

ACCT 7026 BEHAVIOURAL FINANCE (PG)

Credit Points 10

Legacy Code 201038

Coordinator Kelly Liu ([https://directory.westernsydney.edu.au/search/name/Kelly Liu/](https://directory.westernsydney.edu.au/search/name/Kelly%20Liu/))

Description Cognitive biases and emotional influences have the potential to influence the decision-making of advisors, managers and investors. This subject provides students with the skills to advise clients such that their investment decisions are soundly based. Various biases and influences are introduced to students to demonstrate how they undermine rational investment decision-making. Students are then taught how to apply methods that advisers can use to overcome and correct these biases. Ensuring clients are fully educated about investment decisions is integral to the investment process, and necessary to ensure advisers meet the best interest duty of their profession. This subject is available as a stand-alone bridging subject which is accredited by the Financial Adviser Standards and Ethics Authority (FASEA) having met the FASEA curriculum and standards requirements.

School Business

Discipline Accounting

Student Contribution Band HECS Band 4 10cp

Check your fees via the Fees (https://www.westernsydney.edu.au/currentstudents/current_students/fees/) page.

Level Postgraduate Coursework Level 7 subject

Restrictions

Students must be enrolled in a postgraduate program or students who are currently registered on the national Financial Adviser Register (FAR) may take this subject as a non-award stand-alone subject in order to meet new education requirements as outlined by the Financial Adviser Standards and Ethics Authority (FASEA).

Learning Outcomes

On successful completion of this subject, students should be able to:

1. Identify the different types of behavioural biases that client(s) exhibit;
2. Articulate the different approaches in decision-making client(s) may prefer;
3. Assess the linkages between behavioural biases and decision-making and implications for investment decisions made by client(s);
4. Explain the interactions between individuals and their financial capital;
5. Evaluate the role of behavioural finance in client engagement and the professional client relationship;
6. Critically assess investment strategies that are in the best interest of the client.

Subject Content

- introduction to Behavioural finance
- The types of biases influence client investment decisions

- ways of influencing client decisions to avoid cognitive and emotional biases
- how advisers can increase their own Understanding of client's needs and wants to guide their investment decisions
- Informing clients about The Risk and Reward trade-off
- Efficient markets and more realistic interpretations of markets
- theories of utility for client portfolio construction

Assessment

The following table summarises the standard assessment tasks for this subject. Please note this is a guide only. Assessment tasks are regularly updated, where there is a difference your Learning Guide takes precedence.

Type	Length	Percent	Threshold	Individual/Group Task
Quiz	8 quizzes	10	N	Individual
Report	2,000 words	30	N	Individual
Final Exam	3 hours	60	Y	Individual

Prescribed Texts

- Statman, M 2017, Finance for Normal People: How Investors and Markets Behave, Oxford: Oxford University Press. https://westernsydney-primo.hosted.exlibrisgroup.com/primo-explore/fulldisplay?docid=UWS-ALMA51198428910001571&context=L&vid=UWS-ALMA&search_scope=books_tab_scope&tab=books_tab&lang=en_US

Teaching Periods

Quarter 1 (2024)

Online

Online

Subject Contact Kelly Liu ([https://directory.westernsydney.edu.au/search/name/Kelly Liu/](https://directory.westernsydney.edu.au/search/name/Kelly%20Liu/))

View timetable (https://classregistration.westernsydney.edu.au/even/timetable/?subject_code=ACCT7026_24-Q1_ON_2#subjects)