

28097

Each Package contains:
Student Workbook (this sample)
Assessor Guidelines
Teaching Powerpoint
Assessment

Evaluate and select personal banking products and services in relation to personal financial needs

Level	2
Credits	3
Version	1



STUDENT WORKBOOK

NAME:

TEACHER:

Outcomes and evidence requirements

Outcome 1

Evaluate and select personal banking products and services in relation to personal financial needs.

Range:

- six banking products and services.

Evidence requirements

1.1 Banking products and services are described and compared in relation to costs and benefits, fees and charges, access mechanisms and security.

1.2 Preferred banking products and services are selected in terms of suitability to personal financial needs.

Award of Grades:

Achieved, Merit, or Excellence

This unit standard can be awarded with *Achieved*, *Merit*, or *Excellence*.

For the *Achieved* grade to be awarded, the outcome must be achieved as specified in the outcome statement.

For *Merit* or *Excellence* to be awarded, the candidate must meet the Merit or Excellence criteria specified below.

Criteria for Merit

The evaluation includes a detailed comparison of the banking products and services and gives reasons why selected products and services are preferred by making links to personal financial needs.

Criteria for Excellence

The evaluation includes a comprehensive comparison of the banking products and services and a justification for selection of the preferred banking products and services in terms of their suitability to personal financial needs.

Access mechanisms

1. EFTPOS
2. e-banking
3. telephone banking
4. mobile banking
5. branch staff
6. ATM
7. cheques

Access mechanisms:

EFTPOS

Electronic Funds Transfer at Point Of Sale

- EFTPOS is an electronic payment system involving electronic funds transfers based on the use of payment cards, such as debit or credit cards, at terminals located at points of sale.
- EFTPOS is highly popular in New Zealand.
- The system is operated by two providers, **Paymark Limited** (formerly Electronic Transaction Services Limited) which processes 75% of all electronic transactions in New Zealand, and **EFTPOS NZ**.

Tasks:

1. Describe three examples where it would be beneficial to use an EFTPOS card when making a payment?

2. Investigate EFTPOS charges to customers at three different banks.

Bank 1: _____

Bank 2: _____

Bank 3: _____

3. Analyse the results above. Which bank do you think offers the best deal for EFTPOS card users?

Access Mechanisms:

E-Banking (Online Banking)

- E or Online banking is an electronic payment system that enables customers of a financial institution to conduct financial transactions on a website operated by the institution, such as a retail bank, virtual bank, credit union or building society.
- Online banking is also referred as **internet banking, e-banking, virtual banking** and by other terms.
- The common features fall broadly into several categories:
A bank customer can perform **non-transactional tasks** through online banking, including –
 - a. viewing account balances
 - b. viewing recent transactions
 - c. downloading bank statements, for example in PDF format
 - d. viewing images of paid cheques
 - e. ordering cheque books
 - f. downloading periodic account statements
 - g. downloading applications for M-banking, E-banking etc
- Bank customers can **transact banking tasks** through online banking, including –
 - a. Funds transfers between the customer's linked accounts
 - b. Paying third parties, including bill payments and third party fund transfers
 - c. Investment purchase or sale
 - d. Loan applications and transactions
 - e. Credit card applications
 - f. Registering utility billers and making bill payments

Access Mechanisms:

Telephone Banking

- **Telephone banking** is a service provided by a bank or other financial institution, which enables customers to perform financial transactions **over the telephone**, without the need to visit a bank branch or automated teller machine (ATM).
- Telephone banking hours can be longer than branch opening times, and some financial institutions offer the service on a 24 hour basis.
- From the bank's point of view, telephone banking reduces the cost of handling transactions by reducing the need for customers to visit a bank branch for non-cash withdrawal and deposit transactions.

Tasks:

1. Compare the services offered by two different banks when doing telephone banking

Bank A:

Bank B:

2. Compare the two banks? Which one do you think offers the best service? Why?
3. Do the banks charge any fees for these services? If so for what?
4. Explain why banks prefer their customers to use telephone banking rather than visiting the bank?

Access Mechanisms:

Mobile Banking

- **Mobile banking** is a system that allows customers of a financial institution to conduct a number of financial transactions through a mobile device such as a mobile phone or tablet.
- Mobile banking differs from mobile payments, which involve the use of a mobile device to pay for goods or services, either at the point of sale or remotely, and to use a debit or credit card to effect an EFTPOS payment.
- The earliest mobile banking services were offered over SMS, a service known as SMS banking. With the introduction of smart phones with WAP support, enabling the use of the mobile web in 1999, the first European banks started to offer mobile banking on this platform to their customers.

Tasks:

1. Describe three benefits for customers of using mobile banking?

2. Explain the security used by two different banks to ensure mobile banking is secure.

Bank 1: _____

Bank 2: _____

Access Mechanisms:

Branch Staff

- Traditionally, the branch was the only channel of access to a financial institution's services. **Services** provided by a branch include:
 - a. cash withdrawals and deposits from a demand account with a bank teller,
 - b. financial advice through a specialist,
 - c. safe deposit box rentals,
 - d. bureau de change,
 - e. insurance sales etc.
- In the early 21st century, features such as automated teller machines (ATM), telephone and online banking, allow customers to bank from remote locations and after business hours.
- This has caused financial institutions to reduce their branch business hours and to merge smaller branches into larger ones.

Tasks:

1. Explain, using three specific examples, why someone may choose to visit their local branch to complete some banking.