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FINANCIAL EDUCATION  
IN MALAYSIA:  
INTERNATIONAL  
COMPARISONS

ENHANCING THE  
IFP PROPOSITION

FINANCIAL PLANNING:  
A PERSONAL  
PERSPECTIVE

**SPRINGBOARDING  
FINANCIAL PLANNING TO  
A SUSTAINABLE LEVEL**





*Against the backdrop of fluctuating revenue, our current stance is such that we will invest in technology so long as the cost and ROI (return on investment) is justified. - Rafiq Hidayat*

*In fact, having a stringent compliance process is itself an ideal way of preventing complaints on the long-term. - VP. Thanga*

a compliance officer to supervise them. To date, we have about 19 licenced financial planners and they are constantly reminded of the serious repercussions should they breach any regulatory guidelines. My KPI (key performance indicator) also entails controlling and to ensure that our clients – particularly when huge amounts are involved – fully understand what they are signing up for.

**Yap Ming Hui:** Risk management is less an issue with our application of the holistic financial planning approach because we do comprehensive fact finding for clients. We also practise a central kitchen concept whereby we have a dedicated team of staff to deal with financial planning and best advices that our

financial planners have to abide by. To further streamline compliance, we only allow our financial planners to deal with regulated financial products which we have shortlisted and approved and not to simply propose any other products.

### *On leveraging technology ...*

**Bryan Zeng:** We rely heavily on technology to support our financial planners – be they tools to facilitate advisory (ie in-house software systems to assess clients' financial data before coming out with a plan) or simply back office business support systems (CRM, document management, business tracking, commission processing,

etc). Additionally, we openly embrace Internet technology and cloud computing for our e-mails, calendars, file depository and video conferencing to enhance communication and collaboration within the firm. In essence, our technology initiatives are focussed on making the lives of our financial planners easier.

**VP. Thanga:** We are still in the midst of upgrading our technology and digitisation capabilities. We have in place a communication, finance and back-end system which is both a mix of manual and modern technology. Moving forward, we wish to automate our work processes by embracing artificial intelligence to alleviate our currently tedious method of manually compiling our





All systems go ... Securities Commission's executive director (intermediary & fund supervision) Kamarudin Hashim (second from right) unveiling SmartFinance.my, witnessed by FPAM president (left) Matthew de Alwis (far right) and (from left) US-based Financial Planning Standards Board CEO Noel Maye and Linnec Lee.

FPAM launched its CMDF (Capital Market Development Fund)-funded *SmartFinance.my* initiative on 23 July in conjunction with its *Annual Signature Financial Planning Symposium 2018* which was staged at the Securities Commission in Kuala Lumpur.

Embracing financial planning technology (FP Tech), this is the first device-friendly website which provides public access to real LFPs.

The LFPs are featured alongside their photos, experience/background, firms that they represent, their areas of expertise, license numbers and most importantly, their range of fees.

Additionally, *SmartFinance.my* also provides independent bite-sized financial lessons from reliable sources, notably government-linked agencies such as the Agensi Kaunseling & Pengurusan Kredit, (AKPK) or Credit Counselling and Debt Management Agency; Securities Industry Dispute Resolution Center (SIDREC), Private Pension Administrator (PPA) and Inland Revenue Department (IRD).

Other contributors include professional bodies such as the Society of Trust and Estate

## GROOM TECH-SAVVY MALAYSIANS TO BE FINANCIALLY SOUND

The common conundrum of most Malaysians – where to find financial lessons that are impartial and easily accessible – is now a thing of the past.

The Financial Planners Association of Malaysia (FPAM) has come out with a noble idea of providing

invaluable personal finance tips and tools to Malaysians – from keeping track of their cash flow and financial goals that suit their lifestyle needs, to accessing its members who are licensed financial planners (LFPs) for professional opinions.

## MALAYSIA FINANCIAL PLANNER OF THE YEAR AWARDS (MFPYA) 2018



From left: Gunaseelan Kannan, Kelly Wong and VP Thanga with their respective awards.

Congratulations to the winners of MFPYA 2018! This is the fourth time this Award was held in Malaysia. This year, all the three winners are from Blueprint Planning Sdn Bhd. Kelly Wong, CEO took the top honours as the overall winner, with VP Thanga, Executive Director taking the second runner-up spot, and Gunaseelan Kannan as first runner-up.

“MFPYA is an important platform in recognising our local financial planners who have showcased a high level of competency and professionalism in producing quality

financial planning,” said Securities Commission Malaysia’s Executive Director, Kamarudin Hashim in congratulating the winners of this prestigious Award.

The MFPYA is designed to recognise excellence in financial planning in Malaysia based on global adjudication standards, and to raise the profile of financial planning. The competition follows the same protocol as the PlanPlus Global Financial Planning Awards.

The PlanPlus Global Financial Planning Awards were formed in 2013 to further establish financial



Practitioners (STEP), the Malaysian Takaful Association and Malaysian Institute of Accounting.

“There are financial tools to help the public estimate their financial standing and needs so that they are aware of their personal financial situation,” FPAM CEO Linnet Lee points out. “They also earn rewards points for every lesson learnt, tools utilised and connections made with LFPs.”

These points can be redeemed for discounted fees when the services of a LFP are engaged or for preferential terms if they need financial products after going through the lessons and tools.

“The lessons are aimed at giving

the public a good foundation in personal finances, as well as to understand the financial planning process so that they can work better with financial planners,” enthuses Lee.

In addition to that, key characteristics of the different types of financial products are explicitly explained so that the public will be able to make informed decisions when presented with different financial products.

FPAM expects the portal to reach at least 100,000 Malaysians by end-2018 so that they can be more financially-savvy with their personal finances and savings. Towards this end, *SmartFinance.my* is made

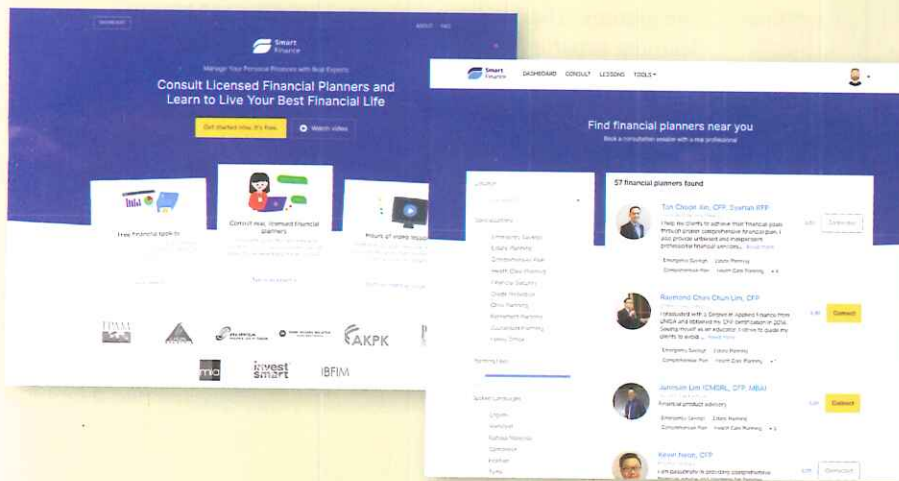
easily accessible to all Malaysians nationwide as long as they have a smartphone and a data plan.

A 2015 FPAM study in collaboration with the Financial Planning Standards Board (FPSB), owner of the international CERTIFIED FINANCIAL PLANNER® certification programme outside the US, has shown that most Malaysians harbour the desire to settle their debts, have emergency money and buy a home.

However, only 25% of Malaysians are confident that they will realise their financial goals. Elsewhere, over 60% are also willing to pay for sound and professional financial advice and have a plan written out. Their only challenge is where to find real financial planners, and what the scope of services and fees that go with them are.

Moreover, the survey also showed that over 50% of Malaysians consulted family members, friends or made online searches for financial information. A total of 1,001 Malaysians were surveyed, of which 53% were male and 47% female with 90% of the respondents in the 18 to 49 age group.

Hence, *SmartFinance.my* was created to bridge the demand gap for financial knowledge.



planning as a recognised profession. They do this by bringing public and industry recognition to financial planners who are among the very best in their contribution to the profession.

Besides a beautifully crafted crystal trophy, each winner took home cash prizes — RM3,000 sponsored by Kenanga Investors Bhd for the Champion, RM2,000 from iFast Capital Sdn Bhd for the first runner-up and RM1,000 from CC Advisory Sdn Bhd for the second runner-up.



From left: KR Raju, Kamarudin Hashim with winners of MFPYA 2018-Kelly Wong, VP Thanga and Gunaseelan Kannan.