



Australian Government

Department of Education, Employment and Workplace Relations

FNSIBK509A Identify and advise on significant risk changes to broking client insurances

Release: 1

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Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to identify additional exposures and advise broking clients on required changes to their insurance and implementing their instructions, and is undertaken in advance of the renewal or remarketing of the portfolio.</p> <p>This unit is applicable to individuals working within enterprises and job roles subject to licensing, legislative, regulatory or certification requirements including legislation administered by the Australian Securities and Investments Commission (ASIC).</p>
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Application of the Unit

Application of the unit	<p>This unit applies to insurance broking roles and may be applied within organisations of various sizes and across a range of customer bases.</p>
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Licensing/Regulatory Information

Not applicable.

Pre-Requisites

Prerequisite units		

Employability Skills Information

Employability skills	This unit contains employability skills.
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Elements and Performance Criteria Pre-Content

Elements describe the essential outcomes of a unit of competency.	Performance criteria describe the performance needed to demonstrate achievement of the element. Where bold italicised text is used, further information is detailed in the required skills and knowledge section and the range statement. Assessment of performance is to be consistent with the evidence guide.
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Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
1. Identify significant risk changes to insurance program	1.1. <i>Significant risk changes</i> are identified against existing level of client exposure 1.2. Objective risk assessment is undertaken 1.3. Existing business is reviewed in line with significant risk changes
2. Prepare advice to client	2.1. Advice is provided that is based on objective assessment of situation
3. Negotiate with insurers on behalf of client	3.1. Suitable markets for client requirements are identified 3.2. Terms and conditions are <i>negotiated</i> with insurer to protect client's business
4. Communicate options to client and obtain client instructions	4.1. <i>Alternative risk management strategies</i> are presented to provide client with viable options 4.2. Cost-benefit analysis of options is undertaken where appropriate 4.3. Client is provided with the opportunity to discuss and question alternatives 4.4. Clear and concise formal instructions are obtained 4.5. Client instructions are documented and confirmed to protect interests of client and broker

Required Skills and Knowledge

REQUIRED SKILLS AND KNOWLEDGE

This section describes the skills and knowledge required for this unit.

Required skills

- well-developed communication skills to:
 - determine and confirm information, using questioning and active listening techniques
 - write clear and accurate reports
 - make effective presentations
 - liaise with others, share information, listen and understand
 - use language and concepts appropriate to cultural differences
- numeracy and IT skills to:
 - perform calculations related to achieving required outcomes
 - use computer applications (word processing, spreadsheet, database, specific purpose computer systems) to assist in achieving required outcomes
 - use version control software
 - access and update records electronically
 - access web-based information services
- well-developed literacy skills to read and interpret documentation from a variety of sources and record and consolidate relevant related information and maintain currency of industry products and services knowledge
- research and analysis skills for accessing and interpreting relevant information
- interpersonal skills
- organisational skills, including the ability to plan and sequence work
- data analysis and interpretation skills

Required knowledge

- industry compliance requirements
- industry market position relative to product/line of business
- IT and communications systems
- marketing principles
- organisation policy and procedures
- relevant common law, legal systems and procedures
- risk management strategies
- the insurance market and policies
- underwriting guidelines and authorities

Evidence Guide

EVIDENCE GUIDE	
<p>The Evidence Guide provides advice on assessment and must be read in conjunction with the performance criteria, required skills and knowledge, range statement and the Assessment Guidelines for the Training Package.</p>	
Overview of assessment	
Critical aspects for assessment and evidence required to demonstrate competency in this unit	<p>Evidence of the ability to:</p> <ul style="list-style-type: none"> • demonstrate a sound appreciation of the principles and practice of cost-benefit analysis, insurance benefits, credit stability assessment, history of risk, claims history and level of supplier service • synthesise and coordinate all these aspects of the industry to monitor and provide advice on new insurance arrangements • proactively anticipate customer requirements and recommend the appropriate products.
Context of and specific resources for assessment	<p>Assessment must ensure:</p> <ul style="list-style-type: none"> • competency is demonstrated in the context of the work environment and conditions specified in the range statement either in a relevant workplace or a closely simulated work environment • access to and the use of a range of common office equipment, technology, software and consumables • access to organisation records • access to organisational policies and procedures.
Method of assessment	<p>A range of assessment methods should be used to assess practical skills and knowledge. The following examples, in combination, are appropriate for this unit:</p> <ul style="list-style-type: none"> • evaluating an integrated activity, which combines the elements of competency for the unit, or a cluster of related units of competency • observing processes and procedures in workplaces • verbal or written questioning on underpinning knowledge and skills • evaluating samples of work • accessing and validating third party reports • setting and reviewing workplace projects and business simulations or scenarios.
Guidance information for assessment	

Range Statement

RANGE STATEMENT	
<p>The range statement relates to the unit of competency as a whole. It allows for different work environments and situations that may affect performance. Bold italicised wording, if used in the performance criteria, is detailed below. Essential operating conditions that may be present with training and assessment (depending on the work situation, needs of the candidate, accessibility of the item, and local industry and regional contexts) may also be included.</p>	
<p><i>Significant risk changes</i> may involve:</p>	<ul style="list-style-type: none"> • complex technical determinations • high monetary impact • important client base.
<p><i>Negotiations</i> will usually involve:</p>	<ul style="list-style-type: none"> • developed interpersonal skills and analytical abilities.
<p><i>Alternative risk management strategies</i> may include:</p>	<ul style="list-style-type: none"> • risk transfer.

Unit Sector(s)

Unit sector	Insurance broking
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Competency field

Competency field	
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Co-requisite units

Co-requisite units		