



Australian Government

Department of Education, Employment and Workplace Relations

FNSIBK510A Assess and negotiate complex risk portfolio for broking client at renewal

Release: 1

FNSIBK510A Assess and negotiate complex risk portfolio for broking client at renewal

Modification History

Not applicable.

Unit Descriptor

Unit descriptor	<p>This unit describes the performance outcomes, skills and knowledge required to identify and assess risks involved with a complex insurance portfolio, and negotiate insurance changes/renewals. It may be applied where there are changes to the market conditions requiring a reassessment of an existing portfolio at renewal.</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
<p>1. Determine needs of client with complex risk portfolio</p>	<p>1.1. Risk assessment is completed in compliance with guidelines</p> <p>1.2. Similar situations that identify precedent are analysed to assist in complex risk portfolio analysis</p> <p>1.3. Comprehensive records are maintained of risk assessed and actions taken</p>
<p>2. Identify changes to insurance program</p>	<p>2.1. Changes are determined by appropriate review of portfolio requirements</p> <p>2.2. Specialist advice is sought as required</p> <p>2.3. Claims/losses history is obtained</p> <p>2.4. Changes in risk context and external environment are taken into account</p> <p>2.5. Client declarations/proposals are obtained as required by underwriters</p> <p>2.6. Client preferred options are identified</p>
<p>3. Negotiate complex renewals with insurers</p>	<p>3.1. Selected insurers are identified and approached</p> <p>3.2. Options and alternative portfolio structures are negotiated with insurers to obtain the most suitable program for client</p> <p>3.3. Negotiated renewals with insurers incorporating the level of cover required by client</p>
<p>4. Obtain client instructions for renewal</p>	<p>4.1. Outcomes of negotiation with insurers are advised to client to enable an informed decision to be made</p> <p>4.2. Advantages and disadvantages of available options are clearly explained to client</p> <p>4.3. Detailed recommendations are made</p> <p>4.4. Clear client instructions are obtained and documented</p>

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:
 - negotiate with clients and others
 - determine and confirm information, using questioning and active listening techniques
 - 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
 - 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
- research and analysis skills for accessing and interpreting relevant information
- interpersonal skills
- organisational skills, including the ability to plan and sequence work

Required knowledge

- cost-benefit analysis, insurance benefits, credit stability assessment techniques
- industry market position relative to product/line of business
- industry or organisation compliance requirements
- IT and communications systems
- characteristics of supplier service
- marketing principles and practice
- organisation policy, procedures and authorities and policy wording
- relevant legislation
- relevant client industry structure and trends

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"> • conduct client interviews, gather information and analyse options for presentation to the client • deal effectively with clients and negotiate with insurers.
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>	
<i>Risk assessment</i> may involve:	<ul style="list-style-type: none"> • amended policy schedules • existing policy schedules • using checklists.
<i>Complex risk portfolio</i> may involve:	<ul style="list-style-type: none"> • complex technical risks • high monetary impact • valuable client base.
<i>Specialists</i> are usually:	<ul style="list-style-type: none"> • technical experts in relevant fields.
<i>Negotiated options with insurers</i> include:	<ul style="list-style-type: none"> • deductibles/excesses required • price • scope of cover • security of carrier • type of policy product.

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		

