

# Customer service in insurance

## Objective

To provide knowledge and understanding of the customer service within the context of an insurance environment.

Summary of learning outcomes	Number of questions in the examination*
1. Know how to fulfil customer requirements in the insurance sector	9
2. Understanding the importance of customer feedback to improve service in the insurance sector	4
3. Understand the importance of good communication to maintain and build client relationships in the insurance industry	7
4. Know how to deal with conflict within an insurance environment	4
5. Understand the importance of keeping accurate and confidential records when dealing with customers	3
6. Know how to manage own workload and time to meet business requirements and timescales	2
7. Know how to work with others to achieve team and organisational objectives	7
8. Understand the sales process	7
9. Know how to increase sales activities	4
10. Know the main regulatory and legal requirements applicable to the application of insurance business	3

\*The test specification has an in-built element of flexibility. It is designed to be used as a guide for study and is not a statement of actual number of questions that will appear in every exam. However, the number of questions testing each learning outcome will generally be within the range plus or minus 2 of the number indicated.

## Important notes

- **Method of assessment:** 50 multiple choice questions (MCQs) written to 10 case studies. 90 minutes is allowed for this examination.
- This syllabus will be examined from 1 September 2013 until 31 December 2014.
- Candidates will be examined on the basis of English law and practice unless otherwise stated.
- Candidates should refer to the CII website for the latest information on changes to law and practice and when they will be examined:
  - 1) Visit [www.cii.co.uk/qualifications](http://www.cii.co.uk/qualifications)
  - 2) Select the appropriate qualification
  - 3) Select your unit on the right hand side of the page

## **1. Know how to fulfil customer requirements in the insurance sector**

- 1.1 Outline the structure and operation of the insurance market
- 1.2 Describe the features of utmost good faith
- 1.3 Describe the methods used to obtain material facts
- 1.4 Explain the various types of customer in the insurance sector including their needs and demands
- 1.5 Explain the importance of customers' experiences in developing good relationships
- 1.6 Explain the link between customers' previous experiences and their future likely buying intentions
- 1.7 Explain why it is important to observe legal, organisational and ethical rules when providing information to customers
- 1.8 Explain why it is important to give customers current and accurate information
- 1.9 Explain the possible consequences of not giving customers current and accurate information
- 1.10 Explain the importance of effective complaints handling
- 1.11 Explain the factors affecting the attraction and retention of customers
- 1.12 Explain ways in which relationships with customers can be improved
- 1.13 Describe the issues and concerns which may affect both internal and external customers
- 1.14 Explain the importance of keeping customers updated on progress

## **2. Understanding the importance of customer feedback to improve service in the insurance sector**

- 2.1 Explain the importance of customer feedback
- 2.2 Describe different methods of collecting formal and informal feedback
- 2.3 Explain various ways that feedback can be depicted (charts, graphs, pictograms)
- 2.4 Describe Data Protection legislation and its implications for collecting, storing and using customer feedback

## **3. Understand the importance of good communication to maintain and build client relationships in the insurance industry**

- 3.1 Explain the stages in the communication process
- 3.2 Describe barriers to communication and how these can be overcome
- 3.3 Explain the advantages and disadvantages of the various methods of communication

- 3.4 Explain how non-verbal communication can influence relationships in the insurance industry
- 3.5 Explain why it is important to use feedback to check the effectiveness of the information being conveyed
- 3.6 Explain the importance of accurate and clear written communication
- 3.7 Describe the steps of the ideal call structure and the skills needed at each stage
- 3.8 List common forms of challenging calls and describe ways to deal with them

## **4. Know how to deal with conflict within an insurance environment**

- 4.1 Describe factors that can trigger an angry response in customers
- 4.2 Explain the stages in the escalation of conflict
- 4.3 Explain the importance of following organisational policies and guidelines when dealing with conflict situations
- 4.4 Describe ways in which conflict can be diffused

## **5. Understand the importance of keeping accurate and confidential records when dealing with customers**

- 5.1 Explain the importance of keeping accurate records of communication with customers
- 5.2 Explain the importance of keeping customers' information confidential
- 5.3 Explain the possible consequences of not maintaining client confidentiality

## **6. Know how to manage own workload and time to meet business requirements and timescales**

- 6.1 Describe factors that may impact on personal workload and time availability
- 6.2 Explain techniques for managing workload and time more effectively

## **7. Know how to work with others to achieve team and organisational objectives**

- 7.1 Explain what makes teams effective
- 7.2 Explain how relevant information can be shared to enhance team effectiveness and lead to a positive customer experience
- 7.3 Explain how individual behaviour can have a positive or negative effect on the team and how this may impact the customer
- 7.4 Explain how individuals can contribute towards the achievement of team and organisational goals
- 7.5 Explain how improved interpersonal skills can improve the effectiveness of the team and provide a positive customer experience

7.6 Explain what situations should be referred to someone with higher authority

## 8. Understand the sales process

- 8.1 Explain the difference between processing orders and selling
- 8.2 Describe the stages that lead to a sale
- 8.3 Explain the difference between advised and non-advised sales
- 8.4 Describe the key characteristics in successful face-to-face and telephone selling
- 8.5 Explain how telephone selling differs from other selling methods
- 8.6 Explain the preparation and structure of a telephone selling call

## 9. Know how to increase sales activities

- 9.1 Explain how to obtain sufficient information from customers to support sales
- 9.2 Describe how to make links between information provided by customers and products to create sales opportunities
- 9.3 Describe how to communicate the features and benefits of products to customers
- 9.4 Explain how to identify cross-selling and up-selling opportunities
- 9.5 Explain how to develop customer loyalty and retention

## 10. Know the main regulatory and legal requirements applicable to the application of insurance business

- 10.1 Explain the role of the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA) in the authorisation, supervision and regulation of insurers
- 10.2 Explain the principles of Treating Customers Fairly (TCF)
- 10.3 Describe the FCA's requirements in relation to handling complaints
- 10.4 Describe the services provided by the Financial Ombudsman Service

## Reading list

The following list provides details of various publications which may assist with your studies. Periodicals and publications will be of value in ensuring candidates keep up to date with developments and in providing a wider coverage of syllabus topics. Any reference materials cited are authoritative, detailed works which should be used selectively as and when required.

**Note: The examination will test the syllabus alone.**

The reading list is provided for guidance only and is not in itself the subject of the examination.

CII/Personal Finance Society members can borrow most of the additional study materials below from Knowledge Services. CII study texts can be consulted from within the library. For further information on the lending service, please go to [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge).

## CII study texts

Customer service in insurance. London: CII. Study text IF9.

## Additional reading

### Factfiles and other online resources

The regulation of general insurance and protection business. Tony Wiltshire, rewritten and updated by Ian Youngman. London: CII Knowledge Services. Updated as necessary. Available online (CII/Personal Finance Society members only) via [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge).

The Financial Ombudsman Service and general insurance. Peter Tyldesley, Saira Paruk. London: CII Knowledge Services. Updated as necessary. Available online via [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge) (CII/Personal Finance Society members only).

Efficiency tactics within the insurance industry (forthcoming May 2013). Ian Searle. London: CII Knowledge Services. Updated as necessary. Available online via [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge) (CII/Personal Finance Society members only).

A useful guide to sales. Pansophix. Available online via [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge) (CII/Personal Finance Society members only).

A useful guide to customer services. Pansophix. Available online via [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge) (CII/Personal Finance Society members only).

## Reference materials

Dictionary of insurance. C Bennett. 2nd ed. London: Pearson Education, 2004. Also available online (CII/Personal Finance Society members only) via [www.cii.co.uk/knowledge/resources](http://www.cii.co.uk/knowledge/resources).

## Periodicals

The Journal. London: CII. Six issues a year. Also available online (CII/Personal Finance Society members only) via [www.cii.co.uk/knowledge](http://www.cii.co.uk/knowledge).

Post Magazine. London: Incisive Financial Publishing. Weekly.

## Examination guide

An examination guide, which includes a specimen paper, is available to purchase via [www.cii.co.uk](http://www.cii.co.uk).

If you have a current study text enrolment the specimen paper is included, as a mock test, via Revisionmate ([www.revisionmate.com](http://www.revisionmate.com)). Details on how to access this resource are on the first page of the study text.

## Exam technique/study skills

There are many modestly priced guides available in bookshops. You should choose one which suits your requirements.

The Insurance Institute of London holds a lecture on revision techniques for CII exams approximately three times a year. The slides from their most recent lectures can be found at [www.cii.co.uk/knowledge/iilrevision](http://www.cii.co.uk/knowledge/iilrevision) (CII/Personal Finance Society members only).