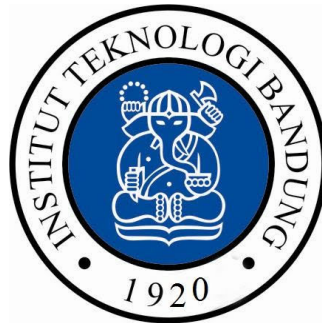


SYLLABUS & SAP
MB6068 – Advanced Financial Planning



GRADUATE PROGRAM IN SCIENCE OF MANAGEMENT
PROGRAM
SCHOOL OF BUSINESS AND MANAGEMENT
INSTITUT TEKNOLOGI BANDUNG
2020

1. Mission of SBM ITB

SBM ITB has mission as follows:

“To educate students to be innovative leaders with an entrepreneurial mindset and to develop and disseminate knowledge of business and management for the betterment of business, government, and society”

2. Course Description

This course is intended to provide knowledge an skills necessary to enable student preparing their personal financial planning. It started with identifying the financial goals, analyzing current financial situation, and creating plan to achieve goals. All material in this course will enable students to qualify to take the CFP exam and be prepared to transition into a career as an advisor.

PRE-REQUISITES (if any)

No pre-requisites required

LEARNING METHOD

The Advanced Financial Planning course are explained by 42 hours plus 6 hours of evaluation done into two parts: mid-term exam and final-term exam in 16 weeks and will cover the analytical skills needed to be a financial advisor to provide a holistic offering to clients. This course include the foundations of Financial Planning, Retirement Planning Insurance, Investment Products, Portfolio Management and Estate Planning. The class is a combination of lectures, class exercises to apply theory, critical review of several papers, discussion and guest lectures. The guest lecturing was also important for this class because of real world application and real world networking. In end of semester, students will make a research proposal as part of their assessment.

3. Learning Goals and Objectives of Advanced Financial Planning Course

This course has learning goals and objectives as below:

1	Research Skills	Able to collect data from multiple sources and critically assess the sources and the collected data
		Able critically, creatively and systematically to conduct data analysis based on the collected data within a proposed theoretical framework
2	Communication	Able to write papers in good and sophisticated Indonesian and English for audiences within and outside the

	Skills	academic community, at local, national and international levels
		Able effectively to communicate orally in Indonesian and English ideas arising from research findings to audiences within and outside the academic community, at local, national and international levels
3	Practical Skills	Able to make proposals and recommendations arising from the implications of research findings
4	Ethical Responsibility	Able to design and conduct research ethically
		Able to refer to match specific professional codes of ethics to research tasks

4. Reading Material

- I. SOEKARNO, Subiakto; DAMAYANTI, Sylviana Maya, 2011, *Perencanaan Keuangan Pribadi: Intisari Pengetahuan dalam Merencanakan Tujuan-Tujuan Keuangan untuk Mencapai Kehidupan yang Sejahtera*, Consultancy & Continuing Education, Sekolah Bisnis dan Manajemen Institut Teknologi Bandung, Bandung
- II. Joehnk, M.D., L. J. Gitman, *Planning Your Personal Finances*, 11th ed., Thomson South-Western, 2010.
- III. Calcagni, R., Monticone, C., 2015. Financial Literacy and The Demand for Financial Advice, *Journal of Banking and Finance* 50, 363-380
- IV. Fernandes, D., Lynch Ji, J.G., Netemeyer, R.G., 2014. Financial Literacy, Financial Education, and Downstream Financial Behaviors. *Management Science* 60, 8, 1861-1883
- V. Calcagno and Monticone. 2015. Financial literacy and the demand for financial advice. *Journal of Banking & Finance* 50, 363–380 (FP1)
- VI. Rooij, Lusardi, and Alessie. 2011. Financial literacy and retirement planning in the Netherlands. *Journal of Economic Psychology* 32, 593–608 (FP2)
- VII. Farrell, Fry and Risse. 2016. The significance of financial self-efficacy in explaining women’s personal finance behavior. *Journal of Economic Psychology* 54, 85–99 (PF1)
- VIII. Brown and Gray. 2016. Household finances and well-being in Australia: An empirical analysis of comparison effects. *Journal of Economic Psychology* 53, 17–36 (PF2)
- IX. Vieira, Oliveira, and Kunkel. 2016. The Credit Card Use and Debt: Is there a trade-off between compulsive buying and ill-being perception? *Journal of Behavioral and Experimental Finance* 10, 75–87 (DM1)
- X. Agnew and Harrison. 2015. Financial literacy and student attitudes to debt: A cross national study examining the influence of gender on personal finance concepts. *Journal of Retailing and Consumer Services* 25,122–129 (DM2)
- XI. Necker and Ziegelmeier. 2016. Household risk taking after the financial crisis. *The Quarterly Review of Economics and Finance* 59, 141–160 (RM1)
- XII. Shen, Lin, Tang, and Hsiao. 2016. The relationship between financial disputes and financial literacy. *Pacific-Basin Finance Journal* 36, 46–65 (RM2)
- XIII. Shi, Wang, and Xing. 2015. The role of life insurance in an emerging economy: Human capital protection, assets allocation and social interaction. *Journal of Banking & Finance* 50, 19–33 (IS1)

- XIV. Liu and Zhang. 2016. The dynamic linkage between insurance activities and banking credit: Some new evidence from global countries. *International Review of Economics and Finance* 44, 40-53. (IS2)
- XV. Miller, Eibner, and Gresenz. 2013. Financing of employer sponsored health insurance plans before and after health reform: What consumers don't know won't hurt them? *International Review of Law and Economics* 36, 36-47. (IS3)
- XVI. Alhassan and Biekpe. 2016. Determinants of life insurance consumption in Africa. *Research in International Business and Finance* 37, 17-27. (IS4)
- XVII. Rooij, Lusardi, and Alessie. 2011. Financial literacy and stock market participation. *Journal of Financial Economics* 101, 449–472 (CM1)
- XVIII. Conlin, Kyröläinen, Kaakinen, Järvelin, Perttunen, Svent. 2015. Personality traits and stock market participation. *Journal of Empirical Finance* 33, 34-50. (CM2)
- XIX. Pyles, Li, Wu and Dolvin. 2016. Cultural influences on risk tolerance and portfolio creation. *Journal of Behavioral and Experimental Finance* 9, 43-55 (PO1)
- XX. Disney and Gathergood. 2013. Financial literacy and consumer credit portfolios. *Journal of Banking & Finance* 37, 2246–2254 (PO2)
- XXI. López. 2015. Do stylized facts of equity-based volatility indices apply to fixed-income volatility indices? Evidence from the US Treasury market. *International Review of Financial Analysis* 42, 292–303 (FI1)
- XXII. Thapa, Neupane and Marshall. 2016. Market liquidity risks of foreign exchange derivatives and cross-country equity portfolio allocations. *Journal of Multinational Financial Management* 34, 46-64. (FI2)
- XXIII. Durham, Manly and Ritsema. 2014. The effects of income source, context, and income level on tax compliance decisions in a dynamic experiment. *Journal of Economic Psychology* 40, 220–233 (PT1)
- XXIV. Lee, Ho and Chiu. 2016. Role of personal conditions, housing properties, private loans, and housing tenure choice. *Habitat International* 53, 301-311. (EP1)

5. The Course Schedule/ Plan

Table 1 present the class topics that are required to achieve the learning objectives of this course.

Table 1. Weekly Class Topics of Advanced Financial Planning

Week	Session	Activities	References
Week 1 SMD	1	Topic: Introduction to Advanced Financial Planning Sub-topic: Financial Planner Profession, Scope of Financial Planning	
	2	Topic: Introduction to Advanced Financial Planning Sub-topic: Financial Planner Profession, Scope of Financial Planning	
	3	Topic: Introduction to Advanced Financial Planning Sub-topic: Financial Planning Industry	
Week 2 SS	4	Topic: Code of Ethics and Financial Literacy Sub-topic: CFP Boards’s Code of Ethics and Professional Responsibility	
	5	Topic: Code of Ethics and Financial Literacy Sub-topic: CFP Boards’s Code of Ethics and Professional Responsibility & Financial Literacy	
	6	Topic: Code of Ethics and Financial Literacy Sub-topic: CFP Boards’s Code of Ethics and Professional Responsibility & Financial Literacy	
Week 3 SMD	7	Topic: Financial Planning Process, Personal Financial Statement, Risk Profile Sub-topic: Data gathering questionnaire, Personal Financial Statement Analysis, TVM Table	

	8	Topic: Financial Planning Process, Personal Financial Statement, Risk Profile Sub-topic: Data gathering questionnaire, Personal Financial Statement Analysis, TVM Table	
	9	Topic: Financial Planning Process, Personal Financial Statement, Risk Profile Sub-topic: Data gathering questionnaire, Personal Financial Statement Analysis, TVM Table	
Week 4 SMD	10	Topic: Emergency Fund, Time Value of Money, Education Fund Sub-topic: Emergency Fund	
	11	Topic: Emergency Fund, Time Value of Money, Education Fund Sub-topic: Time Value of Money Theory and Exercises	
	12	Topic: Emergency Fund, Time Value of Money, Education Fund Sub-topic: Education Fund	
Week 5 SS	13	Topic: Insurance and Pension Fund Sub-topic: Insurance Method, Life Insurance, Health Insurance	
	14	Topic: Insurance and Pension Fund Sub-topic: Whole Life, Term Life	
	15	Topic: Insurance and Pension Fund Sub-topic: Pension Fund Method, Employer Pension Fund	
Week 6 SMD	16	Topic: Investment Product and Portfolio Management Sub-topic: Bond, Stock and Mutual Fund	

	17	Topic: Investment Product and Portfolio Management Sub-topic: Bond, Stock and Mutual Fund	
	18	Topic: Investment Product and Portfolio Management Sub-topic: Risk and Return, Diversification, Asset Allocation	
Week 7 SS	19	Topic: Personal Tax and Estate Planning Sub-topic: Personal Tax	
	20	Topic: Personal Tax and Estate Planning Sub-topic: Personal Tax	
	21	Topic: Personal Tax and Estate Planning Sub-topic: Estate Planning	
Week 8 SMD	22	Topic: Mid-Exam Sub-topic: Mid-Exam	
	23	Topic: Mid-Exam Sub-topic: Mid-Exam	
	24	Topic: Mid-Exam Sub-topic: Mid-Exam	
Week 9 SMD	25	Topic: Paper Discussion Sub-topic: Paper Discussion	

	26	Topic: Paper Discussion Sub-topic: Paper Discussion	
	27	Topic: Paper Discussion Sub-topic: Paper Discussion	
Week 10 SS	28	Topic: Paper Discussion Sub-topic: Paper Discussion	
	29	Topic: Paper Discussion Sub-topic: Paper Discussion	
	30	Topic: Paper Discussion Sub-topic: Paper Discussion	
Week 11 Pak Irwan	31	Topic: Paper Discussion Sub-topic: Paper Discussion	
	32	Topic: Paper Discussion Sub-topic: Paper Discussion	
	33	Topic: Paper Discussion Sub-topic: Paper Discussion	
Week 12 SS	34	Topic: Financial Inclusion 1 Sub-topic: Foundation	

	35	Topic: Financial Inclusion 2 Sub-topic: Inequality	
	36	Topic: Financial Inclusion 3 Sub-topic: Growth and Stability	
Week 13 Guest Lecturer	37	Topic: Guest Lecture-Financial Inclusion 4 Sub-topic: Digital Technology	
	38	Topic: Guest Lecture-Financial Inclusion 5 Sub-topic: Financial Technology	
	39	Topic: Guest Lecture-Financial Inclusion 5 Sub-topic: Financial Technology	
Week 14 SMD	40	Topic: Financial Planning Sub-topic: CFP Overview	
	41	Topic: Financial Planning Sub-topic: CFP Overview	
	42	Topic: Financial Planning Sub-topic: CFP Overview	
Week 15 Students	43	Topic: Proposal Research Presentation Sub-topic: Proposal Research	

	44	Topic: Proposal Research Presentation Sub-topic: Proposal Research	
	45	Topic: Proposal Research Presentation Sub-topic: Proposal Research	
Week 16 SMD	46	Topic: Final Exam Sub-topic: Final Exam	
	47	Topic: Final Exam Sub-topic: Final Exam	
	48	Topic: Final Exam Sub-topic: Final Exam	

6. Grading Policy

Aspect	%
Individual Assignment	20
Group Assignment	20
Mid Semester Test	30
Final Examination	30
TOTAL	100

7. Course Policy

Students are expected to read materials prior to class. This course is intended for those students who already take Financial Management Course. To ensure that you will have your work done correctly, lecturer will take an active role in walking you through many exercises and pop up quizzes. Additionally, SBM-ITB regulations dictate that you need at least 80% attendance; in other words, should you miss more than 20% of class-time, your total score will be downgraded. Do not sign on the attendance list for anyone but yourself; you are not doing your classmate any favour by forging her/his signature, as it will bring you both nothing but failed this class. Punctuality is no less important. If you come in late, you will disrupt classroom activity and be left behind at the same time. Therefore, it is imperative that you arrive promptly. Laptop and personal communication are not allowed during the class. Lecturer will not accept delays in the assignment submission. No make-up quiz, mid- exam and final exam. Bring your own calculator (not mobile phone calculator apps). Let's work together to make this course productive and fun.