A REVIEW OF ETHICS EDUCATION IN FINANCIAL PLANNING COURSES IN AUSTRALIA

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ABSTRACT

This study includes a literature review of differing approaches to ethics education and utilises publicly available information to investigate the current climate of ethics education across Financial Planning Association accredited degrees. Findings from a content analysis of curriculum data and a comparison against Bloom's taxonomy reveal only two ethics related learning outcomes from all institutions to be at the deepest level of learning.

With new legislation requiring financial planners to be degree qualified and to abide by an approved code of ethics, this study proves valuable in highlighting gaps within ethics education in financial planning courses in Australia

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Introduction

The post Global Financial Crisis (GFC) environment in Australia has been anchored on restoring the financial markets and rebuilding confidence within the financial planning industry. Ongoing investigation into the financial planning industry over the past decade, however, has challenged the presence of a strong ethical framework. According to Cull (2009, p. 30);

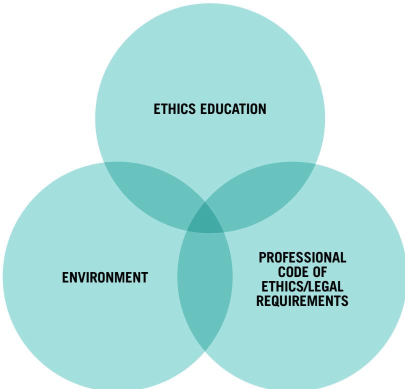
> Such examples include the damning Australian Securities and Investment Commission (ASIC) /Australian Consumers Association (ACA) survey on the quality of financial advice (2003), the collapse of Westpoint, (after many financial planners had recommended it to investors and received commissions) and the scheme that saw AMP switching clients to different super funds for no specific reason.

Further issues have arisen from high profile collapses of financial product and services providers such as Opes Prime in 2008, Storm Financial in 2009 and more recently the perceived profit-driven culture driven by commissions and self-interest in the banking sector of the financial planning industry (Ferguson and Masters, 2014; Cull and Sloan, 2016; Ferguson, Christodoulou and Toft, 2016; McConnell, 2016; Robertson, 2016). As a result, there has been a greater spotlight placed on ethics within the profession of financial planning.

In addition, research conducted by Cull (2015) found that ethical values were more important to consumers than competence when it came to choosing a financial planner. While this shows the importance of ethical values of financial planners, Cull (2015) also found that the moral development of a sample of financial advisers in Australia was lower than adults in general, and of high-school students. Furthermore, financial planners with a higher level of education have also been found to have higher levels of moral development (Bigel, 2000; Cull, 2015). These findings call for further research on what can be done to improve the ethical development of financial advisers in Australia and the role of educators.

In response to challenges presented in the post-GFC environment, and the recent findings of Cull (2015), possible solutions to improving the ethical development of future financial planners may include increased education and/or curriculum redesign to encourage principled thinking and ethical behaviour. Rest (1986) found from a 10 year longitudinal study that formal education is a powerful predictor of moral judgement development which is a precursor for ethical behaviour. However, there is currently much debate surrounding whether ethics can really be taught (Park, 1998; Ryan and Bisson, 2011; Ponemon, 1993), with further controversy surrounding how to do this and whose responsibility it is (Giacalone and Thompson, 2006; Langenderfer and Rockness, 1989; Isaksson, 1979). Dosch and Wambsganss (2006) places this onus onto businesses as the primary cause of ethical failure – not education. "Just as fraud classes do not educate students to commit fraud, ethics education does not educate students to act ethically," (Dosch and Wambsganss. 2006, p. 254). This shows a separation, rather than an integrated responsibility of education and workplaces to teach ethics. Figure 1 highlights the collaborative efforts needed to produce ethical financial planners.

Figure 1: Factors that contribute to producing an ethical financial planner.



Efforts to combine these three elements can be seen within the recently drafted *Corporations Amendment (Professional Standards of Financial Advisors) Bill 2015* to amend the *Corporations Act 2001* (Commonwealth of Australia, 2016) which has now received Royal Assent. The amendments will require a financial advisor to be a member of a Professional Standards Council approved professional association, bound by a code of ethics and be degree qualified (Commonwealth of Australia, 2014, 2016). This forms a benchmark for ethical practises for financial planners. To abide by a code of ethics, however, individuals must first be educated on ethics. The current Financial Planning Education Council (FPEC), sponsored by the Financial Planning Association (FPA) have offered their existing curriculum to the government (Waterson, 2017) which provides the government with an existing and functioning set of education standards that are highly regarded within the industry; the curriculum includes an ethical component.

Although FPEC has set education standards for financial planning courses that are certified by the FPA as satisfying industry recognised requirements of financial planners, the integration of ethics within both bachelor and postgraduate degrees for financial planners is currently not regulated. The FPEC National Financial Planning Curriculum (FPA, 2012) includes 55 core learning outcomes across eight key knowledge areas. Six of these core learning outcomes explicitly include an ethics component, as displayed in Table 1, with one learning outcome of the 32 ‘additional desirable financial planning knowledge areas’ also including an ethics component.

Table 1: Learning outcomes from FPEC requirements of an accredited financial planning degree that involve ethics.

	Learning outcomes
1	**Describe** the Australian legal framework within which financial planners operate and their legal, social and *ethical* responsibilities.
2	Undertake research, **construct and present** a limited scope Statement of Advice (SOA) to meet client requirements in an *ethical* and professional manner.
3	**Identify and understand** *ethical c*onsiderations and professional conduct requirements in the giving of financial planning advice
4	**Use sound judgment** when engaging in *ethical* practice and display professional standards reflecting responsible and sustainable practices.
5	**Act** with integrity and *ethical* practice in communicating risk management strategies through the provision of comprehensive and appropriate advice to clients.
6	**Apply** the 6-step financial planning process in accordance with Financial Planning Standards Board (FPSB) standards and *ethical* practices.
7	**Develop** strategies and provide recommendations to advise clients on investment planning, reflecting socially responsible and *ethical* practice.

Source: FPA (2012)

As a method of reviewing the way that ethics is incorporated into financial planning courses in Australia, the learning outcomes in Table 1 are compared with Bloom's taxonomy, a classificatory framework that has been used for over 60 years in the development of curricula, based on a scaffolded approach, with complex learning built upon simpler components.

In the remainder of this article, we examine how the learning outcomes contained in FPA-accredited courses fit within the framework of Bloom's taxonomy, and how ethics is currently being applied within these courses. The paper begins with a literature review covering the importance of ethics education for financial planners, different approaches for teaching ethics, challenges of teaching ethics and the relationship between learning outcomes and Bloom's taxonomy. This is followed by the methodological approach to the research and then the results and discussion. Limitations of the research and opportunities for further research are considered before presenting the conclusion.

Literature review

The rapidly changing nature of society requires response to emerging ethical issues from all key stakeholders within the community; most notably by educators who hold a key role in fostering the professional and social development of students. By placing an importance on ethics education, universities seek to produce financial planners who are able to counterweigh the profit seeking and self-interest driven nature of contemporary businesses (Slocum, Rohlfer and Gonzalez- Canton, 2013). It is essential that a financial planner's specialist knowledge is supported by a strong grounding in ethical reasoning and decision-making due to their position of trust (Forster, 2012). Through responding to this challenge, it is expected that financial planners who are more conscious of ethical issues will practise these in coincidence with the interests of corporately responsible businesses. Ethics education and awareness is seen as a way to mitigate the potentially avoidable burden on organisations and/or society at large of employees making unethical decisions.

Research within the fields of business, accounting, teaching, psychology and medicine has shown prior research into ethics education (Armstrong, 1993; McPhail, 2001; Maxwell *et al*. 2016; Jonson, McGuire and O'Neill, 2015; Davidson, Garton and Joyce, 2003; Savulescu *et al*. 1999); however, there is currently very little research into the planning and implementation of ethics within financial planning education in Australia. Prior research by Gold, Pryor and Jagolinzer (2004) in the United States saw a significant lack of ethics education within financial planning courses accredited by the American Association of Collegiate Schools of Business (AACSB) and furthermore, while the AACSB requires learning experiences in ethical understanding and reasoning abilities, the process is left to individual universities (AACSB, 2011; Kidwell et. al. 2013; Swanson and Frederick, 2005). This paper will explore the current climate of ethics education in financial planning in Australia, and make possible recommendations based on these results.

Approaches for teaching ethics

It has been argued that current business education presents a fragmented approach to ethics education with little emphasis on the best interests of society and other key stakeholders, but rather education focused on organisational success and increasing wealth (Giacalone and Thompson, 2006).

> We teach students to perpetuate business' importance and its centrality in society, to do so by increasing wealth, and to assume that by advancing organizational interests, they advanced their own and society's overall best interests (Giacalone and Thompson, (2006, p. 267).

For financial planners, consideration of all stakeholders is required in order to align the interests of the organisation with those of clients, other businesses, and society at large. Furthermore, financial planners are bound by the best interests duty (Commonwealth of Australia, 2016) whereby financial planners are required to make decisions that are in the best interests of the clients. This brings forth the need for a well-developed sense of moral judgement and decision-making, relevant to financial planning. In order for students to achieve moral and ethical awareness, education institutions hold a responsibility to educate prospective financial planners throughout their development stages (Giacalone and Thompson, 2006; Langenderfer and Rockness, 1989; Isaksson, 1979).

The process of planning ethics education relies heavily on an idealisation that students are fully engaged and have the incentive to relate to the content. For individuals to fully engage in ethics education, they must first be willing to reflect on the process and engage with the various consequences of their decisions. It is therefore essential that the purpose of ethics is highlighted in its implementation to ensure students gauge an understanding of not just what they are learning, but why. Illeris (2009) further discusses that through this learning process, individuals should understand the functionality of the content through establishing a personal sensitivity. The implementation of ethics education has thus been widely discussed, with questions of whether an integrated method or stand-alone course should be offered (Campbell and Zegawaard, 2012; Slocum, Rohlfer and Gonzalez- Canton, 2013; Armstrong, 1993; Painter-Morland *et al*. 2016).

Sterling (2004), cited in Painter-Morland *et al*. (2016) identified a level of implementation known as 'capacity building', which transforms students from a rigid, theoretical perception of business interactions to the ability to effect change in a transformative social context. This development is further supported by Truscheit and Otte (2007), cited in Painter-Morland, *et al*. (2016) who argue for the collective importance of content and 'soft skills'. Painter-Morland, *et al*. (2016) adapted a table from Godemann *et al*. (2011), based on the work of Rusinko (2010), which summarises various approaches for implementing ethics into the curriculum and the challenges and opportunities it presents. Table 2 below shows these approaches to implementing ethics into the curriculum, with the additional approach of using a stand-alone unit and the inclusion of further scholarly opinions. It has been argued that sound pedagogy involves using a range of approaches with a stand-alone unit used as a cornerstone for integrating ethics throughout the course (Kidwell *et al*., 2013). FPEC does not stipulate an approach for ethics education in financial planning but supports an integrated approach, with learning outcomes relating to ethics throughout the core knowledge areas of the curriculum.

Table 2: Approaches for implementation, challenges and opportunities in ethics education

Approach of implementation	Examples	Challenges or opportunities
Piggy backing	• Inclusion of visiting lectures by leading business people about CSR • Curriculum content on Business Ethics devised by ethics specialists • Add subject-specific financial planning knowledge to an existing module	• May be viewed as supplementary • Relatively seamless integration • Focus on teaching students 'soft-skills' (Truscheit and Otte, 2007)
Digging Deep	• No change in the existing structure required • Use optional modules with a focus on financial planning	• Unlikely to be selected (Baden, 2013) • May be perceived as an add-on (Holt, 2003)
Mainstreaming	• Integrate financial planning into common core requirements • Offering students placements within social enterprises or charities	• Approach should go along with emphasis on a broader cross-curricular perspective ('soft skills') (Godemann, Herzig and Moon, 2011, Stibbe, 2009) • Provides a capacity to act on this knowledge (Campbell and Zegawaard, 2012)
Focusing	• Set up a new programme • New transdisciplinary module in all programmes	• Can be included across the whole curriculum, adding interdisciplinary perspectives (Roome, 2005) • Business schools are too much focused on well-designed problems rather than 'messy' real-world problems (Schoemaker, 2008). • Internships would be beneficial to counter this

Table 2 continued

Approach of implementation	Examples	Challenges or opportunities
Stand alone	• Unit solely focused on ethics education	• Lack of time (Maxwell et al. 2016;) • Educators unsure of their own morals • Perceived completion of ethics education (McCarthy, 1997), cited in Slocum, Rohlfer and Gonzalez-Canton, (2014); Mcdonald and Donleavy, (1995), cited in Jonson, McGuire and O'Neill, (2015) • Jonson, McGuire and O'Neill (2014) showed that those completing a stand-alone course were more pragmatic and realistic than those undertaking integrated learning – attributed to its condensed nature

Source: Adapted from Painter-Morland et al., 2016 (as adapted by Godemann et al., 2011; based on Ruskino, 2010).

Challenges of teaching ethics

Ethics education should not intend to indoctrinate students with preconceived notions of ethics, but rather promote consideration of their own moral values and how they align with society's moral values. Campbell and Zegwaard (2012) argue that it is almost impossible to teach moral behaviours, but rather education should facilitate the exploration of the existing moral and value frameworks of students. Analysing the ethics of an individual is far less tangible than outcomes of literacy or numeracy. "Students need to develop as critical moral agents (actively making choices whilst critically evaluating their moral implications) whilst developing their understanding of professionalism and professional obligations" (Campbell and Zegawaard, 2012, p. 20). Ideally, this development is the overall aim of ethics education. Determining whether someone is merely aware of ethics or actually engaging in ethical practices, however, poses a challenge for educators and the profession itself. Education institutions need to divert from a 'banking model' of memorisation with little regard for context and promote consideration of the implications of the actions of an individual (Golub, 1993), cited in Moeller, (2005). Planning of ethics education should therefore coincide with the retention of information with regard to dilemmas financial planners will encounter within the workplace.

Langenderfer and Rockness (1989) identify three key challenges in teaching ethics; an ethical-legal dilemma, a philosophical-practical dilemma, and a moral-amoral dilemma. Central to the issue of ethics education is the application of this knowledge. Knowles (1977) identifies principles of adult learning in which their perspective of time shifts from postponed to immediacy of application of knowledge, and from subject-centredness to problem-centredness. If ethics is taught to financial planners from a philosophical point of view, students may fail to recognise the immediacy of application of this ethical reasoning, and thus limit their ethical awareness. Alternatively, a shift from subject orientated learning to learning through responding to real-life problems faced by the financial planning industry is needed. Slocum, Rohlfer and Gonzalez-Canton (2013) places an emphasis on the importance of 'real-life' examples of ethical dilemmas to ensure students are reactive to the nature of 'practical reasoning'; supported by O'Boyle and Sandonà (2014); Campbell and Zegawaard (2012).

Further challenges arise for institutions with perceived barriers for the implementation of ethics within their courses. Golub (1993), cited in Moeller, (2005, p. 77), however, stated that "when one must cover items – and usually there are far too many items in the curriculum anyway to be covered adequately – one tends to focus on teaching content instead of teaching students." These obstacles to the application of ethics within financial planning courses are further outlined in Table 3.

Table 3: Results of perceived 'institutional obstacles to implementation' of ethics education

Obstacles	Supporting scholars
Lack of time in program schedules	Maxwell *et al.* (2016); Gandz and Hayes (1998); Golub (1993), cited in Moeller, (2005); Ketz (2006); Strong, Connelly and Forrow (1992); Diekema and Shugerman (1997)
Faculty members unavailable	Maxwell *et al.* (2016)
Financial resources unavailable to hire qualified instructors	Maxwell *et al.* (2016)
No established curriculum to follow	Maxwell *et al.* (2016); Mintz (1990), cited in Baetz and Sharp, (2004)
No financial resources available to develop new courses or curriculum	Maxwell *et al.* (2016)
Resistance from faculty	Maxwell *et al.* (2016); Strong, Connelly and Forrow (1992); Diekema and Shugerman (1997)
Resistance from administration	Maxwell *et al.* (2016)

Obstacles	Supporting scholars
Resistance from third-party trustee institutions (e.g. professional association)	Maxwell *et al*. (2016)
Resistance from students	Maxwell *et al*. (2016); Baden (2013), cited in Painter-Morland, (2016); Sims and Felton (2006)
Faculty members not qualified or confident in teaching ethics	Baetz and Sharp (2004); Gandz and Hayes (1998); Langenderfer and Rockness (1989); Park (1998); Ketz (2006); Strong, Connelly and Forrow (1992); Diekema and Shugerman (1997)
Lack of educational material available to educators	Baetz and Sharp (2004); Ketz (2006)

Source: constructed from the work of Maxwell et al. (2016)

Maxwell *et al*. (2016) found that 81 per cent of academic unit heads justified the lack of stand-alone courses to be the product of an integrated approach to ethics education. However, the extent to which ethics is being integrated within classroom learning in practise, and how closely educators follow the unit documentation is questionable. These barriers to implementation present challenges that need to be addressed in order to ensure financial planning students transition into the industry well equipped to deal with real-life problems ethically. It is important that there is an institutional commitment to teaching ethics within financial planning that is nurtured by students, educators and within the institution as a whole (Painter-Morland *et al*. 2016).

Bloom's Taxonomy

Bloom's taxonomy (Anderson and Bloom, 2001), is a well-established model for understanding levels of learning and can be used in developing learning outcomes for ethics. The taxonomy has been used in closely related disciplines such as accounting (Debreceny and Farewell, 2010; Davidson and Baldwin, 2005), economics (Karns, Burton and Martin, 1983), human resource management (Brewer and Brewer, 2010) and marketing (Warren, 1992).

Bloom's taxonomy, as revised by Anderson and Bloom (2001), consists of six major levels of learning: remember, understand, apply, analyse, evaluate, and create. Figure 2 shows a visual representation of these 6 levels in the form of a pyramid. The foundation of learning – 'remember', is at the bottom of the pyramid, and involves recall, associated with definitions, lists, identification, and matching (Davidson and Baldwin, 2005). For example, learning outcome 1 in Table 1 requires the learner to "Describe the Australian legal framework…and ethical responsibilities."

The second level in the taxonomy is 'understand'. This includes the ability to classify, describe, discuss, explain, identify, locate, recognize, report, select or translate (Armstrong, n.d.). For example, learning outcome 3 in Table 1, "Identify and understand ethical considerations".

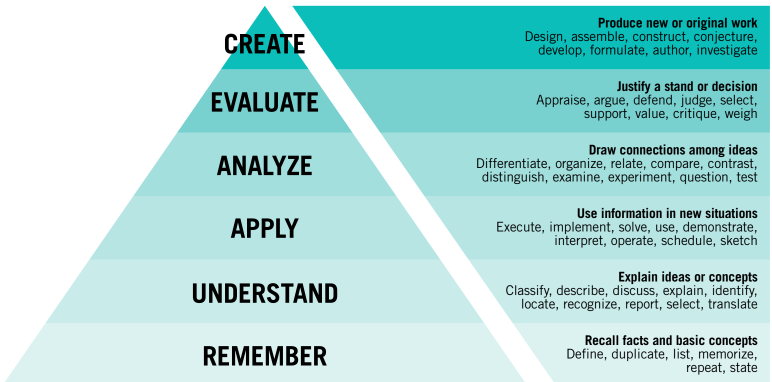
The first two levels of the Bloom's taxonomy pyramid tend to be associated with lower levels of learning or what is referred to as 'surface learning' where students are able to simply memorise learning materials and accept the ideas and information given without question (Entwistle and Ramsden, 1983). Learning activities that require learners to use new information in new situations to execute, implement, solve, demonstrate, interpret are associated with the third level of learning which involve 'applying' knowledge. For example, learning outcome 6 in Table 1, "Apply the 6-step financial planning process…".

'Analyse' is the fourth level of the hierarchical pyramid, involving the ability to connect ideas, and distinguish between differing arguments, facts or opinion. In order to analyse, the student must first have the knowledge of the previous three levels. Moving up the pyramid, the levels of learning comprise a deep approach which is associated with comprehension and the ability to relate ideas and use evidence (Beattie, Collins and McInnes, 1997).

The next level of the pyramid is 'evaluate' which is a higher level of learning requiring the learner to be able to justify a position based on judgement and critique. 'Create' is at the top of the pyramid, representing a deep level of learning where learners are able to synthesise material and create or formulate a solution to a unique problem, such as the construction of a statement of advice for a client (see learning outcome 2 in Table 1).

Bloom's taxonomy shown in Figure 2 below illustrates a separation of the complexities of verbs, and the extent to which they promote a superficial or in-depth level of learning. Three of the seven learning outcomes in Table 1 are at the 'create' level, with the assumption that FPA accredited courses promote a deep-level of learning.

Figure 2: Bloom's Taxonomy



Source: Armstrong, P. (n.d.), 'Bloom's Taxonomy', Vanderbilt University Center for Teaching, accessed 11 January 2017 from https://cft.vanderbilt.edu/guides-sub-pages/blooms-taxonomy/

Methodology

Sample Selection

The sample for this research includes all institutions offering Financial Planning Association (FPA) accredited bachelor and postgraduate degrees from 2016 onwards, as listed in the '*CFP® Certification Program: Approved Degree List*' in October 2016 (FPA, 2017). The exception is degrees from the University of New England that are currently on teach-out and degrees from Curtin University where no publicly available data was available. This scope allowed for the analysis of degrees which have achieved FPA approval; an accolade and benchmark within the industry. To hold an FPA approved degree, universities must adhere to a strict set of guidelines for the teaching and delivery of these financial planning courses.

After excluding the degrees from University of New England and Curtin University (refer above), the sample included 17 courses (11 undergraduate and 6 postgraduate) across 11 institutions. A total of 279 undergraduate units and 80 postgraduate units formed part of the initial sample, with most undergraduate courses comprising of 24 units (other than double degrees) and postgraduate courses comprising 12 or 16 units.

Data Collection

Data was collected for each sample from publicly available information. This was achieved by accessing institution websites to obtain information about their course requirements (see Appendix 1 for institution details). Data was collected from December 2016 – January 2017. The 'learning outcomes' of the units in each approved course were most frequently available from institutions, while some provided a brief description of the unit. The learning outcomes were used to determine if ethics was incorporated in the unit along with the description of teaching activities.

Data Analysis

A content analysis was conducted to examine the units within the FPA accredited courses. A spreadsheet was used to record the units required within the courses; indicating the stage (the level of study in which the unit is to be completed), the type of the unit (e.g. core, major or professional elective required to satisfy FPA accreditation), and whether or not it included ethics. The classification of the units within these degrees proved difficult with varying amounts of information available to the public to determine whether the units were inclusive of ethics education. For this reason, units noted as including ethics are only those that undeniably possess ethics within their learning outcomes. This was determined in a number of ways:

- Analysis of the learning outcomes of the units to determine those that could possibly include an ethical component. This resulted in an initial list of 66 learning outcomes (51 undergraduate and 15 postgraduate) for review.
- Analysis of the learning outcomes that contain the word 'ethics'.
- Analysis of the learning activities to determine the coverage of ethics.

- Classification of each unit to determine if it was a 'stand-alone' (S), integrated (I) or undefined (U) ethics unit.
- Categorising the stage (year of study) that each 'ethics' unit was taught.
- Classification of ethics units as core, major or elective units.

Further analysis of these outcomes was conducted of the units which included ethics, using Bloom's Taxonomy. Codes were applied based on the relevant level of learning that units represented as reflected in Bloom's Taxonomy. These results were then collated into tables in Microsoft Excel and analysed using mathematical calculations to obtain descriptive statistics and frequency distributions.

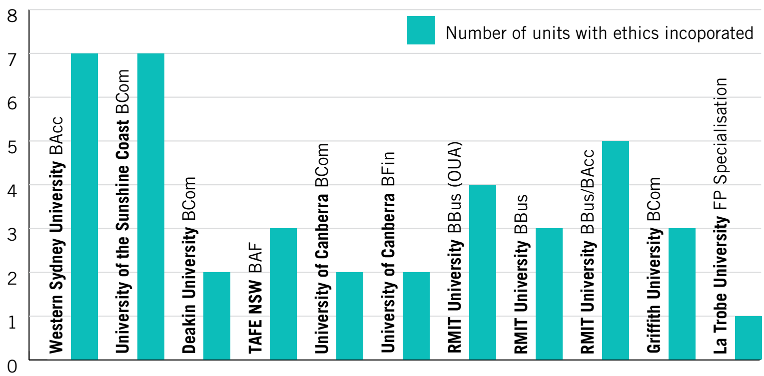
Results / Discussion

Analysis of the FPA undergraduate and postgraduate degrees across institutions provided valuable insight into the current climate of ethics education in financial planning. The findings are presented and discussed below.

Bachelor degrees

The extent to which FPA accredited bachelor degrees at 11 institutions in Australia have incorporated ethics education is shown in Figure 3. There were a total of 39 units that incorporated ethics. Of these 39 units, 23 were core units, 15 were major units and one was a professional elective unit.

Figure 3: Comparison of the presence of ethics in FPA accredited bachelor degrees (2016/17)



Note: based on publicly available information

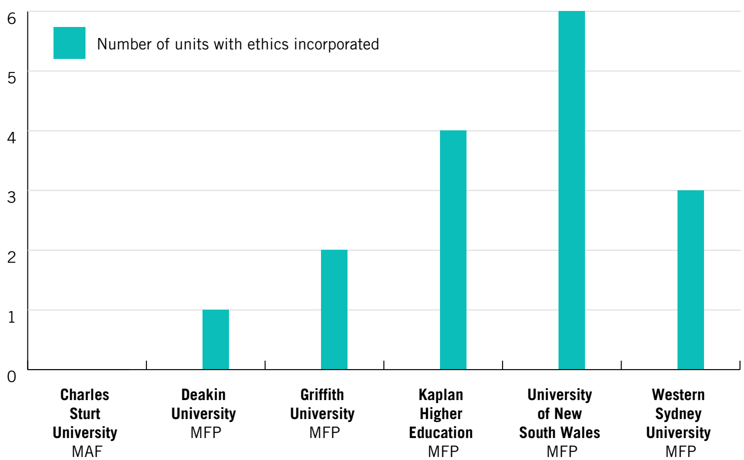
Western Sydney University and the University of the Sunshine Coast possess the most units (7) within their degrees that include ethics in their learning outcomes. Holistically, the bachelor degrees have on average 3.55 units with ethics (14.8% of a standard 24-unit degree with ethics).

La Trobe University was accredited based on their financial planning specialisation with any bachelor degree. As a result, the level of ethics provided to students undertaking a full degree with this specialisation was unable to be determined as it is highly variable. This information, however, does satisfy FPA accreditation, despite only having one unit clearly showing as inclusive of ethics. Furthermore, RMIT University's Bachelor of Business/Bachelor of Accounting has more units available to offer ethics than the single degrees and offers 5 units including ethics, with four of these as major units but in total, this is a proportionally lower number of ethics units than if it were a single degree.

Postgraduate Degrees

There were 16 units overall in the postgraduate course offerings that included ethics. This averaged out at 2.67 units of ethics for each FPA accredited postgraduate degrees, slightly lower than the bachelor degrees. Results, however, indicated on average 19.1 per cent of the postgraduate degrees were inclusive of ethics, greater than that of the bachelor degrees (14.8%). Figure 4 displays the presence of ethics within units of FPA accredited postgraduate degrees, with the University of New South Wales possessing the most units with ethics (6), and Charles Sturt University not showing evidence of any ethics within their units (0).

Figure 4: Comparison of the presence of ethics in FPA accredited postgraduate degrees (2016/17)

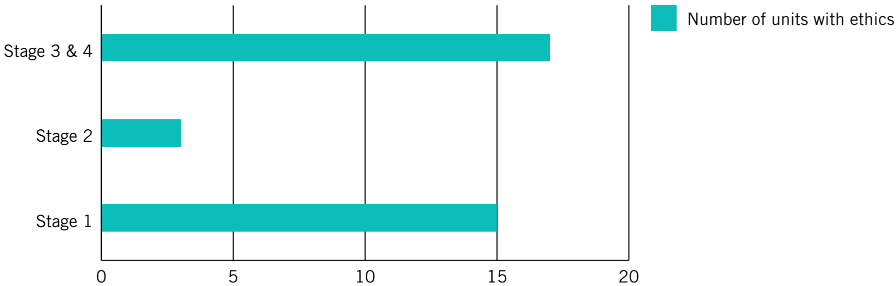


Note: based on publicly available information

Ethics units by stage of study

Units from all accredited bachelor degrees containing ethics were analysed by stage of study of an equivalent full-time student load (EFSTL) with stage 1 = first year, stage 2 = second year and stage 3 and 4 = third and fourth year (stage 4 was only relevant to the double degree, 'Bachelor of Business (Financial Planning)/ Bachelor of Business (Accountancy)' at RMIT University). Significantly more units with ethics were found to be at stages 1, 3 and 4 while learning outcomes in stage 2 units lacked ethical components. Figure 5 below shows that only three of the total 39 units that included ethics were taught at stage 2, with the largest number (15) at stage 1. Combining stages 3 and 4 show a greater concentration of ethics taught at the later stages of study (17). The stage for four units was not able to be determined from the publicly available data and omitted from figure 5. In addition, the stages for units in postgraduate courses were unavailable and/or flexible.

Figure 5: Number of units within FPA approved bachelor degrees with ethics by stage.



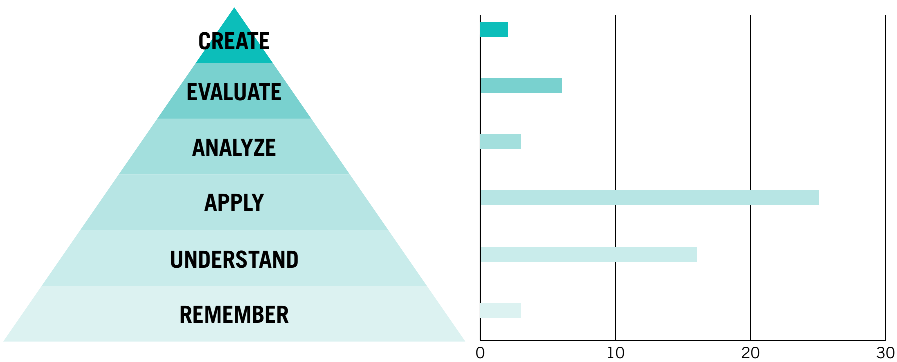
Note: Four units that were undefined were omitted from this graph. Postgraduate data excluded as data was unavailable.

These findings are comparable to an Australian study conducted by Davidson, Garton and Joyce (2003) which found that less than one quarter of the syllabi identified ethics in the first half of a degree and ethics was included in over 90 per cent of cases in the later part of the degree. The current study also found a greater focus on ethics within the later stages of study (stage 3). In considering student capacity to retain information and shape their opinion, is expected that stage 1 would provide a conceptual understanding of the content. This may be too early to heavily introduce ethics for students who are gaining an introductory understanding of financial planning. Later stages, however, provide the perfect opportunity to densely incorporate ethical considerations into students learning, as they already have an understanding of the topic and thus can be shaped by ethics education.

Bloom's Taxonomy and learning outcomes

Figure 6 shows the level of Bloom's taxonomy for learning outcomes containing ethics that were found in FPA accredited courses. Findings revealed the learning outcomes across all FPA accredited courses (both undergraduate and postgraduate) containing an ethics component to focus on the 'apply' level of Bloom's Taxonomy (25), while very few (2) were at the top of the Bloom's Taxonomy pyramid ('create') and only 3 at the bottom or foundational level of the pyramid ('remember').

Figure 6: Bloom's Taxonomy analysis for FPA approved degrees



In Bloom's taxonomy 'apply' means to use information in new situations. In the context of teaching ethics, this only moderately promotes an understanding of the application of ethics and its integration into decision-making. A more appropriate learning outcome would target students needing to justify a stand or position – to 'evaluate'; or produce new or original work – to 'create' (Armstrong, n.d.). This could also include an evaluation of 'real-life' financial planning scenarios. The learning outcomes from the FPEC requirements (seen in Table 1) set the standard for accredited institutions to incorporate ethics into their degrees. While the FPA accreditation requirements include three out of their seven ethical outcomes at the 'create' level of learning, it was found in this study that only two ethical outcomes from all institutions examined were at this level, falling short of the higher level learning expected by the FPA standards. The remaining outcomes required an 'evaluate', 'analyse' and two 'apply' levels of learning. Our study has shown that there are, however, universities complying with this aspect of the FPA accreditation with the greatest number of units (25) at the 'apply' level. In order to improve the level of ethics education so that it encourages deep learning and the ability to formulate and justify a moral stance, a collaborative effort from universities and professional bodies is needed. Such collaboration should involve not only the standard setting process but also the compliance and maintenance issues surrounding the teaching of ethics in financial planning courses.

Limitations / Opportunities for further research

As this study is based on publicly available information, there is the chance that ethics is being included in courses but not captured by this study because the level of detail is not publicly available. Thus, while this study is important in identifying explicit teaching of ethics, further research involving detailed discussion with educators who are incorporating ethics education would be beneficial.

Throughout the process of the content analysis, there were free-elective units offered as part of Financial Planning Association's (FPA) accredited courses. This brings forth complications in analysing the true extent to which ethics is integrated within the courses as there are optional stand-alone ethics courses. Baden (2013), cited in Painter-Morland, et al. (2016), however, states that despite having these available, they are unlikely to be selected by students. This discrepancy provides further support for the integration of ethics education into compulsory units for financial planning courses. Ethics is not an option for practising financial planners, and nor should it be for those learning the profession. An opportunity exists for further research into elective units provided by universities and the enrolment rates for stand-alone ethics units.

Hesitation arises in teaching ethics with concerns that educators are not being trained in ethics, or that they are not certain of their own moral stances (Langenderfer and Rockness, 1989). Park (1998) proclaims that for business ethics education to be effective, business ethics educators need more training. Further research on this topic by the authors in the second phase of this research will provide greater insight into who is responsible for planning the curriculum and their level of qualification to do so (as questioned by scholars in Table 3).

Furthermore, the extent that classroom teaching in practice follows the guidelines outlined in course and unit documentation is also in question. Further research is required to assure what is taught in practice.

Conclusion

The results presented show much room for improvement when it comes to ethics education in financial planning degrees. Although efforts from some institutions can be seen, overall there is a need for ethics to be incorporated at a higher level that allows for a deep level of learning and the formulation of sound ethical advice. Financial planners hold a key responsibility to work ethically for all stakeholders, who often have competing interests. It is for this reason that students' awareness of ethical issues within financial planning be further developed through the implementation of ethics across the curriculum. With new legislation requiring financial planners to be degree qualified, and to abide by an approved code of ethics, this study proves valuable in highlighting gaps within the current climate of ethics education in accredited financial planning courses in Australia. Through ethics education, institutions hold a responsibility to prepare future financial planners to serve in the best interests of their clients and make a positive contribution to society.

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