



Academic Learning Standards for Finance in the Australian Higher Education Context

Prepared by the Finance Learning Standards Working Party sponsored by the Australian Business Deans Council

November 2014



Further information may be found at <http://www.abdc.edu.au/pages/finance-learning-standards.html>

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The Finance Learning Standards Working Party is grateful for the significant contributions made by members of the finance community in academia and in practice.

Foreword

The Australian Business Deans Council (ABDC) has commissioned the development of learning standards at Australian Bachelor and Masters (Coursework) levels in finance (Level 7 and Level 9 of the Australian Qualifications Framework). The development of these learning standards has also been supported by funds provided by the Australian Government Office for Learning and Teaching.¹

As at November 2014, learning standards have already been developed collaboratively in Australia for a number of disciplines, including accounting, economics, marketing, law, engineering, geography, history and chemistry.

A working party of finance academics (FLSWP) was appointed in July 2013 to develop the learning standards in finance. This statement sets out the finance learning standards, also known as finance threshold learning outcomes, in five inter-related domains: knowledge, application, judgement, communication and teamwork, and reflection. Higher education providers in finance are encouraged to design and deliver programs that reflect their niche by going beyond the five learning standards or by requiring the outcomes be met at a higher level in their own organisation.

The FLSWP consulted extensively with the broader finance higher education community and finance practitioners in developing the finance learning standards. It received high-level advice from the Finance Expert Advisory Group (FEAG) comprising senior finance professionals and representatives of peak professional bodies from industry and higher education.

The finance learning standards proposed in this statement, if implemented appropriately, will provide support for existing national and international accreditation processes, advance Australia's reputation, and protect, each provider's autonomy, diversity and reputation.

I wish to thank especially the following people for their valuable contributions to the process of developing the finance learning standards:

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¹ *The views in this document do not necessarily reflect the views of the Australian Business Deans Council, the Australian Government Office for Learning and Teaching, or other peak bodies named later.*

1. Learning standards for finance

This section provides background on the learning standards agenda in Australia and overseas.

1.1 Introduction

The Tertiary Education Quality and Standards Agency (TEQSA) commenced operations in August 2011. It has a regulatory and quality assurance function with the primary aim of ensuring that students receive high quality education from any Australian higher education provider. Under legislation determining the oversight activities of TEQSA, all higher education providers are required to be able to demonstrate that:

- i. their awards meet the corresponding specifications (including the levels criteria and qualification type descriptors) described in the Australian Qualifications Framework (AQF);
- ii. their internal processes for design and approval of each award takes account of external standards and requirements; and
- iii. the outcomes achieved by their students are benchmarked against external standards (including similar accredited courses).

Learning standards such as those provided in this statement, developed through extensive consultation with the finance discipline community, provide one reference point for benchmarking.

The finance learning standards are, however, guidelines and do not preclude higher education providers using alternative academically defensible Reference Points.

1.2 Background

Under the *Tertiary Education Quality and Standards Agency Act 2011* (the TEQSA Act), TEQSA is charged with evaluating the performance of higher education providers against five domains of standards:

- i. Provider Standards
- ii. Qualifications Standards
- iii. Teaching and Learning Standards
- iv. Information Standards, and
- v. Research Standards.

As at September 2014, only the first two of these standards' domains, collectively known as the Threshold Standards, have been specified in legislation.²

Threshold Standards include a number of requirements in relation to learning standards that are relevant for designing, teaching and assessing the finance curriculum. For example:

- "The higher education provider ensures that awards which may lead to a qualification located at levels 5, 6, 7, 8, 9 or 10 of the Australian Qualifications Framework (AQF) meet the corresponding specifications (including the levels criteria and qualification type descriptors) described in the AQF (www.aqf.edu.au)" (Australian Government, 2011, p. 20).³
- "There are robust internal processes for design and approval of the course of study, which take account of external standards and requirements, e.g. published discipline standards, professional accreditation, input from relevant external stakeholders, and comparable standards at other higher education providers" (Australian Government, 2011, p.17).⁴
- "The academic standards intended to be achieved by students and the standards actually achieved by students in the course of study are benchmarked against similar accredited courses of study offered by other higher education providers" (Australian Government, 2011, p.17).⁵

² *Higher Education Standards Framework (Threshold Standards) Act (2011) as amended*. See <http://www.comlaw.gov.au/Details/F2013C00169/>

³ Paragraph 1.1, Chapter 4: Qualification Standards, *Higher Education Standards Framework (Threshold Standards) Act 2011*. See www.comlaw.gov.au/Details/F2013C00169/Html/Text#_Toc330548954

⁴ Paragraph 1.2, Chapter 3: Provider (Course Accreditation) Standards, *Higher Education Standards Framework (Threshold Standards) Act (2011)*, www.comlaw.gov.au/Details/F2013C00169/Html/Text#_Toc330548951. The latter point to the Australian Qualifications Framework - see <http://www.aqf.edu.au>.

⁵ Paragraph 5.5, Chapter 3: Provider (Course Accreditation) Standards, *Higher Education Standards Framework (Threshold Standards) Act (2011)*, www.comlaw.gov.au/Details/F2013C00169/Html/Text#_Toc330548951.

The Higher Education Standards Panel (HESP), a body established under the same legislation as TEQSA, but independent of TEQSA, has been charged with reviewing the existing Threshold Standards and recommending to the Minister any variations or new standards. In April 2014 the HESP released the proposed framework. In section 1.5 (Learning Outcomes and Assessment), learning outcomes' statements developed by discipline communities was acknowledged formally as a Reference Point.

Reference Points are significant codes or frameworks that the Higher Education Standards Panel judges to be of relevance to higher education providers in considering how particular Standards for Higher Education may be met or demonstrated. Reference Points are an adjunct to the Standards for Higher Education but are not themselves Standards Statements. Use of the Reference Points by higher education providers is not mandatory; the Standards do not require a provider to consult the Reference Points or to comply with positions advocated within the Reference Points. The items listed as Reference Points are generally developed and maintained by peak national bodies and agencies (Higher Education Standards Panel, 2014).

The proposed framework continues to elevate discipline learning standards, developed and maintained by peak national bodies, such as the finance learning standards developed under the auspices of the ABDC. However, while encouraging of their use and reference, the HESP is not proposing that disciplinary developed learning standards will have legislative authority in and of themselves. On the other hand, a sound professional argument for an alternative external reference would need to be made by a provider both for design and subsequently used for externally referenced assurance of learning activities. The latter are captured in proposed section 5.3 (Monitoring, Review and Improvement).

Review and improvement activities include regular external referencing against comparable courses of study, including:

- a) *the progress of student cohorts through courses of study, attrition rates and completion times and rates, and*
- b) *the grading of students' achievement of learning outcomes for selected units of study within courses of study.*

(Higher Education Standards Panel, 2014)

1.2.1 International learning standards in finance

The United Kingdom's (UK) Subject Benchmark Statements have been developed since 2000, with the finance benchmark statement being developed in 2007 for Honours Bachelor Degrees. The finance statement specifies "subject-specific knowledge and skills" and "cognitive abilities and generic skills".⁶ Threshold standards are specified in addition to typical learning outcomes. The UK Benchmark Statements are produced under the auspices of the Quality Assurance Agency (QAA) (the British counterpart to TEQSA).

1.2.2 Discipline-specific learning standards in Australia

The Australian Government funded the Learning and Teaching Academic Standards (LTAS) project in 2009. This project developed a set of learning standards, also known as threshold learning outcomes, for eleven disciplines⁷, mostly at Bachelor degree level, but some at Masters (Coursework) degree level. From the discipline cluster of Business, Management and Economics, the discipline of accounting was chosen in February 2010 as the first discipline to produce a set of learning standards, these being published in December 2010. The LTAS project was completed in July 2011.

The ABDC is extending the work of the LTAS project⁸ through a discipline scholar⁹ to guide the gradual development of standards in other business disciplines. Marketing and economics were the next business disciplines to embark upon the development of academic standards. The final standards statement for marketing was released in September 2012 and the standards statement for economics was released in November 2013.¹⁰

Upon deciding to sponsor the development of standards for finance under the auspices of the ABDC, the FLSWP was established and first met in September 2013. Consistent with previous disciplines, the FLSWP sought support for development and eventually endorsement from important stakeholder groups.

⁶ <http://www.qaa.ac.uk/Publications/InformationAndGuidance/Pages/Subject-benchmark-statement-Finance.aspx>

⁷ Available at <http://disciplinestandards.pbworks.com>

⁸ Details of the ABDC standards agenda is at <http://www.abdc.edu.au/3.74.0.0.1.0.htm>

⁹ The Discipline Scholar is Associate Professor Mark Freeman, University of Sydney.

¹⁰ Refer ABDC website <http://www.abdc.edu.au/pages/marketing-learning-standards.html> and <http://www.abdc.edu.au/pages/economics-learning-standards.html>

1.3 Meaning of learning standards

Learning standards are not intended as a curriculum prescription. They describe the *threshold* learning outcomes that graduates (threshold graduates) are expected to have attained. They are not intended to limit the scope or depth of finance programs. Just as many graduates will distinguish themselves from threshold graduates by demonstrating knowledge and skills beyond minimum standards, many finance higher education providers will design and deliver programs to go beyond the five learning standards or require the outcomes be met at a higher standard.

“Standards” do not imply “standardisation”. A statement of learning standards does not preclude other learning outcomes that providers may specify to differentiate their offerings; diversity among academic programs is desirable. The TEQSA Act 2011 states: “Diversity in Australia’s higher education system, both within and between higher education providers, is important to meet diverse and changing student, employer and community expectations” (Australian Government, 2011, p. 8). Higher education providers, for example, may assign different weightings to theoretical versus technical aspects, emphasise different areas in finance or take a greater or lesser quantitative approach.

Discipline-specific learning standards need to be consistent, under the Threshold Standards, with the AQF which “provides the standards for Australian qualifications.”¹¹ The AQF specifies generic descriptors of learning outcomes in terms of knowledge, skills and application abilities for ten levels of post-secondary qualifications including Bachelor (level 7) and Masters (Coursework) (level 9) degree graduates (the focus of this statement).¹²

1.4 Process of development

Membership of the FLSWP (Appendix B) was determined by expressions of interest and appointment by a selection panel. The FLSWP developed the standards iteratively with guidance from the FEAG (Appendix C) and following feedback through a consultation process. The first draft was constructed from secondary sources, including academic literature and existing statements of learning outcomes for programs that were obtained from Australian higher education providers. The draft also borrowed extensively from the *Learning and Teaching Academic Statement for Accounting*¹³, *Academic Standards for Marketing in the Higher Education Context*¹⁴ and *Economics Learning Standards for Australia Higher Education*.¹⁵ Extensive consultation with the finance discipline community occurred at every stage of the process of developing the finance learning standards.

2. Stakeholders

In addition to assisting institutions in satisfying TEQSA requirements (including AQF compliance), the finance learning standards provide guidance to a range of national and international stakeholders:

- i. academics designing new degree programs or majors with substantial finance content,
- ii. academics who want to benchmark their existing finance programs to these standards,
- iii. employers who want to know the set of skills and knowledge that have been attained by prospective employees with a finance qualification,
- iv. prospective students and secondary school course advisors who want to know what finance is about and the core learning outcomes that students can expect to attain from tertiary education, and
- v. the wider discipline community, including regulatory authorities, accreditation agencies and professional bodies who wish to have assurance that finance learning outcomes from graduates of higher education providers in finance reflect the evolving skills required for workplace practice and further learning.

¹¹ *Australian Qualifications Framework (second edition)*, Australian Qualifications Framework Council. See Appendix A for Bachelor (level 7) and Masters (Coursework) (Level 9) specifications.

¹² All qualifications offered by a provider must fully comply with the AQF by 1 January 2015.

¹³ Refer ABDC website <http://www.abdc.edu.au/pages/accounting-learning-standards.html>

¹⁴ Refer ABDC website <http://www.abdc.edu.au/pages/marketing-learning-standards.html>

¹⁵ Refer ABDC website <http://www.abdc.edu.au/pages/economics-learning-standards.html>

3. Guiding principles in developing learning standards

The FLSWP agreed upon the following seven principles to guide the development of the finance learning standards:¹⁶

1. **Learning standards reflect threshold not aspirational standards.** The learning standards developed will be the minimum standard expected to be achieved across all providers rather than focusing on ideal, niche or aspirational standards which may be met on a consistent basis by only a minority of providers;
2. **The learning standards will not prescribe either the design among finance programs or how learning outcomes will be assessed.** Higher education providers will retain the autonomy to determine their own admission procedures, curriculum, delivery modes and assessment methods to ensure that its graduates have demonstrably met the standards;
3. **The number of learning standards will be limited to the minimum necessary to avoid compromising provider diversity while still assuring public confidence.** Given TEQSA's remit to ensure that providers meet the legislated higher education standards, which include assessing and benchmarking achievement of learning outcomes, the number of standards should be limited to the minimum number necessary to assure public confidence, in order to streamline the compliance process;
4. **Learning standards will reflect AQF and international standards.** The FLSWP will reflect existing expectations as articulated through the AQF (2013) and international standards when developing the academic learning standards for finance in the Australian higher education context;
5. **Learning standards will be developed using an evidence-based approach relevant to contemporary practice and be appropriately documented.** The FLSWP will draw on the experiences of cognate disciplines and existing research to reflect international best practice in the development of the standards and will document the process for the benefit of future developers of standards;
6. **The process for standards development will be collaborative, iterative and incorporate feedback from multiple sources including industry and academia.** The FLSWP will consult widely to ensure maximum input from finance academics and practitioners to maximise the relevance of the standards to all stakeholder groups. This will include incorporating feedback from across the discipline community including the private and public sectors; and
7. **Each learning standard will incorporate an appropriate illustrative example.** The FLSWP will provide relevant examples from finance practice, with the purpose of clarifying the meaning of the agreed finance learning standards for professional and academic finance communities. These are purely for illustrative purposes and are not intended to be exclusive in any way.

4. Scope

The finance learning standards apply to a program of study that is badged or marketed as a specialisation in the broad discipline of finance. Many degree programs that contain substantial finance content may also include elements of accounting, banking, economics and other business disciplines.

A finance program to which these standards apply should specify finance knowledge content at progressive levels of depth. This would typically be the case for a Bachelor (or Master) of Finance or other Bachelor (or Masters) degree with a major in finance.¹⁷ These programs may carry a reference to finance in the degree nomenclature, such as Bachelor of Commerce (Finance). Other degree programs may include a number of finance units of study which may constitute a minor rather than a major. Typically the depth and breadth of knowledge included in finance minors would *not* warrant coverage by the learning standards in this statement.

Where finance is studied as part of a joint program or double degree or double major then this statement should be applied in conjunction with the other relevant standards statement.

Learning standards are provided at both Bachelor level (AQF Level 7) and Masters (Coursework) level (AQF Level 9). "Masters Level" applies to Masters Degrees that attract both students without a first degree in finance and students

¹⁶ These principles were adapted from the guiding principles used in the development of learning standards for the Economics discipline, available at <http://www.abdc.edu.au/pages/economics-learning-standards.html>.

¹⁷ For example, Bachelor of Business (Finance), Master of Applied Finance, Master of Commerce (Finance).

who are furthering their study in the finance discipline. The standards presented here do *not* apply to research Bachelor honours degree programs in finance (AQF Level 8), Masters (Research) or Masters (Extended) in finance (AQF Level 9) or doctoral degree programs (AQF Level 10).

It should be recognised that students undertake a degree in finance for a variety of reasons. This could range from undertaking the degree as an introduction to business and finance through to studying finance as an intellectual pursuit for its own sake or to studying finance to become an accredited finance professional. Their study of finance could range from a highly quantitative perspective through to the more human perspective of behavioural finance.

Given the variety of reasons for which students undertake finance degrees, it is to be expected that such degree programs will have a range of aims. Some providers may offer degrees to prepare graduates for entry to a particular professional body. This statement however is not predicated on the content and learning outcomes prescribed or implied by professional finance associations. Irrespective of the aim, all degree programs in finance should meet the finance learning standards outlined in this statement. It is the responsibility of Australian higher education providers benchmarking against the finance learning standards to select teaching, learning and assessment activities that are appropriate to meet the aims and desired outcomes of the degree program in finance.

It is the responsibility of the provider (for all pathways through the degree program leading to the award of a degree in finance) to demonstrate that students achieve the learning outcomes that incorporate the learning standards outlined in this statement.

Employers are expected to provide context, training and guidance to graduates from experienced finance professionals in the application of the finance learning standards to enable recent finance graduates to work independently.

Finally, it would be expected that employers in some industry sectors, for example financial planning or actuarial studies, would require graduates to undertake studies beyond those contained in the proposed finance learning standards so as to satisfy industry accreditation processes.

5. Nature and extent of finance

Finance, as a discipline, can be defined in many ways. The UK Subject Benchmark Statement on Finance defines finance as: “an activity concerned with the workings of capital markets and the interaction between such markets and economic units, such as households, firms, financial institutions, government and overseas enterprises.”¹⁸ It states that as a program of study, finance “requires students to study the design and operation of financial systems, structures and instruments and, in particular, to understand the pricing of financial assets, the measurement and management of risk, and the possibilities for value maximising behaviour by the firm and household. Such study can be pursued from a variety of perspectives, including, but not restricted to, the empirical, behavioural, ethical, economic, sustainable and statistical/mathematical. Although often studied in conjunction with accounting, an in-depth knowledge of accounting is not required. However, basic knowledge of accounting practices and analysis, the principles of taxation and their effect on the firm is required”.¹⁹

Finance professionals suggest that “finance is a discipline which describes, measures and optimises the financial relationship between the owners of capital (monetary assets) and the users of capital for the mutual benefit of both parties [while taking into account wider stakeholder interests]...Often the finance professional will ‘own’ the analysis but management will ‘own’ the decision and will make that call in light of stakeholder interests other than the owners/users of capital (e.g. regulators, governments, communities etc.)”²⁰.

Ross (1992) places finance as a branch (sub-field) of economics, but suggests that the focus and methodology of finance distinguishes it from economics in general. He highlights the importance of time as a dimension and uncertainty as a state, both being conceptual topics, in the valuation of financial instruments. Although not explicit in the statement, the references to valuation are suggestive of a quantitative orientation for the subject matter. This is a core feature of most finance programs.

“Finance is a sub-field of economics distinguished by both its focus and its methodology.... The methodology of finance is the use of close substitutes to price financial contracts and

¹⁸ Refer <http://www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/Finance.pdf> page 1

¹⁹ Refer <http://www.qaa.ac.uk/Publications/InformationAndGuidance/Documents/Finance.pdf> page 1

²⁰ Barbuio, F (FFTP and FCPA) (2014) - a senior Finance and Treasury professional.

instruments. This methodology is applied to value instruments whose characteristics extend across time and whose payoffs depend upon the resolution of uncertainty” (Ross, 1992, p. 26).

Robert Merton in his Nobel Lecture of 1997 stated:

“The special sphere of finance within economics is the study of allocation and deployment of economic resources, both spatially and across time, in an uncertain environment”

Bodie and Merton (1998), again emphasise the importance of the time dimension in resource allocation decisions. Their definition is perhaps clearer on the nature of finance. Bodie and Merton suggest that finance theory provides both practical insight, through a set of organising concepts, and is a source of practical applications (a set of quantitative models) to be applied to the solution of financial problems. Thus, we see a need to blend both the theoretical/conceptual with the practical; the ability to choose an appropriate quantitative framework for the purpose at hand.

“Finance is the study of how people allocate scarce resources over time. ...Finance theory consists of a set of concepts that help to organize one’s thinking about how to allocate resources over time and a set of quantitative models to help one evaluate alternatives, make decisions, and implement them” (Bodie and Merton, 1998, p. 2).

More recently Shiller (2012) in his book “Finance and the Good Society” discusses how finance can be used to advance the goals of society. He states:

“At the broadest level, finance is the science of goal architecture – of the structuring of the economic arrangements necessary to achieve a set of goals and of the stewardship of the assets needed for that achievement. The goals may be those of households, small business, corporations, civic institutions, governments and of society itself” (Shiller, 2012, p. 6).

Shiller argues that finance exists to support the goals of society.

“Finance provides structure to.....enterprises and institutions....” (Shiller, 2012, p.17).

Finance is about achieving goals and indeed the word finance is derived from the Latin term for “goal”. However, Shiller extends the concept of finance to recognise the importance of information technology and states:

“Along with being the science that structures the achievement of goals, finance embodies a vital technology.... Finance, suitably configured for the future, can be the strongest force for promoting the well-being and fulfilment of an expanding global population – for achieving the greater goals of the good society” (Shiller, 2012, p 8).

Finance concepts can apply to the public, private and not-for-profit sectors operating in the domestic and international community. These concepts are not restricted in their application to the corporate finance sector but include the broader finance community at the personal, and institutional level including; financial planners, financial institutions, insurance companies, superannuation funds, not-for-profit organisations, government and local authorities as well as individuals. They apply in a global context. Graduates in finance are employed in a wide range of occupations across the private, public and not-for profit sectors (see Appendix D).

Shiller (2012) notes the importance of finance professionals being able to understand the “intricacies” of the organisation and being able to “communicate that knowledge to the client”.

In the development of the finance learning standards we are mindful that finance graduates need to be able to appreciate the discipline in the context of society and the need to be conscious of overall society goals and values.

6. Finance learning standards

As previously noted, finance learning standards are defined in terms of a set of threshold or minimum learning outcomes. Bachelor and Masters learning standards are distinguished in terms of knowledge and skills and their application by AQF. The learning standards for finance are designed to reflect the AQF definition of learning outcomes:²¹

“Learning outcomes are statements of what a learner is expected to know, understand and/or be able to demonstrate after completion of learning.”

²¹ Please refer to definitions of key terms in the [glossary](#).

Compared with Bachelor graduates (level 7 of AQF), Masters (Coursework) graduates (level 9 of AQF) are expected to have attained knowledge that is more advanced, more integrated and more inclusive of developments in the discipline and their underlying theoretical constructs. These graduates should be able to analyse more critically and reflectively, deal with more sophisticated problems and more complex contexts, communicate to wider audiences, and be able to plan and execute a research-based project, capstone experience or piece of scholarship.

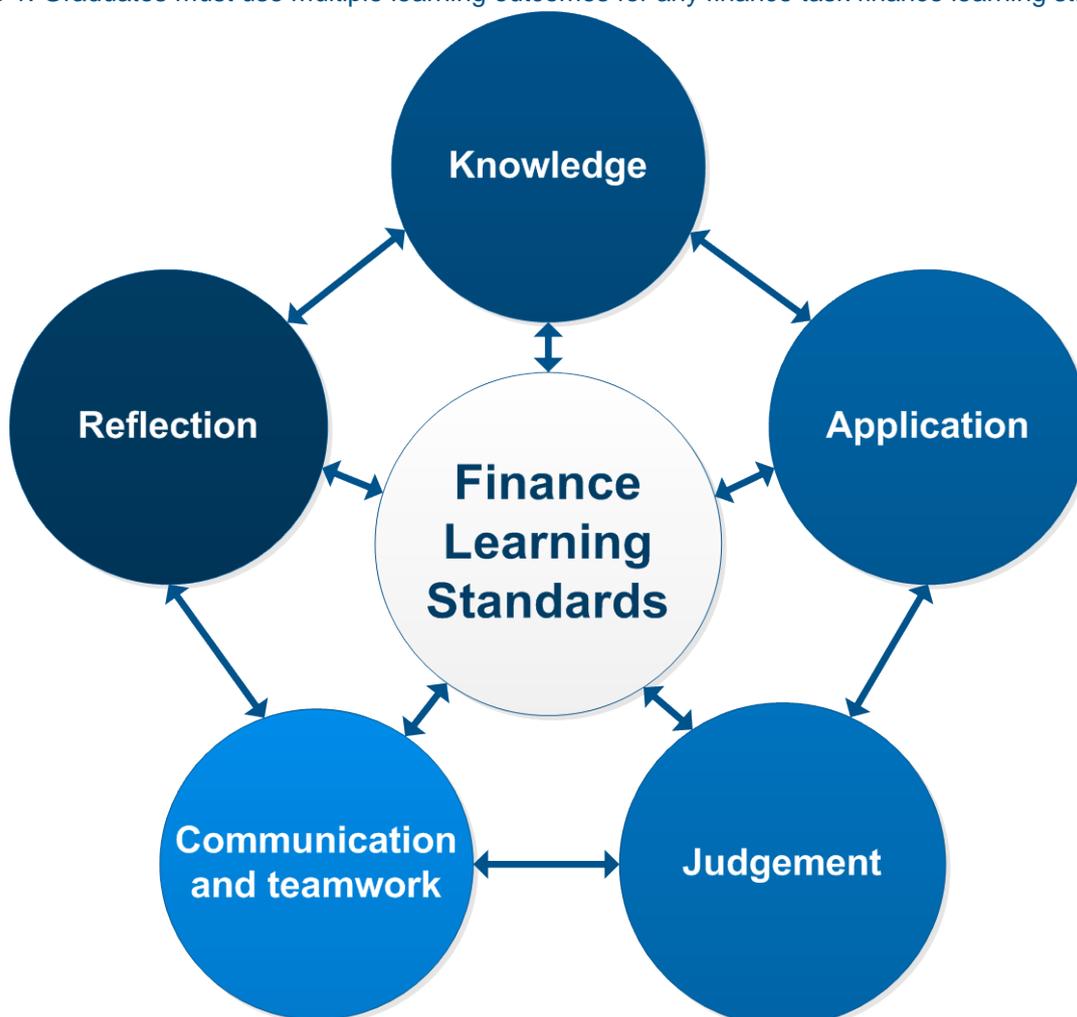
Although the learning standards are shown separately in this statement, it is important to recognise that no single learning standard is pursued or evidenced in isolation. The work of finance graduates often simultaneously draws on multiple learning standards. For example a capital budgeting strategy might include knowledge of such concepts as the goals of the firm, financing, investment, dividend strategy, risk management, the application of key concepts, judgement used in relation to ethical, social, regulatory, economic, sustainability and global perspectives, the ability to work and communicate in teams with professions outside of the finance discipline and reflection on the social impacts of such a strategy.

The five domains of finance learning standards are (refer Figure 1):

1. knowledge,
2. application,
3. judgement,
4. communication and teamwork, and
5. reflection.

It is expected that finance concepts will be learned by students in such a manner that underlines how important it is that the concepts are applied ethically with appropriate consideration given to stakeholders who may not have a traditional financial interest in the issue being addressed; but nevertheless may be affected by its resolution. Issues such as the impact of corporate governance mechanisms and the importance of corporate and social responsibility are recognised as topics that would be learned by graduates at Bachelor and Masters Level.

Figure 1: Graduates must use multiple learning outcomes for any finance task finance learning standards



6.1 Distinctions between Bachelors and Masters (Coursework) degrees

In developing these standards, the FLSWP took into consideration the range of generic graduate attributes articulated within the tertiary sector. This includes skills such as the ability to work collaboratively in groups. The finance learning standards proposed here are designed to be specific to the needs of finance professionals, researchers and educators.

Bachelors and Coursework Masters (Coursework) degrees are distinguished based on the difficulty of the task, complexity of the context, the breadth and depth of the body of knowledge and level of autonomy required.

The difficulty of the method of analysis or task increases from the rudimentary (e.g. discounted cash flow analysis for capital budgeting) to the sophisticated (e.g. real option pricing for capital budgeting in addition to discounted cash flow analysis).

The context can increase in complexity, from those that are straightforward (e.g. known data and variables for discounted cash flow) to those that are more complex (e.g. unknown or ambiguous data and some variables unknown such as in a greenfield development in a new industry).

At Bachelor and Masters degree levels, the body of knowledge is both theoretical and practical; increasing from the foundational (e.g. the concept of value) to the advanced (e.g. real option pricing) and incorporates recent evidence.

Autonomy relates to the level of guidance/supervision under which a graduate is expected to operate; ranging from closely supervised by a more senior colleague to minimal supervision in preparing analyses for decision making.

Based on the above dimensions:

- Graduates of a Bachelor degree deal with rudimentary tasks, in straightforward contexts, under close supervision and possess broad and coherent foundation knowledge.
- Graduates of a Masters (Coursework) degree deal with more sophisticated tasks or methods, in complex contexts, under minimal supervision and possess an advanced (specialised and in-depth) level of knowledge.

6.2 Summary of finance learning standards

Learning Domain	Learning Outcomes	
	Bachelor degree	Masters degree
	<i>Graduates of a Bachelor degree majoring in finance will be able to:</i>	<i>Graduates of a Masters degree majoring in finance will be able to:</i>
Knowledge	Explain the context and integrate theoretical and technical finance knowledge.	Explain the context and integrate advanced theoretical and technical finance knowledge including research and recent developments.
Application	Apply theoretical and technical finance knowledge to critically analyse financial data to solve rudimentary financial problems in straightforward contexts.	Apply advanced theoretical and technical finance knowledge to critically analyse financial data to solve sophisticated financial problems in complex contexts. Prepare and execute a research-based project, capstone experience or piece of scholarship.
Judgement	Exercise judgement, under guidance, to apply financial solutions using ethical, social, regulatory, economic, sustainability and global perspectives.	Exercise judgement, under minimal guidance, to apply financial solutions using ethical, social, regulatory, economic, sustainability and global perspectives.
Communication and Teamwork	Present and justify, orally and in writing, financial information and decisions in straightforward collaborative contexts involving specialist and non-specialist audiences.	Present, justify and defend, orally and in writing, financial information and decisions in complex collaborative contexts involving specialist and non-specialist audiences.
Reflection	Reflect on: <ul style="list-style-type: none"> the nature and implications of assumptions and value judgements in analysis, interactions with other disciplines, historical and contemporary events affecting the finance profession, responsibilities²² of their role in both the finance profession and in the broader society. 	Reflect on and evaluate: <ul style="list-style-type: none"> the nature and implications of assumptions and value judgements in analysis, interactions with other disciplines, historical and contemporary events affecting the finance profession, responsibilities of their role in both the finance profession and in the broader society.

²² The use of the word "responsibilities" does not prescribe a certain set of values.

6.3 Description of finance learning standards with indicative examples

6.3.1 Knowledge

Bachelor degree graduates will be able to:

- Explain the context and integrate theoretical and technical finance knowledge.

Masters degree graduates will be able to:

- Explain the context and integrate advanced theoretical and technical finance knowledge including research and recent developments.

6.3.1.1 Example 1 (Capital budgeting)

Bachelor degree graduates will be able to explain the context leading to an investment appraisal and how the time value of money adjusted for risk is integrated with forecasted cash flows adjusted for the impact of relevant taxes to facilitate the discounted cash flow approach to capital budgeting decisions.

Masters degree graduates will be able to explain the context leading to an investment appraisal and integrate and explain the empirical literature concerning capital budgeting practices and the assumptions and acceptance of discounted cash flow techniques relative to advanced techniques such as real options analysis. They will be able to contextualise the empirical literature related to capital budgeting.

6.3.1.2 Example 2 (Portfolio risk and return)

Bachelor degree graduates will be able to explain the relevance of risk and return in a particular context and explain how the actual and expected returns of an investment portfolio are calculated for various time periods. Further, they will be able to integrate that knowledge with the impact of risk and diversification on portfolio returns. Graduates will be able to explain the concept of a risk premium and how risk factors can be measured and used in modelling portfolio returns.

Masters degree graduates will be able to also explain and contextualise the impact of recent market events on the risk premium.

6.3.1.3 Example 3 (Credit risk)

Bachelor degree graduates will be able to explain the role of credit risk in the economy and integrate that knowledge to a particular context and explain the credit risk management process and how it integrates financial, technical and other knowledge in assessing whether a credit application should initially be approved or rejected. They should be able to explain the ongoing process of the credit risk management process to supervisors and clients during the life of a loan, including techniques for recovery of a loan when it is in arrears or default.

Masters degree graduates will be able to further contextualise and integrate the empirical literature to explain advanced techniques (for example, econometric-based and hybrid system-based) used in assessing relative credit risk in funding a portfolio of projects at the organisation level.

6.3.2 Application

Bachelor degree graduates will be able to:

- Apply theoretical and technical finance knowledge to critically analyse financial data to solve rudimentary financial problems in straightforward contexts.

Masters degree graduates will be able to:

- Apply advanced theoretical and technical finance knowledge to critically analyse financial data to solve sophisticated financial problems in complex contexts.
- Prepare and execute a research-based project, capstone experience or piece of scholarship.

6.3.2.1 Example 1 (Capital budgeting)

Bachelor degree graduates will be able to estimate net cash flows and the cost of capital from readily available data to calculate net present value as part of a straightforward capital budgeting decision, such as an established manufacturer opening an additional factory in the same region. They will be able to interpret the results of the analysis, conduct sensitivity analysis to incorporate the impact of uncertainty on cash flows and recommend a preliminary decision.

Masters degree graduates will be able to identify critical aspects of uncertainty and use relevant proxies for estimating cash flows to calculate net present value as part of a complex, research-based capital budgeting project concerning a new entrant to the fast food market opening its first restaurant in another country and recommend a preliminary decision. They will be able to estimate the cost of capital using alternative methods and evaluate the appropriateness of their estimates.

6.3.2.2 Example 2 (Portfolio risk and return)

Bachelor degree graduates will be able to collect the necessary data and model the relation between risk and return using statistical techniques. They will be able to develop diversified portfolios and measure the risk and return of these portfolios. Graduates will be able to recommend investment strategies for different types of risk-averse investors. They will be able to develop portfolios that reflect uncertainty and alternative risk and return preferences.

Masters degree graduates will be able to further incorporate different types of risk factors into empirical models and be able to review the literature on the pricing of risk factors.

6.3.2.3 Example 3 (Credit Risk)

Bachelor degree graduates will be able to analyse and interpret a credit risk proposal (for example by completing ratio and industry analysis) in the context of a particular project and apply their analysis to assess the credit risk of a particular project. They should be able to highlight the weaknesses of a credit application (including more critical uncertainties) during the assessment process and be able to explain this to supervisors and clients.

Masters degree graduates will be able to apply advanced techniques to assess the relative credit risk of a portfolio of projects and apply models and techniques to forecast the potential default of a loan or portfolio of loans.

6.3.3 Judgement

Bachelor degree graduates will be able to:

- Exercise judgement, under guidance, to apply solutions in the context of ethical, social, regulatory, economic, sustainability and global perspectives.

Masters degree graduates will be able to:

- Exercise judgement, under minimal guidance, to apply solutions in the context of ethical, social, regulatory, economic, sustainability and global perspectives.

6.3.3.1 Example 1 (Capital budgeting)

Bachelor degree graduates will, in making their final recommendation to an established manufacturer about opening an additional manufacturing facility in the same region, incorporate scenarios suggested by their supervisor such as the impact of suppliers adhering or failing to adhere to generally accepted standards with respect to employee safety and remuneration.

Masters degree graduates will in making their final recommendation about the establishment of a new manufacturing facility overseas, in a region where the firm is not already operating, identify and incorporate scenarios of the impact of suppliers adhering or failing to adhere to generally accepted standards with respect to employee safety and remuneration and incorporate other refinements from their supervisor.

6.3.3.2 Example 2 (Portfolio risk and return)

Bachelor degree graduates will be able to use their professional judgement, under guidance, to enable them to contextualise their analysis of risk and return. That is, they will recognise that investors have different objectives and ethical and/or social issues that must be considered. Graduates will also recognise uncertainty and the diversity between the international and domestic environment and recognise that economic fundamentals will vary over time and impact the application of risk and return analysis.

Masters degree graduates will be able to exercise their judgement with minimal guidance.

6.3.3.3 Example 3 (Credit Risk)

Bachelor degree graduates will be able to apply qualitative criteria, under guidance, in assessing whether a loan application should be approved or rejected, taking into account ethical, social, regulatory, economic, sustainability and global perspectives. They should be able to seek advice from supervisors about the expediency of approving a loan based on qualitative criteria, despite the financial data suggesting a borrower has the capacity to service and repay a loan.

Masters degree graduates will be able to apply qualitative criteria, under minimal guidance, in assessing whether a loan should be approved taking into account ethical, social, regulatory, economic, sustainability and global perspectives. They should be able to make recommendations to supervisors about the expediency of approving a loan based on qualitative data, despite the financial data suggesting a borrower has the capacity to service and repay a loan.

6.3.4 Communication and teamwork

Bachelor degree graduates will be able to:

- Present and justify, orally and in writing, financial information and decisions in straightforward collaborative contexts involving specialist and non-specialist audiences.

Masters degree graduates will be able to:

- Present, justify and defend, orally and in writing, financial information and decisions in complex collaborative contexts involving specialist and non-specialist audiences.

6.3.4.1 Example 1 (Capital budgeting)

Bachelor degree graduates will be able to work within a team including peers from other disciplines to justify the inputs required for a net present value analysis involving an established manufacturer opening an additional manufacturing facility in the same region. They will be able to present and justify the results of that analysis orally and in writing to their supervisor and to assist their supervisor in developing the presentation relating to the decision and analysis to be forwarded to the board of directors (that includes non-financial specialists).

Masters degree graduates will be able to work within a team including colleagues from other disciplines and outside the firm to justify and persuade their cooperation in providing the inputs required for a net present value analysis involving an established manufacturer opening a new manufacturing facility overseas, in a region where the firm is not already operating. They are able to present, justify and defend the results of that analysis, orally and in writing, to their supervisor and present the decision and analysis jointly with their supervisor to the board of directors (that includes non-financial specialists).

6.3.4.2 Example 2 (Portfolio risk and return)

Bachelor degree graduates will be able to prepare a written report that demonstrates their analysis, interpretation and application of the modelling of risk and return. They will be able to present this report orally, in a manner that can be understood by both specialist and non-specialist audiences.

Masters degree graduates will be able to defend their analysis through interactive discussions with their supervisor dealing with the board.

6.3.4.3 Example 3 (Credit risk)

Bachelor degree graduates will be able to work within a team, including peers from other disciplines, to justify the inputs required for credit risk analysis involving an established manufacturer seeking to fund an additional manufacturing facility in the same region. They will be able to present and justify the approval or rejection of their analysis of a loan application, orally and in writing, to their supervisor and to assist their supervisor in presenting the decision and analysis to the board of directors (that includes non-financial specialists) and/or clients.

Masters degree graduates will be able to work within a team, including colleagues from other disciplines and outside the firm, to justify the inputs required for credit risk analysis involving an established manufacturer opening a new manufacturing facility overseas, in a region where the firm is not already operating. They will be able to present, justify and defend their decision to reject or approve a loan application, orally and in writing, to their supervisor and present the decision and analysis jointly with their supervisor to the board of directors (that includes non-financial specialists) and/or clients.

6.3.5 Reflection

Bachelor degree graduates will be able to reflect on:

- the nature and implications of assumptions and value judgements in analysis,
- interactions with other disciplines,
- historical and contemporary events affecting the finance profession, and
- responsibilities of their role in both the finance profession and in the broader society.

Masters degree graduates will be able to reflect on and evaluate:

- the nature and implications of assumptions and value judgements in analysis,
- interactions with other disciplines,
- historical and contemporary events affecting the finance profession,
- responsibilities of their role in both the finance profession and in the broader society.

6.3.5.1 Example 1 (Capital budgeting)

Bachelor degree graduates will be able to reflect on the implications of their analysis of a capital budgeting problem, and any recommendations that follow, for the broader community and communicate these in a way that is consistent with the standards expected of a professional in the finance discipline. They will also be aware of the limitations of their analysis of the capital budgeting problem, which may be due to factors such as the unavailability of data or the inherent limitations of the project evaluation model employed, and will communicate these in a professional and transparent manner.

Masters degree graduates will be able to reflect on and evaluate the implications of their analysis of a capital budgeting problem, and any recommendations that follow, for the broader community and communicate these in a way that is consistent with the standards expected of a professional in the finance discipline. They will also be aware of the limitations of their analysis of the capital budgeting problem, which may be due to factors such as the unavailability of data or the inherent limitations of the project evaluation model employed, and will communicate these in a professional and transparent manner.

6.3.5.2 Example 2 (Portfolio risk and return)

Bachelor degree graduates will be able to reflect on and review their assumptions and judgements to consider the impact of their risk modelling given past and recent financial market events e.g. crises or market crashes. They will consider the relevance of other disciplines, (e.g. behavioural issues) and ensure their advice and analysis is suitable for the targeted interest group.

Masters degree graduates will be able to reflect on, review and evaluate their assumptions and judgements to consider the impact of their risk modelling given past and recent financial market events (e.g. crises or market crashes). They will consider the relevance of other disciplines, (e.g. behavioural issues) and ensure their advice and analysis is suitable for the targeted interest group.

6.3.5.3 Example 3 (Credit risk)

Bachelor degree graduates will be able to reflect on and review their assumptions and judgements to consider the impact of their credit risk decisions given past and recent financial market events e.g. crises or market crashes. They will consider the input of other disciplines in making credit risk decisions and reflect on the impact of credit risk decisions on credit providers, clients and the broader society.

Masters degree graduates will be able to reflect on, review and evaluate their assumptions and judgements to consider the impact of their credit risk decisions given past and recent financial market events e.g. crises or market crashes. They will consider the input of other disciplines in making credit risk decisions and reflect on the impact of credit risk decisions on credit providers, clients and the broader society.

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Appendix A – Australian Qualifications Framework Specifications (Bachelor and Masters (Coursework) Level)²³

Type Descriptors	Level 7 (Bachelor degree)	Level 9 (Masters (Coursework) degree)
Purpose	The Bachelor degree qualifies individuals who apply a broad and coherent body of knowledge in a range of contexts to undertake professional work and as a pathway for further learning	The Masters degree (Coursework) qualifies individuals who apply an advanced body of knowledge in a range of contexts for professional practice or scholarship and as a pathway for further learning
Knowledge	Graduates of a Bachelor degree will have a broad and coherent body of knowledge, with depth in the underlying principles and concepts in one or more disciplines as a basis for independent lifelong learning	Graduates of a Masters degree (Coursework) will have: <ul style="list-style-type: none"> • a body of knowledge that includes the understanding of recent developments in a discipline and/or area of professional practice • knowledge of research principles and methods applicable to a field of work and/or learning
Skills	Graduates of a Bachelor degree will have: <ul style="list-style-type: none"> • cognitive skills to review critically, analyse, consolidate and synthesise knowledge • cognitive and technical skills to demonstrate a broad understanding of knowledge with depth in some areas • cognitive and creative skills to exercise critical thinking and judgement in identifying and solving problems with intellectual independence • communication skills to present a clear, coherent and independent exposition of knowledge and ideas 	Graduates of a Masters degree (Coursework) will have: <ul style="list-style-type: none"> • cognitive skills to demonstrate mastery of theoretical knowledge and to reflect critically on theory and professional practice or scholarship • cognitive, technical and creative skills to investigate, analyse and synthesise complex information, problems, concepts and theories and to apply established theories to different bodies of knowledge or practice • cognitive, technical and creative skills to generate and evaluate complex ideas and concepts at an abstract level • communication and technical research skills to justify and interpret theoretical propositions, methodologies, conclusions and professional decisions to specialist and non-specialist audiences • technical and communication skills to design, evaluate, implement, analyse and theorise about developments that contribute to professional practice or scholarship

²³ Refer <http://www.aqf.edu.au/aqf/in-detail/aqf-levels/> levels 7 and 9

Type Descriptors	Level 7 (Bachelor Degree)	Level 9 (Masters Degree – Coursework)
Application of knowledge and skills	<p>Graduates of a Bachelor degree will demonstrate the application of knowledge and skills:</p> <ul style="list-style-type: none"> • with initiative and judgement in planning, problem solving and decision making in professional practice and/or scholarship • to adapt knowledge and skills in diverse contexts • with responsibility and accountability for own learning and professional practice and in collaboration with others within broad parameters 	<p>Graduates of a Masters degree (Coursework) will demonstrate the application of knowledge and skills:</p> <ul style="list-style-type: none"> • with creativity and initiative to new situations in professional practice and/or for further learning • with high-level personal autonomy and accountability • to plan and execute a substantial research-based project, capstone experience and/or piece of scholarship

Source: Australian Qualifications Framework, (second edition (2013))

Appendix B – Membership of Finance Learning Standards Working Party

Associate Professor Kevin Tant (Chair), Monash University

Associate Professor Karen Benson, University of Queensland

Professor Sarath Delpachitra, Flinders University

Professor Terrence Hallahan, Victoria University

Mr Duncan Honore-Morris, Senior Industry Fellow (SF Fin) and Chartered Accountant (FCA) associated with the University of Melbourne's Melbourne Graduate School of Education (MGSE) and the Centre for Studies in Higher Education

Associate Professor Sean Pinder, University of Melbourne

Professor Milind Sathye, University of Canberra

Associate Professor Gerhard Van de Venter, University of Technology Sydney

Associate Professor Mark Freeman, Australian Business Deans Council Scholar and University of Sydney

Appendix C – Membership of Finance Expert Advisory Group

Professor Iain Watson (Chair), Australian Business Deans Council and Executive Dean, Faculty of Business, Economics and Law, The University of Queensland

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Professor Phillip Dolan, Dean, University of Western Australia (UWA) Business School

Professor Alex Frino, Dean, Macquarie Graduate School of Management

Dr Don Hamson, Managing Director, Plato Investment Management Limited

Mr Joseph Healy, Group Executive, Business Banking, National Australia Bank Limited

Ms Yvonne Le Bas, CFO, Group Services; and GM, Enterprise Project Investments & Delivery, Westpac Banking Corporation

Mr David Michell CFTP (Snr), Chief Executive Officer, Finance and Treasury Association (FTA)

Mr Matthew Rowe, CFP, Chairman, Financial Planning Association of Australia (FPA)

Mr Steven M. Skala AO, B.A., LL.B.(Hons) (Qld), B.C.L. (Oxon.), Vice Chairman, Australia & New Zealand, Deutsche Bank AG

Mr Russell Thomas F. Fin, Chief Executive Officer and Managing Director, Financial Services Institute of Australasia (FINSIA)

Mr David Usasz, B Comm. FCA, FAICD, Director, Queensland Investment Corporation Limited

Appendix D – Careers in finance

Based on analysis of finance school websites in Australia, higher education institutions prepare graduates for employment in a diverse range of careers.

Typical careers in finance can include:

- Corporate banking
- Corporate finance
- Credit analysis
- Financial institution management
- Financial planning and advising for individual investors
- Financial analysis
- Financial consulting
- Funds management
- Hedge funds
- Insurance
- International trade
- Investment management
- Lease financing
- Management consulting
- Private equity
- Public sector service with government departments and agencies (local, state and commonwealth) concerned with finance policy including regulatory authorities such as ASIC, ACCC and APRA
- Risk management
- Retail, commercial, merchant and investment banking
- Specialist organisations such as industry associations, trade unions, and stockbroking and investment advisory services
- Stockbroking
- Treasury management
- Trading and dealing

Appendix E – Mapping of Finance Learning Standards to AQF

Level	Bachelor		Masters (Coursework)	
	Finance Learning Standards	AQF*	Finance Learning Standards	AQF*
Knowledge	<p>Bachelor graduates will be able to:</p> <ul style="list-style-type: none"> explain and integrate theoretical and technical finance knowledge. 	<p>Graduates of a Bachelor degree will have a broad and coherent body of knowledge, with depth in the underlying principles and concepts in one or more disciplines as a basis for independent lifelong learning</p>	<p>Masters graduates will be able to:</p> <ul style="list-style-type: none"> explain and integrate advanced theoretical and technical finance knowledge including research and recent developments 	<p>Graduates of a Masters degree will have:</p> <ul style="list-style-type: none"> a body of knowledge that includes the understanding of recent developments in a discipline and/or area of professional practice knowledge of research principles and methods applicable to a field of work and/or learning
Application	<p>Bachelor graduates will be able to:</p> <ul style="list-style-type: none"> apply theoretical and technical core finance knowledge to critically analyse financial data to solve rudimentary financial problems in straightforward contexts. 	<p>Graduates of a Bachelor degree will have:</p> <ul style="list-style-type: none"> cognitive skills to review critically, analyse, consolidate and synthesise knowledge cognitive and technical skills to demonstrate a broad understanding of knowledge with depth in some areas cognitive and creative skills to exercise critical thinking and judgement in identifying and solving problems with intellectual independence. 	<p>Masters graduates will be able to:</p> <ul style="list-style-type: none"> Apply advanced theoretical and technical finance knowledge to critically analyse financial data to solve sophisticated financial problems in complex contexts Prepare and execute a research-based project, capstone experience or piece of scholarship 	<p>Graduates of a Masters degree will have:</p> <ul style="list-style-type: none"> cognitive, technical and creative skills to investigate, analyse and synthesise complex information, problems, concepts and theories and to apply established theories to different bodies of knowledge or practice cognitive, technical and creative skills to generate and evaluate complex ideas and concepts at an abstract level cognitive skills to demonstrate mastery of theoretical knowledge and to reflect critically on theory and professional practice or scholarship to plan and execute a substantial research-based project, capstone experience and/or piece of scholarship

Level	Bachelor		Masters (Coursework)	
	Finance Learning Standards	AQF*	Finance Learning Standards	AQF*
Judgement	<p>Bachelor graduates will be able to:</p> <p>exercise judgement, under guidance, to apply solutions using ethical, social, regulatory, economic, sustainability and global perspectives</p>	<p>Graduates of a Bachelor degree will demonstrate the application of knowledge and skills:</p> <ul style="list-style-type: none"> with initiative and judgement in planning, problem solving and decision making in professional practice and/or scholarship to adapt knowledge and skills in diverse contexts with responsibility and accountability for own learning and professional practice and in collaboration with others within broad parameters 	<p>Masters graduates will be able to:</p> <ul style="list-style-type: none"> exercise judgement, under minimal guidance, to apply solutions using ethical, social, regulatory, economic, sustainability and global perspectives 	<p>Graduates of a Masters degree will demonstrate the application of knowledge and skills:</p> <ul style="list-style-type: none"> with creativity and initiative to new situations in professional practice and/or for further learning with high-level personal autonomy and accountability
Communication and Teamwork	<p>Bachelor graduates will be able to:</p> <ul style="list-style-type: none"> present and justify, orally and in writing, financial information and decisions in straightforward collaborative contexts involving specialist and non-specialist audiences 	<p>Graduates of a Bachelor degree will have communication skills to present a clear, coherent and independent exposition of knowledge and ideas</p>	<p>Masters graduates will be able to:</p> <ul style="list-style-type: none"> present, justify and defend, orally and in writing, financial information and decisions in complex collaborative contexts involving specialist and non-specialist audiences 	<p>Graduates of a Masters degree will have:</p> <ul style="list-style-type: none"> communication and technical research skills to justify and interpret theoretical propositions, methodologies, conclusions and professional decisions to specialist and non-specialist audiences technical and communication skills to design, evaluate, implement, analyse and theorise about developments that contribute to professional practice or scholarship

Level	Bachelor		Masters (Coursework)	
	Finance Learning Standards	AQF*	Finance Learning Standards	AQF*
Reflection	<p>Bachelor graduates in will be able to reflect on:</p> <ul style="list-style-type: none"> the nature and implications of assumptions and value judgements in analysis, interactions with other disciplines, historical and contemporary events affecting the finance profession, responsibilities of their role in both the finance profession and in the broader society. 	<p>Graduates of a Bachelor degree will:</p> <ul style="list-style-type: none"> have cognitive and creative skills to exercise critical thinking and judgement in identifying and solving problems with intellectual independence demonstrate the application of knowledge and skills with responsibility and accountability for own learning and professional practice and in collaboration with others within broad parameters 	<p>Masters graduates will be able to reflect on and evaluate the:</p> <ul style="list-style-type: none"> the nature and implications of assumptions and value judgements in analysis interactions with other disciplines historical and contemporary events affecting the finance profession responsibilities of their role in both the finance profession and in the broader society 	<p>Graduates of a Masters degree (Coursework) will demonstrate the application of knowledge and skills:</p> <ul style="list-style-type: none"> with creativity and initiative to new situations in professional practice and/or for further learning with high-level personal autonomy and accountability

* Note: The [AQF \(second edition,\(2013\)\)](#) learning outcome descriptors are categorised as “Knowledge, Skills, and Application of Knowledge and Skills”

Appendix F – Acronyms

ABDC	AUSTRALIAN BUSINESS DEANS COUNCIL
AQF	AUSTRALIAN QUALIFICATIONS FRAMEWORK
FEAG	FINANCE EXPERT ADVISORY GROUP
FLSWP	FINANCE LEARNING STANDARDS WORKING PARTY
HESP	HIGHER EDUCATION STANDARDS PANEL
LTAS	LEARNING AND TEACHING ACADEMIC STANDARDS
QAA	QUALITY ASSURANCE AGENCY
TEQSA	TERTIARY EDUCATION QUALITY AND STANDARDS AGENCY
UK	UNITED KINGDOM

Appendix G – Glossary of terms

Advanced	Ideas or notions that build on more fundamental ideas or notions
Analytical skills	Skills which include the ability to solve problems by applying logical thinking and tools such as diagrams, mathematics and/or statistics
Australian Qualifications Framework (AQF)	Provides the standards for Australian qualifications
Autonomy	The ability to apply knowledge and/or skills with appropriate degrees of independence for the level of the qualification
Cognitive skills	Mental skills that are used in the process of acquiring and applying knowledge and include reasoning, perception and intuition
Coherent exposition	An explanation or discussion that flows logically
Collaborative contexts	Team situations
Communication skills	Skills that enable a person to convey and receive information so that it is received and understood and include written and oral skills appropriate for the level of the qualification
Complex/complexity	Describes information, problems, situations and theories that are made up of complicated and inter-related parts
Complex context	Complex contexts are characterised by many items of data, ambiguous and missing data, multiple relationships, extraneous data and, frequently, a mix of qualitative and quantitative criteria to be applied
Context of learning and/or work	The circumstance within which a graduate applies knowledge and skills.
Coursework	A method of teaching and learning that leads to the acquisition of skills and knowledge that does not include a major research component
Depth of knowledge/skills	Indicates an advanced degree of difficulty or complexity
Foundational	Broad and coherent knowledge and skills relevant to professional work and further learning
Generic learning outcomes	Transferable, non-discipline specific skills a graduate may achieve through learning that have application in study, work and life contexts. The four broad categories in the AQF are: fundamental skills; people skills; thinking skills and personal skills.
Graduate	A person who has been awarded a qualification by an authorised issuing organisation.
Graduate attributes	See Generic learning outcomes
Integrate	Combines two or more kinds of knowledge and concepts, for example technical and theoretical
Judgement	In the application of knowledge and skills, includes the ability to apply knowledge (sometimes in an environment of uncertainty) to form opinions or to evaluate work and/or learning activities appropriate for the level of the qualification
Knowledge	Refers to what a graduate knows and understands. It can be described in terms of depth, breadth, kinds of knowledge and complexity
Learning domains	Categories of minimum learning outcomes—the Finance Learning Standards are grouped under five learning domains.
Learning outcomes	The expression of the set of knowledge, skills and the application of the knowledge and skills a person has acquired and is able to demonstrate as a result of learning
Learning standards	Describes the threshold or minimum learning outcomes that graduates are expected to have attained—not intended to limit the scope or depth of programs

Level	An indication of the relative complexity and/or depth of achievement and the autonomy required to demonstrate that achievement
Major	A set of units of study within an award program combined to form specialisation.
Mastery	Demonstrates comprehensive knowledge and understanding of their field of work or learning
Problem	A defined task undertaking and/or application that requires the use of theoretical and/or technical knowledge, cognitive skills, technical skills and/or generic skills
Reflection	Careful and in-depth consideration or thought
Research	Comprises systematic experimental and theoretical work, application and/or development that results in an increase in the dimensions of knowledge
Routine	A regular or typical course of procedure with defined and identified boundaries that can be applied to work practice, tasks or problems
Rudimentary	A regular or typical course of procedure with defined and identified boundaries that can be applied to work practice, task or problem
Simple context	A situation is described as 'simple' if there are few items of data and the relationships among them are restricted to principal factors under consideration in a particular topic
Skills	Refers to what a graduate can do—skills can be described in terms of kinds and complexity and include cognitive skills, technical skills, creative skills and generic skills
Sophisticated	Beyond rudimentary
Straightforward context	Slightly more complex than simple situations (see 'simple context') and contain routine elaborations of simple situations
Systematic	Coherent and well-ordered knowledge and/or skills
Task	A piece of work assigned or completed as part of the duty of finance practice
Technical	Operational skills necessary to perform certain work and learning activities including the use of appropriate information and communication technology
Theoretical knowledge	Knowledge requirements relating to or having the character of theory rather than practical application
Threshold graduates	Graduates who have attained (at least) the minimum learning standards
Threshold	Minimum standard of performance, achievement or attainment

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