



**Australian Government**

# **FNSIBK416 Deliver insurance broking services**

**Release: 2**

# FNSIBK416 Deliver insurance broking services

## Modification History

| Release   | Comments                                                                                                                                      |
|-----------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| Release 2 | This version first released with FNS Financial Services Training Package Version 7.0.<br>Minor changes to Element 4 and Performance Evidence. |
| Release 1 | This version first released with FNS Financial Services Training Package Version 5.0.                                                         |

## Application

This unit describes the skills and knowledge required to deliver insurance broking services to clients. It includes responding to client enquiries for broking services, undertaking risk assessments, and establishing arrangements for providing ongoing services.

The unit applies to those who use well-developed communication and administrative skills when providing broking assistance in a range of client services. Individuals may work in small or large brokerage organisations dealing with retail and/or commercial clients.

Work functions in the occupational areas where this unit may be used are subject to regulatory requirements. Users are advised to check with the relevant state and territory regulatory authorities to confirm those 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. Respond to client enquiries for broking services | 1.1 Identify nature of broking services required to satisfy enquiry<br>1.2 Confirm information and identify research activities required to prepare response to enquiries according to organisational policies and procedures<br>1.3 Conduct research, collect and process information, and prepare response according to legislative and organisational requirements |

| ELEMENT                                                              | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|----------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                      | 1.4 Communicate information to client and seek feedback and additional requirements<br>1.5 Inform client of disclosure requirements according to legislative and regulatory requirements                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 2. Undertake risk assessment                                         | 2.1 Determine client's insurance needs based on client objectives and by undertaking assessment of current risk situation<br>2.2 Identify and discuss insurable and non-insurable risk exposures with client<br>2.3 Identify cover requirement changes to client's existing insurance program as advised by client<br>2.4 Maintain and review record of assessment                                                                                                                                                                                                                                                                  |
| 3. Assess suitable cover and placement of risk                       | 3.1 Conduct product research to determine most suitable product to meet risk exposure<br>3.2 Review policy conditions relevant to client's risk exposures<br>3.3 Conduct market research to determine suitable insurers<br>3.4 Negotiate with insurers as required to obtain terms for placement of cover                                                                                                                                                                                                                                                                                                                           |
| 4. Finalise insurance cover                                          | 4.1 Review terms and conditions of insurer's offer and sums insured with client<br>4.2 Communicate outcomes of negotiations and detailed information on options available to client<br>4.3 Make recommendations to client and obtain client instructions to enable precise actions to be taken<br>4.4 Complete required documentation, and confirm premiums and statutory imposts prior to issuing instructions for completion of cover to insurer<br>4.5 Bind cover as instructed by client and issue documentation as required by organisational policies and procedures<br>4.6 Monitor payment of premium and hold covered terms |
| 5. Agree to and implement arrangements for providing ongoing service | 5.1 Agree to type and form of ongoing services to provide<br>5.2 Implement procedures for agreed ongoing services according to organisational policies and procedures<br>5.3 Review client's claims history regularly and identify additional risk exposures associated with clients who regularly lodge claims<br>5.4 Undertake immediate changes to insurance program when requested by client<br>5.5 Review terms of renewals and remarkets if required<br>5.6 Confirm premium payments are made within required endorsement or renewal offer period<br>5.7 Provide claims service when required                                 |

## Foundation Skills

*This section describes those language, literacy, numeracy and employment skills that are essential to performance but not explicit in the performance criteria.*

| SKILL                   | DESCRIPTION                                                                                                                                                                                                                                                       |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Numeracy                | <ul style="list-style-type: none"><li>Performs calculations to determine insurance requirements and fees and costs according to predetermined methodologies</li></ul>                                                                                             |
| Oral communication      | <ul style="list-style-type: none"><li>Speaks clearly using language, tone and pace suitable to audience and purpose</li><li>Uses active listening and questioning techniques to clarify and confirm understanding</li></ul>                                       |
| Reading                 | <ul style="list-style-type: none"><li>Researches and interprets information from various sources in a range of formats to establish client needs and determine relevant products</li><li>Gathers, analyses and interprets information on policy wording</li></ul> |
| Writing                 | <ul style="list-style-type: none"><li>Records and completes organisational documentation and correspondence</li></ul>                                                                                                                                             |
| Planning and organising | <ul style="list-style-type: none"><li>Plans, organises and implements tasks, aiming to complete them efficiently and according to organisational requirements</li></ul>                                                                                           |
| Problem solving         | <ul style="list-style-type: none"><li>Applies systematic and analytical decision-making processes to make informed recommendations in relation to risk assessment</li></ul>                                                                                       |
| Self-management         | <ul style="list-style-type: none"><li>Follows legislative requirements and organisational protocols, policies and procedures relevant to own role</li></ul>                                                                                                       |
| Teamwork                | <ul style="list-style-type: none"><li>Selects and uses relevant communication conventions and protocols to liaise with clients and insurers in a range of contexts</li><li>Uses collaboration techniques to negotiate agreed outcomes</li></ul>                   |
| Technology              | <ul style="list-style-type: none"><li>Uses the main features and functions of digital tools to complete work tasks</li></ul>                                                                                                                                      |

## Unit Mapping Information

No equivalent unit. Supersedes and is not equivalent to FNSIBK406 Deliver professional insurance broking services.

## Links

Companion Volume Implementation Guide is found on VETNet -

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

# Assessment Requirements for FNSIBK416 Deliver insurance broking services

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## Performance Evidence

The candidate must demonstrate the ability to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including evidence of the ability to:

- deliver the following four insurance broking services that meet legislative and organisational requirements to at least one client:
  - respond to client enquiry for broking services
  - undertake risk assessment
  - finalise client's insurance cover
  - agree to and implement arrangements for providing ongoing service to client.

In the course of the above, the candidate must:

- provide responses to a range of enquiries in line with client needs and outcome of risk assessment
- use organisational tools to collect, analyse and record information to provide broking services
- access and complete required documentation.

## Knowledge Evidence

The candidate must be able to demonstrate knowledge to complete the tasks outlined in the elements, performance criteria and foundation skills of this unit, including knowledge of:

- legislative requirements and industry codes of practice relating to providing insurance broking services
- organisational policies, procedures and authorities for broking services, including for:
  - dealing with client enquiries

- conducting research relevant for broking services
- identifying errors and inconsistencies in assessment records
- insurance service processes and standards in relation to:
  - information collection
  - risk assessment and methods for assessing cover
  - placing client insurances
  - providing follow-up assistance
- insurance and risk plans for typical retail and commercial client situations and risk profiles
- details of insurance programs, including:
  - terms and required timeframes of settlement
  - terms and conditions of policy
  - extent of cover
  - optional extras
  - excess
- insurance product and policy types and their:
  - corresponding levels of supplier services
  - terms and conditions, including benefits and exclusions
  - cost and fee structures
  - disclosure requirements
- methodology and sources of information relating to assessing insurance cover and placing risk.

## Assessment Conditions

Skills in this unit must be demonstrated in a workplace or simulated environment where the conditions are typical of those in a working environment in this industry.

This includes access to:

- office equipment, technology and software
- organisational records and relevant documents
- organisational policies and procedures.

Assessors of this unit must satisfy the requirements for assessors in applicable vocational education and training legislation, frameworks and/or standards.

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