



Australian Government

FNSIBK402 Implement new or renewed insurance program for insurance broking clients

Release: 1

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Modification History

Release	Comments
Release 1	This version first released with FNS Financial Services Training Package Version 1.0.

Application

This unit describes the skills and knowledge required to implement a new or renewed insurance program based on a client's current objectives and risk situation.

It applies to individuals working within insurance broking enterprises who assess and review information to tailor specific personal advice for a retail client.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Refer to the FNS Implementation Guide Companion Volume or the relevant regulator for specific guidance on requirements.

Unit Sector

Insurance broking

Elements and Performance Criteria

ELEMENT	PERFORMANCE CRITERIA
<i>Elements describe the essential outcomes.</i>	<i>Performance criteria describe the performance needed to demonstrate achievement of the element.</i>
1. Establish relationship with client	1.1 Use appropriate communication skills to establish client's knowledge level and type of advice required 1.2 Respond to enquiries for advice on new or renewed insurance program by explaining range of insurance products and broking services available, associated fees and charging methodologies, role of adviser or principal responsible for adviser's conduct and procedures for complaints handling
2. Identify client objectives and risk situation	2.1 Complete risk assessment in compliance with brokerage guidelines to gather appropriate client information and determine client risk profile

ELEMENT	PERFORMANCE CRITERIA
	2.2 Confirm effective dates for insurance changes with client 2.3 Maintain comprehensive records of risks assessed and actions taken 2.4 Check and review records regularly to ensure information is current
3. Analyse changes to client's insurance program	3.1 Identify and record in writing all required changes using information gathered 3.2 Compare new and additional risks with current insurance program so that discrepancies are clear 3.3 Consult with client throughout analysis and seek advice about required changes without delay 3.4 Determine need for specialist advice and refer client to appropriate adviser for higher level or specialist advice if required 3.5 Obtain client declarations as required by underwriter
4. Negotiate program changes with insurers as required	4.1 Obtain terms to meet client requirements 4.2 Clarify terms required for renewal and change of client's insurance with insurers
5. Communicate options to client and obtain instructions	5.1 Advise clients about outcomes of negotiation with insurers to enable informed decisions to be made 5.2 Clarify options for client that specify client benefits and disadvantages 5.3 Present justified recommendations clearly to clients, responding to questions as required 5.4 Obtain client instructions to enable precise action to be taken 5.5 Forward renewal notices to client at least 14 days before policy expiry according to organisational timeframe requirements
6. Provide ongoing service where requested by client	6.1 Agree on type and form of ongoing service with client 6.2 Explain fees and costs of ongoing services and confirm client understanding 6.3 Provide ongoing service as requested by client

Foundation Skills

This section describes language, literacy, numeracy and employment skills incorporated in the performance criteria that are required for competent performance.

Skill	Performance Criteria	Description
Reading	2.1, 2.4, 3.2	- Gathers, interprets and analyses information from a range of sources and identifies relevant and key information, including company and industry policy wordings - Gathers information on industry trends and developments relevant to the client
Writing	2.1-2.3, 3.1, 3.3, 5.5, 6.2	- Accurately records and completes organisational documents and correspondence using clear language and correct spelling, grammar and terminology - Writes, edits and proofreads documents to ensure clarity of meaning, and accuracy and consistency of information
Oral Communication	1.1, 1.2, 2.1, 2.2, 3.3, 5.1-5.4, 6.2	- Articulates clearly using specific and relevant language suitable to the audience to convey requirements - Uses listening and questioning techniques to confirm understanding
Numeracy	1.2, 4.1, 6.2	Performs calculations to determine cost–benefit analyses, insurance requirements and fees according to predetermined methodologies
Navigate the world of work	2.1, 3.4	- Accepts responsibility and ownership for the task and makes decisions on completion parameters and the need to coordinate with others - Takes personal responsibility for following explicit and implicit policies, procedures and legislative requirements
Interact with others	1.2, 3.3, 3.4, 4.2, 6.1	- Selects and uses appropriate techniques when communicating with clients and insurers in a range of work contexts - Recognises and accommodates the particular needs, values, beliefs and cultural expectations of others - Uses collaborative techniques to negotiate agreed outcomes
Get the work done	1.2, 2.1-2.4, 3.3, 3.5, 4.1, 4.2, 5.1-5.5, 6.3	- Takes responsibility for planning, sequencing and prioritising tasks and own workload to meet organisational requirements - Applies systematic and analytical decision-making processes to make informed recommendations in

		relation to risk assessment • Uses digital technologies to access, enter and store information required to complete work tasks
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Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSIBK402 Implement new or renewed insurance program for insurance broking clients	FNSIBK402B Provide personal advice in general insurance broking products and services	Updated to meet Standards for Training Packages Title updated Significant wording changes Elements and performance criteria clarified and updated to reflect industry practice	No equivalent unit

Links

Companion Volume implementation guides are found in VETNet -

<https://vetnet.gov.au/Pages/TrainingDocs.aspx?q=c7200cc8-0566-4f04-b76f-e89fd6f102fe>

Assessment Requirements for FNSIBK402 Implement new or renewed insurance program for insurance broking clients

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Performance Evidence

Evidence of the ability to:

- collect information about a client's risk needs using appropriate brokerage risk assessment tools and guidelines
- undertake an assessment of client's risks
- conduct research to identify appropriate products and undertake a product comparison and cost-benefit analysis to support recommendations
- use effective communication skills in working with clients and product providers to ensure appropriate insurance program solution is attained.

Note: If a specific volume or frequency is not stated, then evidence must be provided at least once.

Knowledge Evidence

To complete the unit requirements safely and effectively, the individual must:

- outline the application of company or organisational policy, procedures and authorities relating to implementing new or renewed insurance programs for broking clients
- describe the analysis and application of information on insurance industry trends and developments in the advisory process
- outline the analysis of insurance product types and company or industry policy wordings in developing recommendations for broking clients
- identify and outline the relevant generic knowledge requirements as identified by the regulator for advice to retail clients.

Assessment Conditions

Assessment must be conducted in a safe environment where evidence gathered demonstrates consistent performance of typical activities experienced in the insurance broking field of work and include access to:

- common office equipment, technology, software and consumables
- organisational records
- organisational policy and procedures.

Assessors must satisfy NVR/AQTF assessor requirements

Links

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