



Chartered  
Insurance  
Institute

# J07

## Diploma in Financial Planning

**Unit J07 – Supervision in a regulated environment**

**February 2023 examination**

### **SPECIAL NOTICE**

**Candidates are expected to be aware of the FCA rules and guidance regarding training and competence, conduct of business and complaints handling as contained within the relevant sourcebooks.**

## **Unit J07 – Supervision in a regulated environment**

### **Instructions to candidates**

#### **Read the instructions below before answering any questions**

- **Two hours** are allowed for this paper which consists of 15 short answer questions and carries a total of 130 marks.
- You are strongly advised to attempt all questions to gain maximum possible marks. The number of marks allocated to each question part is given next to the question and you should spend your time in accordance with that allocation.
- Read carefully all questions and information provided before starting to answer. Your answer will be marked strictly in accordance with the question set.

**Subject to providing sufficient detail you are advised to be as brief and concise as possible, using note format and short sentences on separate lines wherever possible.**

**Attempt ALL questions****Time: 2 hours**

1.
  - (a) Explain briefly why a financial services company may specify competencies for job roles. (2)
  - (b) State **two** criteria for **each** of the following competencies which supervisors may be required to demonstrate:
    - (i) Personal effectiveness. (2)
    - (ii) Working with others. (2)
    - (iii) Creating solutions. (2)
    - (iv) Managing the team. (2)
2.
  - (a) Provide **one** example of a team in each line of defence, in accordance with the three lines model. (3)
  - (b) State the purpose of the third line of defence. (3)
3. With reference to the Herzberg' Motivation Theory model:
  - (a) List **five** 'hygiene' factors. (5)
  - (b) List **five** 'motivator' factors. (5)
4. Orla has a conflict with the manager of a different team.

With reference to the Thomas-Kilmann model, Orla is considering using the 'avoid' method to manage the situation:

  - (a) Identify **two** examples of actions Orla might take to deal with the situation using the 'avoid' method. (2)
  - (b) Describe briefly the other **four** methods of dealing with conflict that Orla could employ. (8)

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5. Jack is a financial adviser and is considering applying for a new role in a firm that specialises in retirement planning.
- (a) Identify **three** pieces of essential information that should be included within the job specification. (3)
- (b) Identify **four** pieces of desirable information that could be included within the job specification. (4)
6. Naseema recently worked on a self-employed contracting basis for a financial advice firm and is now being taken on as an employee.
- (a) State **two** statutory rights she was eligible for as a self-employed contractor. (2)
- (b) State **eight** statutory rights she will be eligible for as an employee. (8)
7. Identify and state a feature of **each** stage of the Conscious Competence Learning Matrix. (8)
8. Gideon is delivering a presentation to the senior leadership team. Alexis, his mentor, will be observing this presentation and will provide feedback.
- Outline the key actions that should be taken by Alexis to provide effective feedback to Gideon. (8)
9. State **five** key skills required to undertake an effective counselling session. (5)
10. Phil has made a complaint to his bank regarding being unable to access his bank account.
- (a) Explain briefly the obligations of the bank when notifying Phil of the outcome of the complaint. (5)
- (b) State **three** examples of complaint root causes. (3)

11. A large financial services firm is considering its Environmental, Social and Governance (ESG) business strategy.
- Explain briefly the key areas of ESG and provide **two** examples to illustrate **each** one. (9)
12. (a) Define career management within an organisation. (2)
- (b) Identify and provide an example of **each** of the five main components of career management. (10)
13. List the key indicators an organisation must evidence in **each** of the following areas to attain the Investors in People accreditation:
- (a) Leading. (3)
- (b) Supporting. (3)
- (c) Improving. (3)
14. (a) Identify **four** examples of unsatisfactory performance in the workplace. (4)
- (b) Outline **four** appropriate actions that a manager should take before commencing formal disciplinary proceedings. (4)
15. Explain the key features of a firm's disciplinary procedures, in line with ACAS guidance. (10)

**Total: 130**