



Australian Government

FNSIBK514 Manage a complex risk portfolio for a broking client

Release: 1

FNSIBK514 Manage a complex risk portfolio for a broking client

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 manage clients with a complex insurance portfolio by identifying and assessing risks and negotiating insurance changes and/or renewals. It also involves identifying additional exposures and advising on changes to the insurance program.

It applies to individuals who have well-developed interpersonal, analytical and communication skills who generally work with commercial or corporate clients to synthesise industry information and monitor the client's need for new products or changes to the product needs of clients.

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. Identify significant risk changes impacting on client portfolio	1.1 Monitor client requests for program changes to identify significant variations 1.2 Monitor and analyse external environment against client program to identify major changes to level of risk exposure 1.3 Undertake objective risk assessment in compliance with guidelines to identify changes to existing level of client exposure 1.4 Seek specialist advice as required

ELEMENT	PERFORMANCE CRITERIA
	Analyse similar situations to identify precedents that will assist in analysis of complex risk portfolio 1.6 Maintain comprehensive records of risk assessed and actions taken
2. Advise client on changes to insurance program	2.1 Provide advice based on objective assessment of situation that takes into account changes in risk context and external environment 2.2 Present alternative risk management strategies to provide client with viable options for risk treatment 2.3 Undertake a cost–benefit analysis of options where appropriate 2.4 Obtain client declarations as required by underwriter/s 2.5 Identify, record and verify client’s preferred options
3. Negotiate complex changes and/or renewals with insurers	3.1 Identify suitable market for client requirements and approach selected insurers 3.2 Obtain client instructions for negotiated outcomes with insurers 3.3 Negotiate options and alternative portfolio structures with insurers to obtain most suitable program for client 3.4 Obtain negotiated outcomes that provide level of cover required by client
4. Obtain client instructions for renewal	4.1 Advise client of outcomes of negotiation with insurers and provide client with opportunity to discuss and question alternatives 4.2 Explain benefits and disadvantages of available options clearly to client 4.3 Make fully justified recommendations 4.4 Clarify and document client instructions 4.5 Forward renewal notices to client at least fourteen days prior to policy expiry, according to organisational requirements

Foundation Skills

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

Skill	Performance	Description
-------	-------------	-------------

	Criteria	
Reading	1.2, 1.3, 1.6, 3.1,	Organises, interprets and critiques material from a range of sources and identifies relevant and key information
Writing	1.6, 3.3, 4.1-4.4	- Develops material for a specific audience using clear and detailed language to convey explicit information, requirements and recommendations - Collates and analyses client risk and claims history
Oral Communication	2.1, 2.2, 3.3, 4.1-4.4	- Participates in verbal exchanges using tone and language suitable to the audience - Employs listening and questioning techniques to confirm understanding
Numeracy	1.3, 1.5, 2.3	Undertakes data analysis and performs accurate mathematical calculations to undertake risk assessment and cost–benefit analysis
Navigate the world of work	1.3, 2.4, 3.2, 4.5	Takes full responsibility for ensuring that documentation and advice comply with relevant legislative requirements and organisational procedures
Interact with others	1.4, 2.1, 2.2, 2.4, 2.5, 3.2, 3.3	- Selects and uses appropriate conventions and protocols to liaise with client and others 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	1.1-1.6, 2.1-2.5, 3.1-3.4, 4.1-4.5	- Accepts responsibility for planning and sequencing complex tasks and workload to meet service requirements - Systematically gathers and analyses all relevant information and evaluates options to make recommendations - Uses digital technologies to access, enter and store information required to complete work tasks

Unit Mapping Information

Code and title current version	Code and title previous version	Comments	Equivalence status
FNSIBK514 Manage a complex risk portfolio for a	FNSIBK510A Assess and negotiate complex risk portfolio	Revised unit covers FNSIBK509A and	No equivalent unit

Code and title current version	Code and title previous version	Comments	Equivalence status
broking client	for broking client at renewal FNSIBK509A Identify and advise on significant risk changes to broking client insurances	FNSIBK510A	

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 FNSIBK514 Manage a complex risk portfolio for a broking client

Modification History

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

Performance Evidence

Evidence of the ability to:

- synthesise and coordinate knowledge of the industry to monitor the need for new products or changes to product needs of clients
- undertake client interviews, gather information and analyse options, based on risk assessment methodologies, for presentation to the client
- undertake an assessment of a complex risk portfolio and identify gaps in losses and claims to be addressed
- conduct cost–benefit analysis, review of insurance benefits, credit stability assessments, review of claims history and level of supplier service
- negotiate effectively with insurers to obtain appropriate and optimal outcomes for the client
- obtain and document client instructions for renewal.

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 methods of analysis of the client's industry structure and trends
- explain the application of relevant legislation and compliance requirements on client management procedures
- explain application of company policy, procedures and authorities in developing management plans for clients with complex portfolios and risks
- illustrate cost–benefit analysis in the management of complex client portfolios or those with significant risk changes
- explain methods for analysing policy wordings
- explain the key marketing principles and practices that are applied to the management of complex client portfolios

- provide an example of the application of risk assessment and risk management strategies in developing risk management plans for clients with complex risks.

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

Companion Volume implementation guides are found in VETNet -

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