

Phase I

Essentials of

Risk and Insurance

Course Objectives

At the end of this course, the agents will :

- X be aware of the relevant sections of the new insurance act
- X understand the concepts of risk and insurance.
- X know the importance of the legal aspects of insurance relating to claims
- X understand the concepts of Risk Management especially in the areas of Risk Identification and Risk Control and the Benefits of Insurance
- X know the structure and the performance of the General Insurance Market

MODULE 1 : ESSENTIALS OF RISK AND INSURANCE

Session I - Relevant Sections of the New Insurance Act

- X Section 141
- X Section 149
- X Section 150
- X Section 151
- X Section 184
- X Section 186
- X Section 205

Session 2 - Risk and Insurance

- X Concepts of Risk
- § Concepts of Insurance
- X Functions of insurance
- X Benefits of Insurance
- X Legal aspects of insurance
 - Why Insurers do not pay claims?
 - Insurable interest
 - Utmost good faith
 - Proximate cause
 - Breaches of Policy Conditions
 - Breaches of Policy Warranties
 - Why insurers do not pay in full?
 - Indemnity and the application of average
 - Subrogation
 - Contribution
 - Other factors which affects indemnity
- X Insurance Documentation
 - Proposal Forms
 - Cover Notes
 - Certificates of Insurance
 - Policy Jacket
- X Overview of Claims Handling Procedures

Session 3 - The Concept of Risk Management

- X Concept and Definition of Risk Management
- X Risk Identification
- X Physical Risk Control
- X Financial Risk Control
- X Benefits to the Agents and the Insurers

MODULE 2 - PREPARING EFFECTIVE QUOTATIONS

Session 1 - The Preparations

1. The Most Important Person in Selling

- \$ Preparations
- \$ Changes

2. Product Knowledge

- \$ What are you Selling?
- \$ The Fundamentals of Insurance and Claims
- \$ Customer=s Expectations and Image Problems
- \$ How to Package your Insurances to suit Individual Customers
- \$ The Need to Developing Selling Tools to Set Customers
- \$ How to Win Confidence

3. The Customer

- \$ What Potential Customers?
 - Importance of Prospecting
 - Habitual
 - Cold Calling / Prepare Your Call Objective
 - One Minute Presentation
- . Know Your Potential Customer
- . Analyse Your Customers
- . Identify his Insurance Needs
- . Prepare Your Insurance Programme based on Ways to Satisfy these Needs
- . The Use of Risk Management Techniques
- . The Need to be a Chameleon

4. Pro Forma

- . Property Insurance Checklist
- . Net Income Insurance Checklist
- . Liability Insurance Checklist
- . Personnel Insurance Checklist

Session 2 - The Meetings

1. **Setting up an Appointment for the First Meeting**
 - Fixed a definite Date and Time
 - Reconfirm on that Same Day
 - Be There!

2. **Agenda for the First Meeting**
 - Ice Breaker
 - Explain the Purpose of the Meeting
 - Information Gathering
 - Physical Inspection

3. **Developing Selling Tools to Set Customers**
 - Property Loss Exposures and Insurance Needs
 - Net Income Loss Exposures and Insurance Needs
 - Liability Loss Exposures and Insurance Needs
 - Personnel Loss Exposures and Insurance Needs

4. **Agenda for the Second Meeting**
 - Explain the Purpose of the Meeting
 - The Presentation of Your Insurance Programme
 - The Sales Talk

5. **The Sales Talk or Presentation**
 - Identify Customer=s Insurance Needs based on Loss Exposures
 - Emphasize your Insurance Programme as the Best Risk Control & Risk Financing Solutions
 - Work out and Explain in Detail your Quotations
 - Establish the Reasons for the Pricing (if on the high side)
 - Be Sincere (You are there to advise him on his insurance needs)
 - Be in Control (never lose it, be polite, confident and sincere)
 - The Art of Turning
 - Dealing With Objections
 - Implied Authority
 - The Closing

Session 3 - After Sales Service

1. **Follow ups**

- Thank You Cards, Telephone Calls, Visits
- Dealing with Complaints

2. **Deliver**

- Always Keep Promises that was made in the Closing
- Check Through the Policies
- Check on Premium Warranties
- Record the Expiry Dates
- Ensure the Delivery of the Insurance Policies
- Establish Trust and Reliability

3. **Referrals**

- Better than Cold Calling
- Better if supported by Recommendations
- A Convinced Satisfied Customer
- No Embarrassment Attached