ACTL5401
RETIREMENT PLANNING

Course Outline
Semester 1, 2015

Part A: Course-Specific Information

Please consult Part B for key information on Business School policies (including those on plagiarism and special consideration), student responsibilities and student support services.
Table of Contents

PART A: COURSE-SPECIFIC INFORMATION 1
1 STAFF CONTACT DETAILS 1
2 COURSE DETAILS 1
  2.1 Teaching Times and Locations 1
  2.2 Units of Credit 1
  2.3 Summary of Course 1
  2.4 Course Aims and Relationship to Other Courses 2
  2.5 Student Learning Outcomes 2
3 LEARNING AND TEACHING ACTIVITIES 4
  3.1 Approach to Learning and Teaching in the Course 4
  3.2 Learning Activities and Teaching Strategies 4
4 ASSESSMENT 5
  4.1 Formal Requirements 5
  4.2 Assessment Details 5
5 COURSE RESOURCES 6
6 COURSE EVALUATION AND DEVELOPMENT 7
7 COURSE SCHEDULE 8
PART A: COURSE-SPECIFIC INFORMATION

1 STAFF CONTACT DETAILS

Lecturer-in-charge: Dr Kevin Liu
Room: Business School building 655
Phone: 9385 7119
Email: kevin.liu@unsw.edu.au
Consultation Times: Tuesday 5pm-6pm

2 COURSE DETAILS

2.1 Teaching Times and Locations

<table>
<thead>
<tr>
<th>Day</th>
<th>Time</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuesday</td>
<td>6pm – 9pm</td>
<td>Old Main Building 150</td>
</tr>
</tbody>
</table>

Classes will run from Week 1 to Week 12.

2.2 Units of Credit

The course is worth 6 units of credit.

2.3 Summary of Course

This course imparts the knowledge necessary to provide effective financial advice for retirement planning in the context of increasingly complex financial products and government policies. The course will cover the presentation, evaluation and implications of retirement risks including longevity risk, inflation risk, investment risk, employment risk, adequacy (replacement) risk, contingency risk and political risk; the design and features of existing and proposed superannuation and retirement income policies and products; the public age pension and other publically provided benefits and their interaction with superannuation and other private benefits; residential options for older Australians; financing health, aged and long term care; estate planning; understanding the consumer; and designing a 'retirement plan'. A novel feature of the course is the integration of key retirement risks in the prescribed retirement plans as well as consideration of behavioural influences.

ACTL5401 Retirement Planning has been accredited by the Financial Planning Association (FPA) for 52 continuing professional development (CPD) points and by the
Association of Financial Advisors (AFA) for 72.5 continuing professional development (CPD) points. Specific details can be found on the course website.

2.4 Course Aims and Relationship to Other Courses

The aim of this course is to introduce students to the concepts from demography, actuarial science, finance, economics and law which are important for understanding how to design effective retirement income planning strategies, as well as to design appropriate retirement plans within the constraints of the current policy framework and across a multitude of individual circumstances.

The course ACTL5401 is offered as an elective in the Certificate, Diploma and Master of Financial Planning programs and may be taken as an elective in postgraduate coursework degrees offered by the UNSW Business School. ACTL5401 can also be taken on a non-award basis.

2.5 Student Learning Outcomes

The Course Learning Outcomes are what you should be able to DO by the end of this course if you participate fully in learning activities and successfully complete the assessment items. By the end of this course, you should be able to:

1. Understand the demographic trends, public policy framework and retirement product design relevant to current and near to retirees.
2. Describe and evaluate the risks facing individuals and product providers, before and after retirement.
3. Understand and critically assess retirement benefits policy and products, residential options and the financing of health, age and long term care and the relationship between publicly and privately provided benefits.
4. Be aware of the behavioural biases which may influence individual retirement decisions and develop strategies to address these.
5. Develop and communicate effective and appropriate retirement planning strategies in the context of the multitude of retirement risks (including longevity risk, inflation risk, investment risk, employment risk, contingency risk - including health, disability and aged care risk - and political risk), within the current policy framework, and taking account of behavioural influences.

Business Postgraduate Coursework Program Learning Goals and Outcomes

1. Knowledge: Our graduates will have current disciplinary or interdisciplinary knowledge applicable in local and global contexts.
   You should be able to identify and apply current knowledge of disciplinary or interdisciplinary theory and professional practice to business in local and global environments.
2. Critical thinking and problem solving: Our graduates will have critical thinking and problem solving skills applicable to business and management practice or issues. You should be able to identify, research and analyse complex issues and problems in business and/or management, and propose appropriate and well-justified solutions.

3. Communication: Our graduates will be effective communicators in professional contexts. You should be able to:
   a. Produce written documents that communicate complex disciplinary ideas and information effectively for the intended audience and purpose, and
   b. Produce oral presentations that communicate complex disciplinary ideas and information effectively for the intended audience and purpose.

4. Teamwork: Our graduates will be effective team participants. You should be able to participate collaboratively and responsibly in teams, and reflect on your own teamwork, and on the team’s processes and ability to achieve outcomes.

5. Ethical, social and environmental responsibility: Our graduates will have a sound awareness of ethical, social, cultural and environmental implications of business issues and practice. You should be able to:
   a. Identify and assess ethical, environmental and/or sustainability considerations in business decision-making and practice, and
   b. Consider social and cultural implications of business and/or management practice.

The following table shows how your Course Learning Outcomes relate to the overall Program Learning Goals and Outcomes, and indicates where these are assessed (they may also be developed in interactive discussions and other activities):

<table>
<thead>
<tr>
<th>Program Learning Goals and Outcomes</th>
<th>Course Learning Outcomes</th>
<th>Course Assessment Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>This course helps you to achieve the following learning goals for all Business postgraduate coursework students:</td>
<td>On successful completion of the course, you should be able to:</td>
<td>This learning outcome will be assessed in the following items:</td>
</tr>
<tr>
<td>1 Knowledge</td>
<td>Understand the demographic trends, public policy framework and retirement product design relevant to current and near to retirees. Describe and evaluate the risks facing individuals and product providers, before and after retirement.</td>
<td>• Discussion Questions • Report • Final Exam</td>
</tr>
<tr>
<td>2 Critical thinking and problem solving</td>
<td>Understand and critically assess retirement benefits policy and products, residential options and the financing of health, age and long term care and the relationship between publicly and privately provided benefits. Be aware of the behavioural biases which may influence individual retirement decisions and develop strategies to address these.</td>
<td>• Case Studies • Report • Final Exam</td>
</tr>
<tr>
<td>3a Written communication</td>
<td>Develop and communicate effective and appropriate retirement planning strategies within the current policy framework.</td>
<td>• Case Studies • Report</td>
</tr>
<tr>
<td>3b</td>
<td>Oral communication</td>
<td>Develop and communicate effective and appropriate retirement planning strategies within the current policy framework.</td>
</tr>
<tr>
<td>4</td>
<td>Teamwork</td>
<td>Not specifically addressed in this course.</td>
</tr>
<tr>
<td>5a.</td>
<td>Ethical, social and environmental responsibility</td>
<td>Develop and communicate effective and appropriate retirement planning strategies within the current policy framework.</td>
</tr>
<tr>
<td>5b.</td>
<td>Social and cultural awareness</td>
<td>Develop and communicate effective and appropriate retirement planning strategies within the current policy framework.</td>
</tr>
</tbody>
</table>

3 LEARNING AND TEACHING ACTIVITIES

3.1 Approach to Learning and Teaching in the Course

The philosophy underpinning this course and its Teaching and Learning Strategies are based on ‘Guidelines on Learning that Inform Teaching at UNSW’. These guidelines may be viewed at: www.guidelinesonlearning.unsw.edu.au. Specifically, the lectures, interactive discussions and assessments have been designed to appropriately challenge students and support the achievement of the desired learning outcomes.

The broad approach to learning and teaching in the course is to combine institutional knowledge, theoretical analysis and practical examples. With appropriate guidance, students are encouraged to take responsibility for their own learning.

3.2 Learning Activities and Teaching Strategies

The three hours allocated to class contact will be interactive and include lectures, class discussion and student presentation of discussion questions and case studies. The examinable content of the course is defined by the content of the lectures, the designated readings and the content of the discussion questions and case studies.

**Lectures**

The purpose of lectures is to introduce the key concepts, to provide a logical structure of the topics that make up the course, and to emphasize the important or difficult concepts and methods of each topic.

**Interactive activities**
Class discussion and student participation, and engagement and design of retirement planning solutions are key components of the course. Discussion questions and case studies provide a vehicle for discussion of applications of the concepts and theories introduced in lectures. Students are required to be well prepared to participate in the class discussion by reading the designated readings, attempting the discussion questions and planning responses to the case studies before the weekly class.

4 ASSESSMENT

4.1 Formal Requirements

In order to pass this course, you must:

- achieve a composite mark of at least 50; and
- make a satisfactory attempt at all assessment tasks (see below).

4.2 Assessment Details

The examinable content of this course is defined by the content of the lectures, the designated readings and the exercises and discussion questions.

To encourage you to follow a path of active and regular learning, the assessment in the course will consist of:

<table>
<thead>
<tr>
<th>Assessment Task</th>
<th>Weighting</th>
<th>Length</th>
<th>Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discussion questions and case studies</td>
<td>25%</td>
<td>As required</td>
<td>Weeks 3, 6, 9 and 12.</td>
</tr>
<tr>
<td>Report</td>
<td>25%</td>
<td>2,000 words</td>
<td>TBA</td>
</tr>
<tr>
<td>Class participation and oral presentation</td>
<td>10%</td>
<td>15 minutes</td>
<td>Ongoing</td>
</tr>
<tr>
<td>Final Exam</td>
<td>40%</td>
<td>2 hours</td>
<td>University Exam Period</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Discussion Questions and Case Studies – 25%

The purpose of the Discussion Questions and Case Studies are to test your understanding of all material introduced in the course and its application to real world retirement planning scenarios on an ongoing basis. The Discussion Questions and Case Studies will be completed and handed-in on an ongoing basis in Weeks 3, 6, 9 and 12.

Report – 25%
The purpose of the Report is to provide a practical application of the material presented in the course. Students will be presented with a scenario relating to resources and circumstances at retirement and will be asked to present a suite of possible solutions and approaches. Information about the Report and the Submission Procedure will be circulated as a separate document and will be available on the course website.

**Class Participation and Oral Presentation (of Report) – 10%**

Each class will be conducted in an interactive format. Students will be encouraged to discuss the key issues and ideas introduced in the course material as well as the appropriate strategy for each of the simple case studies. As well, students will be required to make a 15 minute presentation of the ‘case study' which is the subject of their Report.

5% of the course marks are reserved for class participation and discussion. A record of attendance at classes will be kept. A further 5% of course marks are reserved for the presentation of the Report.

**Final Exam – 40%**

The purpose of the Final Exam is to assess understanding of all material presented in the course, including lectures, assessable discussion questions and case studies and other exercises and questions covered in the course. The Final Exam will be held in the University examination period and will be 2 hours in length. The Final Exam will cover the entire course.

**Quality Assurance**

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential.

**5 COURSE RESOURCES**

The course website may be found among your other courses from the UNSW TELT platform at: [http://teaching.unsw.edu.au/elearning](http://teaching.unsw.edu.au/elearning). The website includes: all course handouts; lecture slides; designated readings and the program of discussion questions and case studies. The website for this course is on Moodle at: [https://moodle.telt.unsw.edu.au/login/index.php](https://moodle.telt.unsw.edu.au/login/index.php)
To access the course website online support site for students, follow the links from that website to UNSW Moodle Support/Support for Students. Additional technical support can be obtained from itservicecentre@unsw.edu.au (02 9385 1333).

It is important that you visit the course website regularly to see any notices and documents posted there, as it will be assumed that they are known to you within a reasonable time.

**Textbook and Readings**

There is NO set textbook for this course. All required readings and other materials will be posted on the course website. Course notes, essential readings case studies and problem sets will be provided in hard copy form.

**6 COURSE EVALUATION AND DEVELOPMENT**

Each session feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are made based on this feedback. UNSW's Course and Teaching Evaluation and Improvement (CATEI) Process is one of the ways in which student evaluative feedback is gathered. In this course, we will seek your feedback through end of semester CATEI evaluations.

We take student feedback and evaluations very seriously and respond to comments and suggestions made by students in future course design and assessments.
# 7 COURSE SCHEDULE

## Class Schedule

<table>
<thead>
<tr>
<th>Week</th>
<th>Week Starting</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2 March</td>
<td>Introduction to retirement planning</td>
</tr>
<tr>
<td>2</td>
<td>9 March</td>
<td>The institutional framework for retirement planning (superannuation, taxation, regulation)</td>
</tr>
<tr>
<td>3</td>
<td>16 March</td>
<td>Risks in retirement - 1</td>
</tr>
<tr>
<td>4</td>
<td>23 March</td>
<td>Risks in retirement - 2</td>
</tr>
<tr>
<td>5</td>
<td>30 March</td>
<td>Transitioning to retirement and adequacy of retirement savings</td>
</tr>
</tbody>
</table>

**Mid-Session Break: 3 April - 12 April**

<table>
<thead>
<tr>
<th>Week</th>
<th>Week Starting</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>13 April</td>
<td>Age Pension and other publicly provided support</td>
</tr>
<tr>
<td>7</td>
<td>20 April</td>
<td>Retirement income products</td>
</tr>
<tr>
<td>8</td>
<td>27 April</td>
<td>Putting the pieces together – strategies to maximise retirement incomes and address retirement risks</td>
</tr>
<tr>
<td>9</td>
<td>4 May</td>
<td>Residential options, health and aged care</td>
</tr>
<tr>
<td>10</td>
<td>11 May</td>
<td>Estate planning</td>
</tr>
<tr>
<td>11</td>
<td>18 May</td>
<td>Understanding consumer behaviour</td>
</tr>
<tr>
<td>12</td>
<td>25 May</td>
<td>Providing retirement advice</td>
</tr>
</tbody>
</table>