



**Australian Government**

# **FNSIBK518 Implement changes to insurance programs of broking clients**

**Release: 1**

# FNSIBK518 Implement changes to insurance programs of broking clients

## Modification History

| Release   | Comments                                                                              |
|-----------|---------------------------------------------------------------------------------------|
| 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 identify and implement insurance program changes for an insurance broking client, including undertaking a review of the existing portfolio and insurance history. It involves making changes following a prior review of the client's personal and/or business needs.

The unit applies to both general and life insurance brokers in small or large brokerage organisations who provide advice to wholesale and retail clients. It applies to those who apply well-developed interpersonal, analytical and communication skills when dealing with retail and/or wholesale 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. Identify required risk changes to insurance program | 1.1 Establish required changes to program using checklist or questionnaire<br>1.2 Identify alternative risk management strategies to provide client with viable options<br>1.3 Review current insurance program to determine whether existing cover can be endorsed and whether new covers are required<br>1.4 Seek instructions from client about required changes according to |

| ELEMENT                                                | PERFORMANCE CRITERIA                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                        | organisational procedures                                                                                                                                                                                                                                                                                                                                                                 |
| 2. Negotiate change with insurers                      | 2.1 Establish availability of market with terms relevant to client requirements<br>2.2 Negotiate terms required for change with suppliers<br>2.3 Identify options for client according to client requirements<br>2.4 Communicate negotiation outcome, and benefits and disadvantages of identified options                                                                                |
| 3. Obtain client instructions for program amendments   | 3.1 Assist client to make decisions on program changes according to legislative requirements<br>3.2 Record agreed client instructions on changes according to organisational procedures to ensure information is current<br>3.3 Confirm client instructions and protect interests of both broker and client<br>3.4 Complete required documentation according to organisational procedures |
| 4. Agree to arrangements for providing ongoing service | 4.1 Agree to type and form of ongoing service with client<br>4.2 Explain fees and costs for ongoing and specifically defined services, and confirm client understanding<br>4.3 Implement procedures and schedule for agreed ongoing service according to organisational policies and procedures                                                                                           |

## 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                                                                                                                                                                                                                    |
|--------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Learning           | <ul style="list-style-type: none"> <li>Maintains knowledge of products, services and legislation relevant to own role</li> </ul>                                                                                               |
| Numeracy           | <ul style="list-style-type: none"> <li>Analyses and interprets basic statistical data and performs mathematical calculations to achieve required outcomes</li> </ul>                                                           |
| Oral communication | <ul style="list-style-type: none"> <li>Participates in verbal exchanges using tone and language suitable to audience and purpose</li> <li>Uses active listening and questioning techniques to confirm understanding</li> </ul> |
| Reading            | <ul style="list-style-type: none"> <li>Organises, interprets and critiques material from a range of sources and identifies key information</li> </ul>                                                                          |
| Writing            | <ul style="list-style-type: none"> <li>Develops material for a specific audience using clear and detailed language to convey explicit information, requirements and</li> </ul>                                                 |

| SKILL                     | DESCRIPTION                                                                                                                                                                                                                            |
|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                           | recommendations                                                                                                                                                                                                                        |
| Initiative and enterprise | <ul style="list-style-type: none"><li>• Takes responsibility for ensuring that documentation and advice comply with legislative and organisational procedures</li></ul>                                                                |
| Planning and organising   | <ul style="list-style-type: none"><li>• Accepts responsibility for planning and sequencing complex tasks and workload to meet service requirements</li></ul>                                                                           |
| Problem solving           | <ul style="list-style-type: none"><li>• Systematically gathers and analyses required information and evaluates options to make recommendations</li></ul>                                                                               |
| Teamwork                  | <ul style="list-style-type: none"><li>• Selects and uses relevant conventions and protocols to liaise with the client and others 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 digital technologies to access, enter and store information</li></ul>                                                                                                                     |

## Unit Mapping Information

Supersedes and is equivalent to FNSIBK508 Implement changes to broking client's insurance program.

## 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 FNSIBK518 Implement changes to insurance programs of broking clients

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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:

- implement changes to broking client's insurance program for at least two different clients.

In the course of the above, the candidate must:

- review existing client portfolio and client insurance history to identify gaps in the portfolio and recommend strategies to cater to client needs
- undertake risk assessment to ensure changed insurance program is suitable
- develop a communication strategy that demonstrates gathering and analysis of information and development of options, and shows justification for recommended lines of action.

## 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 relating to implementing changes to broking clients' insurance programs
- organisational policies and procedures relating to improving service to broking clients
- principles and methods of cost-benefit analysis in recommending changes to client insurance programs
- available communication strategies relevant to recommendation of changes to insurance programs
- commercial and financial lines product knowledge and offerings available in the market
- key features of risk-management strategies available to broking clients
- aspects of ongoing service provision, including:
  - reporting on performance
  - review of insurance program.

## 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:

- organisational equipment, technology, software and consumables
- organisational records
- 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.

## Links

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