

Title	Analyse and select strategies to manage the impact of external risk factors on personal finances		
Level	3	Credits	3

Purpose	People credited with this unit standard are able to analyse and select strategies to manage the impact of external risk factors on personal finances.
----------------	---

Classification	Core Generic > Financial Capability
-----------------------	-------------------------------------

Available grade	Achieved, Merit, and Excellence
------------------------	---------------------------------

Criteria for Merit	Analysis involves selection of one strategy and explanation of its use to manage the impact of external risk factors on personal finances.
---------------------------	---

Criteria for Excellence	Analysis involves justification of the same strategy used at Merit to manage the impact of external risk factors on personal finances.
--------------------------------	---

Guidance Information

- 1 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 above.
- 2 **Definition**
External risk factors refer to factors such as: international events, pandemics, interest rate changes, inflation, economic environment changes, employment issues, societal or demographic trends, climatic change, political and policy change, environmental issues, legislation, natural disasters, man-made disasters or events, technological and digital developments, and transport development.
Strategies refer to income protection, life insurance, disability / health insurance, house and contents insurance, motor vehicle insurance; online cyber-security; property and vehicle security and alarm systems; diversification of investment and personal savings portfolio.
- 3 **References**
Interest.co.nz – <https://www.interest.co.nz/>;
Ministry of Business, Innovation & Employment – <https://www.mbie.govt.nz/>;
NZX Markets – <https://www.nzx.com/>;
Reserve Bank of New Zealand – <https://www.rbnz.govt.nz/>;

Statistics New Zealand – <https://www.stats.govt.nz/>;
 World Health Organisation – <https://www.who.int/>;
 Civil Defence – <https://www.civildefence.govt.nz/>;
 Ministry of Social Development – <https://www.msd.govt.nz/>.

Outcomes and performance criteria

Outcome 1

Analyse and select strategies to manage the impact of external risk factors on personal finances.

Performance criteria

1.1 External risk factors are analysed in terms of their impact on personal finances.

Range three different external risk factors – one global, one national and one regional factor.

1.2 Strategies to manage the impact of external risk factors on personal finances are selected.

Range three different strategies required.

Planned review date	31 December 2025
----------------------------	------------------

Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	12 December 2013	31 December 2018
Republished	1	26 March 2015	31 December 2018
Review	2	21 July 2016	31 December 2022
Review	3	31 December 2020	

Consent and Moderation Requirements (CMR) reference	0226
--	------

This CMR can be accessed at <https://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact NZQA National Qualifications Services nqs@nzqa.govt.nz if you wish to suggest changes to the content of this unit standard.