicable. Process of tracking the performance of the portfolio over time.



- X. Wealth Management Reporting Software. Properties and specifications of software applications to assist PWFO practitioners. FINTECH.
- XI. Data Protection: Detailed discussion on data protection and data security. General Data Protection Regulation (GDPR)
- XII. Soft Skills: Statistics of the characteristics that the author required to reach the top as a PWFO. The traits required of a PWFO. Understanding the needs of your client. Understanding yourself.

UNDERSTANDING THE CANDIDATES

This section of the course is one of the innovative ways that we are going to make it productive for you. We believe that the course is more of an interaction between us and it is crucial that we understand you. Therefore this topic will guide you to complete two surveys that will help clarify your needs and goals for the training, allowing us to tailor data-driven changes to the course as indicated by your responses.

- **SURVEY 1 : KWR**

1. What do you KNOW already?
2. WHAT do you want to know?
3. How are you doing to RELATE it to your life?

- **SURVEY 2 : THE PROFESSIONAL CAREER ROADMAP**

1. Who are you?
2. What are you good at?
3. What do you like to do?
4. What are you doing?
5. What would you like to leave as a legacy?



MODULE 1: OVERVIEW OF PRIVATE WEALTH AND FAMILY OFFICE (PWFO)

This introduction explores the history of banking up to the present times followed by an explanation of modern banking and its different types. The next section depicts the history of wealth and how wealth management has emerged as a professional discipline. We then follow through with a discussion on the responsibilities pertaining to the management of private wealth. In the next section, we present the history of the family office and the services it provides. In the last section, we introduce the PWFO and highlight the seven key processes involved in its activities. Finally, a brief discussion over the future of PWFO is offered.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Grasp a brief history of banking.
- Discuss modern banking and its different types.
- Explain the history of wealth and wealth management.
- Discuss the meaning and purpose of wealth management.
- Explain the history of the family office.
- Discuss the services that a family office provides.
- Explain what a Private Wealth and Family Office (PWFO) is.
- List the seven key processes of a PWFO activity.
- Distinguish between PWFO and other accounting practices.
- Discuss the future of PWFO.

Essential Reading

- Family Offices A History and Definition by Jan Ban Bueren (THARAWAT MAGAZINE).
- Family Wealth Management by Mark Haynes Daniell & Tom McCullough
- EY wealth management outlook – 2018
<https://www.dropbox.com/s/34rzfr7sj6hl7tw/ey-wealth-management-outlook-2018.pdf?dl=0>

Further Reading

- Make Sure Your Wealth Serves Your Family, Not the Other Way Around by Daniel Scott
<https://www.forbes.com/sites/danielscott1/2018/08/14/make-sure-your-wealth-serves-your-family-not-the-other-way-around/?ss=wealth-management#5f90be5a373a>
- Duties of a wealth manager by Uma Shahikant
https://economictimes.indiatimes.com/articleshow/7391691.cms?utm_source=contentofinterest&utm_medium=te xt&utm_campaign=cppst
- ECONOMIST ARTICLES DECEMBER 2018:
<https://www.economist.com/briefing/2018/12/15/family-offices-become-financial-titans>
<https://www.economist.com/leaders/2018/12/15/how-the-0001-invest>
- Global Wealth Report by Boston Consulting Group
http://image-src.bcg.com/Images/BCG-Seizing-the-Analytics-Advantage-June-2018-R-3_tcm20-194512.pdf



Online Videos

- 3 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 30 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 1 hour professional coaching and mentoring

Total Numbers of hours: 6 hours



MODULE 2: CAREERING IN THE PRIVATE WEALTH AND FAMILY OFFICE INDUSTRY

SECTION 1: PRIVATE WEALTH AND FAMILY OFFICE AS A CAREER

INTRODUCTION

This section of module 2 discusses the different career options available to a candidate who has completed the course. The career options are broken down into two main categories: working in the banking and financial services industry or practising as a PWFO within an existing firm or setting up his own office (which is covered in section 2 of this module. This module covers the various services that somebody who follows this course can offer and to whom.

Learning Outcomes

By the end of this section and after having completed the Essential Reading, the candidate should be able to:

- Explain how a PWFO career involves offering ethical and professional services.
- Understand the objectives of a PWFO.
- Discuss the different career options that are available to a PWFO.
- Explain the services that a PWFO can offer.
- Explain the separation of duties of a PWFO in carrying out PWFO services.

Essential Reading

- FS Focus November 2010 – The Future Of Investment Advice
- Accountancy May 2011 – Cradle to grave: Moving into Private Client work could grow your practice
- FS Focus May 2013 – The Chartered Accountant would effectively become the private doctor – ‘the trusted individual who advises and brings in outside expertise’

Further Reading

- FS Focus January 2011 – Restoring trust and the role of accredited bodies
- FS Focus August 2011 – Embracing the future
- FS Focus March 2012 – Swiss Congeniality



SECTION 2: PRIVATE WEALTH AND FAMILY OFFICE AS A BUSINESS

In previous section, we discussed the different career options that a PWFO can consider, different end clients that can be targeted and the reason why it is a good option to opt for as a career. The main focus of this section and section three is to assist the PWFO in setting up a PWFO business in a modern inclusive economy while emphasising the various aspects involved in the business.

Learning Outcomes

By the end of this section and after having completed the Essential Reading, the candidate should be able to:

- Explain the different aspects of PWFO as a Business.
- Identify the lucrative opportunities that exist in a PWFO Business.
- Discuss the challenges involved in a PWFO Business.
- Explain the services that PWFO offers as a Business.
- Explain what is involved in providing PWFO services.
- Explain the link between different PWFO services and price strategies that can be used.
- List the steps involved in setting up a PWFO Business.

Essential Reading

- The Inclusive Economy: How to Bring Wealth to America's Poor by Michael D. Tanner

Further Reading

- Integrated Wealth Management: The New Direction for Portfolio Managers
- How the changing world of financial services is affecting private banking (<https://www.wealthandfinance-news.com/how-the-changing-world-of-financial-services-is-affecting-private-banking/>)
- The \$200 Trillion Gold Rush That Has Reshaped Private Banking (<https://www.bloomberg.com/news/features/2018-11-24/the-200-trillion-gold-rush-that-has-reshaped-private-banking>)



SECTION 3: PWFO Business Plan–Sales & Marketing

Previously in module 2 Section 1, we covered the different career paths that a PWFO can follow after completing the course. If already in practice within an existing firm, adding a wealth management arm to the armoury of services already available in many accounting firms has the potential to increase earnings. In module 2 Section 2, the main focus was on assisting the PWFO in considering the implications of setting up a PWFO business.

This section focuses on the business plan with particular attention to sales and marketing that can be implemented by the PWFO to start its business. The main idea behind this is to efficiently assist each PWFO in not only setting up a business but guiding him towards a proper plan best suited to his individual circumstances.

Learning Outcomes

By the end of this section and after having completed the Essential Reading, the candidate should be able to:

- Understand the importance of a PWFO Business Plan.
- Understand the different aspects of a Business Plan.
- Explain the sales & marketing plan in a PWFO perspective.
- Understand the use of the marketing questionnaire.
- Use and interpret the marketing questionnaire.
- Understand the marketing environment (Macro, Micro, Internal Environment).
- Perform a SWOT analysis of the marketing environment.

Essential Reading

- Zen Presentation by Patrick Murphy (Follow below link)
(<https://www.dropbox.com/s/t73osiy742wbj2o/Zen%20Presentation%20.pdf?dl=0>)

Further Reading

- The pocket guide to sales for financial advisors by Beverly D. Flaxington
- Breaking through: Building a World Class Wealth Management Business

Online Videos

- 7 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 30 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ½ hours



MODULE 3: PROCESS 1: INFORMATION GATHERING

INTRODUCTION

This module focuses on information gathering and explores the meaning of data and information in order to assist a PWFO practitioner in understanding the financial and non-financial information gathered. Furthermore, module 3 will provide a discussion on how to gather all relevant client information through a series of interviews and questionnaires.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Explain the meaning of Data and its History.
- Distinguish between data and information.
- Discuss the differences between financial and non-financial information.
- Explain financial information gathering as part of the activities of a PWFO.
- Understand the purpose of various information-gathering questionnaires.
- Use sample questionnaires as shown in the appendix for this module.

Essential Reading

- Making Sense of Data and Information – Elsevier’s Science & Technology
- Information-gathering processes: Diagnosticity, hypothesis-confirmatory strategies, and perceived hypothesis confirmation – Richard B Skov, Steven J Sherman
- How to think about data in 2019 – The Economist (<https://www.economist.com/leaders/2018/12/22/how-to-think-about-data-in-2019>)

Further Reading

- The Elements of Information Gathering – Donald E. Zimmerman
- A study of the information-gathering techniques of the small businessman – Richard Eugene O’Brien

Online Videos

- 10 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading)
- 30 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ½ hours



MODULE 4: PROCESS 2: INTERPRETATION OF INFORMATION GATHERED

The output from the information gathered in the previous module will now be interpreted to assess the financial situation of the client and understand his/her risk profile. Firstly, this module will explain how the data and information collected from the KYC, Client's Net Worth and Lifestyle questionnaires will be used by the PWFO to perform a financial inventory which is basically a valuation of all the client's assets and liabilities. Secondly, in addition to the three questionnaires above, the PWFO can also use a Risk Profiling Questionnaire such as "FinaMetrica" to gauge the risk profile of the client. Finally, the five Know Yourself questionnaires and the Goals & Aspirations questionnaire will be used for strategic planning in order to achieve financial security of the client.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Understand the importance of the data and information gathered.
- Explain the meaning and process of financial inventory.
- Calculate the net asset/net worth of a client.
- Define and explain the different asset classes and their importance.
- Identify the purpose of financial and non-financial information gathering and its relevance to financial inventory.
- Use the preliminary information from the KYC, Client's Net Worth and Lifestyle questionnaires (Income & Expenditure) to perform the financial inventory and a lifetime cash flow projection for the client.
- Understand the importance that risk profiling plays in financial planning and asset allocation.
- Use the risk profile of the client to determine investment asset allocation and hence the choice of the portfolio.
- Understand that the 5 online and Goals & Aspirations questionnaires are used to build strategic planning to achieve financial security.

Essential Reading

- KYC In Private Banking (<http://www.bankersumbrella.com/blog/know-your-clientcustomer-kyc-in-private-banking>)
- The FinaMetrica Questionnaire (Included in the Appendix)
- Risk Profile (<https://www.investopedia.com/terms/p/portfolio.asp>)
- Financial Inventory by [Roger Remling](#) (Blurb, Incorporated, 2015)

Further Reading

- Cash Money Life – Financial Freedom (<https://cashmoneylife.com/financial-inventory/>)
- Asset Classes (<https://corporatefinanceinstitute.com/resources/knowledge/trading-investing/asset-class/>)

Online Videos

- 7 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 30 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ½ hours



MODULE 5: PROCESS 3: THE MATCHING ANALYSIS PROCESS

After interpreting the information gathered, the PWFO is now able to form an opinion. Through the information and reports about the client, assembled using the appropriate software/application, the PWFO has been able to understand the existing financial situation of the client – how he/she is invested or not. In this module, the PWFO will use the information gathered from the client, including from questionnaires, to construct a theoretical portfolio for the client. More importantly, the PWFO will use the risk profile and goals & aspirations of the client to perform a matching analysis that meets his/her lifetime cash flow requirement. The matching process can also include adjustments for clients who already have an existing portfolio. In fact, at this stage of the PWFO process, there is increased interaction between the PWFO and his/her client.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Explain the matching process and how it is used to change an actual portfolio to a rebalanced portfolio.
- Discuss how information gathered from KYC, Client's Net Worth and Lifestyle (Income & Expenditure) questionnaires are essential for the matching analysis.
- Explain how the risk tolerance of the client helps in the matching process.
- Understand how the 5 Know Yourself and Goals & Aspirations questionnaires help match the client's lifetime cash flow requirement.
- Calculate surplus income and understand its relevance in the matching process.
- Understand, with a real world example, how to construct a rebalanced portfolio.

Essential Reading

- Family Wealth Management by Mark Haynes Daniell & Tom McCullough
- Asset and Liability Management Workbook by G. Mitra, K. Schwaiger
- Review all the information collected for the model clients:
 - Financial Inventory
 - Risk profiling output report
 - 5 Know Yourself and Goals & Aspirations questionnaires
 - Analysis of position

Further Reading

- Multi-Asset Investing: A Practical Guide to Modern Portfolio Management by Yoram Lustig
- Modern Investment Management: An Equilibrium Approach by Bob Litterman

Online Videos

- 3 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 12 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)
- 1 hour professional coaching and mentoring

Total Numbers of hours: 6 ¼ hours



MODULE 6: PROCESS 4: INVESTMENT STRATEGY

In the previous module, the matching analysis process, the PWFO actually constructed a rebalanced portfolio for the client. In this module, the PWFO will now be able to work with the client to discuss appropriate investment strategies in order to materialise the rebalancing exercise of the portfolio of the client. This exercise may actually involve the investment manager(s) who will be appointed for the asset reclassification. The core activity in this process will be related to the allocation of capital through suitable investment strategies. The investment strategies will vary as they are based on risk tolerance, lifetime cash flow requirements (lifestyle - income & expenditure) and the 5 know yourself and goals & aspirations of the client.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Define what an investment strategy is and what its objectives are.
- Discuss the different types of investment strategies.
- Explain carefully the different purposes when allocating capital.
- Explain the meaning of diversification when allocating capital.
- Discuss how costs and drawings impact on capital allocation.

Essential Reading

- Family Wealth Management by Mark Haynes Daniell & Tom McCullough
- Asset and Liability Management Workbook by G. Mitra, K. Schwaiger

Further Reading

- Multi-Asset Investing: A Practical Guide to Modern Portfolio Management by Yoram Lustig
- Modern Investment Management: An Equilibrium Approach by Bob Litterman

Online Videos

- 7 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 45 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ¾ hours



MODULE 7: PROCESS 5: SELECTION OF INVESTMENT MANAGERS

In module 6, the PWFO has gathered knowledge about the different possible investment strategies that can be adopted by a client. These strategies depend on the client's risk tolerance, goals & aspirations and lifetime cash flow requirement. It is appropriate for the PWFO to go through the process of selecting the right investment managers in order to materialise the rebalanced portfolio. The PWFO needs to have enough investment knowledge to have an intelligent conversation about the investment strategies that will be proposed by the investment managers. Again, please note that the PWFO does not provide any investment advice. In this module, we will discuss the characteristics that an investment manager should possess in order to help the client choose the most suitable investment manager(s). Moreover, we will explain all the steps that a PWFO will need to follow in order to choose the most appropriate investment manager(s).

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Discuss the purpose of selecting an Investment Manager.
- Explain the role of Investment Managers.
- Identify the main characteristics of the most suitable Investment Managers- the four 'P's.
- Explain the general rules that should be considered by the PWFO when selecting investment managers also known as the four 'P's.
- List all the specific questions that the PWFO needs to ask the investment manager in order to choose the best one for different investment strategies.

Essential Reading

- Family Wealth Management by Mark Haynes Daniell & Tom McCullough
- Investment Managers Analysis by Frank J. Travers

Further Reading

- How to select investment managers & evaluate performance by G. Timothy Haight, Glenn Ross, Stephen O.
- Presentation: The Investment Manager Selection Process Within an Asset Allocation Policy, Source: https://www1.warrington.ufl.edu/graduate/academics/msf/docs/speakers/presentation_Ranson_Ward0405.pdf

Online Videos

- 5 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 15 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ¼ hours



MODULE 8: PROCESS 6: DATA COLLECTION

Data collection is the foundation that underpins the main tasks of a PWFO. From the information gathering process to the current process, the collection of data helps gather information about the risk profile, net worth, goals & aspirations and lifetime cash flow requirement of the client. In the context of PWFO, data collection relates to obtaining all rights to data and information from the client so that the PWFO can receive data and information on an ongoing basis. In simpler terms, data collection refers to taking possession of the financial data and related information of clients and ensuring that they are secured, protected and monetised. Data collection is the essence of the final process, which is, recording, monitoring and reporting a client's portfolio (Module 9).

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Explain the link between information gathering and data collection.
- Explain the meaning and purpose of Data Collection.
- Explain the importance of right of access to information about the client.
- Explain the purpose of converting collected data into meaningful information.
- Understand how proper categorisation and classification help in determining Asset & Liability Classes.
- Understand the link between data collection and portfolio monitoring system.
- Interpret all information from the financial reports so that the objectives of the client are met.
- Discuss the role of the PWFO as a Data Custodian.

Essential Reading

- Family Wealth Management by Mark Haynes Daniell & Tom McCullough
- Warren Buffet and the interpretation of Financial Statements by Mary Buffet & David Clark

Further Reading

- E-Data: Turning Data Into Information with Data Warehousing by Jill Dyché

Online Videos

- 8 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 42 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ¾ hours



MODULE 9: PROCESS 7: RECORDING, MONITORING AND REPORTING

In Module 5, the PWFO proposed a rebalanced portfolio for the client based on the latter's risk profile, lifetime cash flow requirement (income & expenditure) and goals & aspirations. In Module 6, after discussing different types of investment strategies with the client, the PWFO has engaged in the selection of investment managers. In Module 7, the investment managers have implemented the investment strategies to achieve the rebalanced portfolio. In Module 8, a discussion was provided on the importance and relevance of data collection as part of the PWFO processes. In this module, the PWFO will continue the process of recording, monitoring and reporting on different aspects of the rebalanced portfolio to the client following the data collection process. In this respect, the PWFO will provide updated reports to the client to ensure that cash flows from the rebalanced portfolio are in line with his/her lifetime cash flow requirement for financial security.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Understand the responsibility of the PWFO in the recording, monitoring & reporting process.
- Discuss how recording is done by the PWFO.
- Explain how 'monitoring' is essential to the PWFO process.
- Understand how the PWFO will give clients control of their assets with immediate, transparent and comprehensive access through 'reporting'.
- Understand the purpose of reporting following data collection.
- Retrieve appropriate financial reports from private wealth management software.
- List the financial reports that can be retrieved from private wealth management software.

Essential Reading

- Family Wealth Management by Mark Haynes Daniell & Tom McCullough

Further Reading

- Portfolio Theory and Management by H. Kent Baker, Greg Filbeck

Online Videos

- 5 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 30 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ½ hours



MODULE 10: WEALTH MANAGEMENT REPORTING SOFTWARE

In previous modules, we have discussed one of the fundamental roles of a PWFO which is “recording, monitoring and reporting” based on data collection. In fact, performing the tasks of a PWFO becomes less time consuming and even more professional with the use of an appropriate wealth management reporting software. In this module, we will discuss the purpose of using a wealth management reporting software. Furthermore, we will go through the properties and specifications of some software applications that can assist the PWFO in performing his tasks.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Explain the meaning of software applications.
- Explain the purpose of using a Wealth Management Reporting Software.
- Explain the benefits of using a Wealth Management Reporting Software.
- Understand the properties and specifications of WINEUR.
- Understand the properties and specifications of CLEARVISION.
- Understand the properties and specifications of ATRIUM.
- Understand the properties and specifications of a financial planning software.
- Understand the relevance of FinTech for a PWFO.

Essential Reading

- ‘Manuel Utilisateur’ for ClearVision (User Manual)
- ‘Manuel Utilisateur’ for WinEur (User Manual)
- Fintech is taking over the finance world. Are students ready? by DBS November 27, 2018
(<https://qz.com/1466019/fintech-is-taking-over-the-finance-world-are-students-ready/>)
- WHO IS TAKING YOUR BUSINESS?
(<https://www.dropbox.com/s/3te8nd23cuhe1zs/Fintech%20who%20is%20taking%20your%20business%202019.pdf?dl=0>)

Further Reading

- Business Knowledge for IT in Private Wealth Management: A Complete Handbook by Essvale Corporation Limited
- Presentation of ClearVision software
(<https://www.youtube.com/watch?v=oATDFSg8zPk>)

Online Videos

- 7 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 15 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ¼ hours



MODULE 11: DATA PROTECTION

As a data custodian, the PWFO will deal largely with personal data. The aim of this module is to provide guidelines and ways to ensure that all data collected throughout the PWFO processes are protected and secured and that the client's privacy is respected. Generally, a PWFO may have clients anywhere in the world, including EU countries, and will therefore need to abide with the General Data Protection Regulation (GDPR) principles and be GDPR compliant. In other countries like Switzerland, a large number of companies will have to adhere to both the provisions of the Swiss Federal Data Protection Act, which is under revision, as well as those under the GDPR. In Mauritius, the PWFO will have to adhere to its own Data Protection Act (DPA) as well as to the GDPR.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Explain the meaning and purpose of Data Protection.
- Understand what GDPR is and how it is related to a PWFO.
- Outline the principles of GDPR and how it is regulated.
- Discuss the importance of being GDPR compliant for a PWFO.
- Explain some ways to ensure that the client's data are protected.

Essential Reading

- Data Protection: A Practical Guide to UK and EU Law by Peter Carey.
- Computers, Privacy and Data Protection: an Element of Choice by Serge Gutwirth, Yves Poullet, Paul De Hert, Ronald Leenes.

Further Reading

- Data Protection: Governance, Risk Management and Compliance by David G. Hill
- Business Knowledge for IT in Private Wealth Management: A Complete Handbook by Essvale Corporation Limited

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 hours



MODULE 12: SOFT SKILLS

A PWFO practitioner will deal with his/ her clients on a regular basis. Though the technical skills is crucial for a PWFO to ensure that the clients' lifetime cash flow requirements are achieved, it is essential that the PWFO practitioner masters soft skills in order to acquire and retain clients. This particular module lays emphasis on the soft skills required to be successful as a PWFO practitioner. It will more specifically deal with the traits that the author required to reach the top.

Learning Outcomes

By the end of this module and after having completed the Essential Reading, the candidate should be able to:

- Understand the required soft skills to practice as a PWFO.
- Outline the different traits listed by the author.
- Discuss the importance of understanding as a soft skill.
- Discuss the importance of listening in relation to understanding the client.

Essential Reading

- Effective Communication Skills by Daniel Greavestone
- Pre-Suasion - A Revolutionary Way to Influence and Persuade by Robert Cialdini

Further Reading

- How to Win Friends and Influence People by Dale Carnegie
- Just Listen: Discover the Secret to Getting Through to Absolutely Anyone by Mark Goulston

Online Videos

- 3 Videos

Multiple Choice Questions (MCQ)

- 10 questions available to be completed after having completed all readings

Project-Based Learning (PBL)

- 1 PBL Activity has to be submitted at the end of the module to ensure a better understanding of the course.

Recommended number of hours to complete the module:

- 2 hours independent self-study (Reading Materials)
- 31 minutes online platform explanatory videos
- 30 minutes MCQ
- 2 hours PBL
- 30 min interactive training sessions (Video Call/Messages/Emails)

Total Numbers of hours: 5 ½ hours



EXCEL APPENDIX - COURSE STRUCTURE MATRIX

This detailed and comprehensive matrix has been purposefully designed to provide all the breakdown details per module for the whole course content and delivery.

1. EXCEL APPENDIX – COURSE CONTENT STRUCTURE (MATRIX 1)

Matrix 1 will illustrate the modules name, syllabus, structure and learning outcomes broken down module by module.

2. EXCEL APPENDIX – COURSE DELIVERY STRUCTURE (MATRIX 2)

Matrix 2 will illustrate the delivery structure and the expected learning hours of candidates up to completion of the course.