



# Memberships with benefits

**Association members are attractive to the providers of a range of products and services. But associations are cautious when it comes to forging partnerships. Simon Hoyle reports.**

**A**t the end of January this year, BOQ Specialist, which provides targeted banking solutions to niche professional markets, announced it had formed a partnership with the Association of Financial Advisers (AFA) to become the preferred financial services provider to AFA members.

BOQ Specialist is a division of Bank of Queensland. AFA Practitioner members have access to BOQ Specialist's Banking Package – a suite of banking products featuring, among other things, a variable or fixed-rate home loan, credit card and everyday banking account for an annual fee.

AFA Practitioner members will also receive \$200 credit into their BOQ Specialist One Account for the first year that they hold a new Banking Package for the first time. And Practitioner members who sign up for a BOQ Specialist Signature credit card may receive a set amount each year to put towards the cost of an education course run by Kaplan.

The AFA deal extends BOQ Specialist's reach outside its traditional fields – namely, doctors, dentists, vets and accountants. But it is based on exactly the same philosophy.

"It's quite simple for us," says Christian Goodall, head of banking for BOQ Specialist.

"If we look at the other two professions we bank – medical and accounting – they

are both highly intellectual individuals, they are well educated, and...they are typically part of an association body.

"We partner with the Australian Medical Association, the Australian Dental Association and CPA Australia, and it's all about how we look at their education and their links to an association."

Goodall says other professionals BOQ Specialist works with have reasonably reliable career paths that make them attractive, as a cohort, to a banking partner. The same is true of financial advisers, whose businesses typically grow over time in a similar way to how medical practices or accounting firms develop.

Members of industry and professional associations are understandably an attractive potential market for a range of product and service providers. With a commitment to ongoing education, the potential to earn significant incomes and the likelihood of rising incomes over time, providers of goods and services to financial advisers are queuing up to strike partnership deals with key associations.

But all associations tread carefully when it comes to striking partnerships, and generally place significant restrictions on how the products or services can be promoted to members.

## CONTROLLED ACCESS

Nick Hakes, the AFA's general manager of member services and Campus AFA, says the AFA controls how – and how often – the provider of a member benefit can communicate with the association's membership.

"The success of any partnership is about mutual understanding and common goals and a common vision, and starting off with the right expectations," Hakes says.

"We do that with everyone we work with. The AFA has oversight of it."

Member benefit packages are a common feature of professional association membership.

The Australian Medical Association, for example, lists on its website a range of member benefits spanning a range of services, from Hertz car rental benefits, special membership rates for the Qantas Club and Virgin Lounge – and even discounts on the recommended retail price of Volkswagen cars.

## EDUCATION IS KEY

Goodall says the educational standards underpinning a profession make professionals attractive as a potential market. Having committed considerable time and effort – not to mention the cost – to attain the appropriate qualification, and the continuing professional development requirements, professionals are committed to the area they work in and, just as importantly, to the success of the professional practices that they run.

"The last thing that these individuals want to have fail is their practice," he says.

The Australian Qualifications Framework (AQF) sets the competencies and the knowledge that an individual must possess at different levels of study.

The debate about education standards for financial planners is currently in full swing with a Parliamentary Joint Committee inquiry into lifting the professional, ethical

## AQF 7 – BACHELOR’S DEGREE

### Summary

Graduates at this level will have broad and coherent knowledge and skills for professional work and/or further learning.

### Knowledge

Graduates at this level will have broad and coherent theoretical and technical knowledge with depth in one or more disciplines or areas of practice.

### Skills

Graduates at this level will have well-developed cognitive, technical and communication skills to select and apply methods and technologies to:

- Analyse and evaluate information to complete a range of activities
- Analyse, generate and transmit solutions to unpredictable and sometimes complex problems
- Transmit knowledge, skills and ideas to others.

### Application of knowledge and skills

Graduates at this level will apply knowledge and skills to demonstrate autonomy, well-developed judgment and responsibility:

- In contexts that require self-directed work and learning
- Within broad parameters to provide specialist advice and functions.

Source: Australian Qualifications Framework

## AQF 9 – MASTER’S DEGREE

### Summary

Graduates at this level will have specialised knowledge and skills for research and/or professional practice and/or further learning.

### Knowledge

Graduates at this level will have advanced and integrated understanding of a complex body of knowledge in one or more disciplines or areas of practice.

### Skills

Graduates at this level will have expert, specialised cognitive and technical skills in a body of knowledge or practice to independently:

- Analyse critically, reflect on and synthesise complex information, problems, concepts and theories
- Research and apply established theories to a body of knowledge or practice
- Interpret and transmit knowledge, skills and ideas to specialist and non-specialist audiences.

### Application of knowledge and skills

Graduates at this level will apply knowledge and skills to demonstrate autonomy, expert judgment, adaptability and responsibility as a practitioner or learner.

Source: Australian Qualifications Framework

## AQF 10 – DOCTORAL DEGREE

### Summary

Graduates at this level will have systematic and critical understanding of a complex field of learning and specialised research skills for the advancement of learning and/or for professional practice.

### Knowledge

Graduates at this level will have systemic and critical understanding of a substantial and complex body of knowledge at the frontier of a discipline or area of professional practice.

### Skills

Graduates at this level will have expert, specialised cognitive, technical and research skills in a discipline area to independently and systematically:

- Engage in critical reflection, synthesis and evaluation
- Develop, adapt and implement research methodologies to extend and redefine existing knowledge or professional practice
- Disseminate and promote new insights to peers and the community
- Generate original knowledge and understanding to make a substantial contribution to a discipline or area of professional practice.

### Application of knowledge and skills

Graduates at this level will apply knowledge and skills to demonstrate autonomy, authoritative judgment, adaptability and responsibility as an expert and leading practitioner or scholar.

Source: Australian Qualifications Framework

and education standards of financial planners – and the near-unanimous view that the traditional minimum-entry level requirement of RG 146 is today woefully inadequate.

Under the qualifications framework, AQF 5 is diploma level – and the level of the current RG 146. AQF 6 is advanced diploma; AQF 7 is a bachelor’s degree – and the proposed new minimum requirement for entry to the profession; and AQF 8 is a graduate certificate or diploma. AQF 9 is a master’s degree; and the highest level under the framework, AQF 10, is a doctorate or PhD.

As financial planners’ overall education standards rise, and as professional and ethical standards rise to reflect its emergence as a profession, planners will only become more attractive to would-be benefit package partners.

## MEMBERSHIP MATTERS

Hakes says the issue of member benefits is “interesting, given the environment we are in at the moment”.

“This is a layer down from the big membership conversation that’s going on,” he says.

“From an AFA perspective the important point is that we have membership services which are a range of services for AFA members that aren’t specifically about ‘benefits’; and they include things like the code of conduct and principles of practice

and a professional development curriculum.

“They are the range of services that are part of being a member of the association.

“But then we have specifically partnered with BOQ Specialist on a member benefits program, and the aim of that was to offer a bespoke banking solution to our membership.”

Hakes says the AFA has a process for determining whether an offer of a member benefit is relevant and valuable. It draws on the experience and knowledge of the association’s state directors, all of whom run their own advice businesses.

And it draws on its membership communities of practice to gauge an offer’s likely relevance. These include the AFA’s GenXt cohort (young or developing advisers), its Inspire group (female advisers) and its Leaders Forum (practice owners).

“So we’ve got a pretty good structure to know what is relevant and valuable to financial advisers,” Hakes says.

“We get a lot of organisations that want to explore opportunities to partner with us.

“We’re going to see how this one continues and rolls out. It’s had a good start so far, and it has been well received. We’ll review any offers as they come along. We have a lot that we are dealing with on the membership side.” ■

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