



Competency Profile

Life Insurance Agent

February 2013

Presentation of the competency profile

The competency profile presented to you today is the result of consultations held through occupational analysis workshops in which over 80 representatives from British Columbia, Alberta, Ontario, Quebec and New-Brunswick participated. Although it does not textually reproduce the workshop participants' statements, this profile covers the full scope of tasks and operations compiled during the workshops. It constitutes the first component of an updated curriculum for the occupation of life insurance representative.

The competency profile is divided into three major sections: areas, competencies and competency components. Areas are significant clusters of competencies oriented along the major axes of the occupation.

Competencies are structured as integrated groups of skills, knowledge, behaviors, strategies, perceptions and attitudes.

Competency components may refer to processes, products or results. They may be formulated identically for different competencies yet each component is contextualised based on the competency to which it refers. Clarifications are provided for each competency component to underline the gestures, products or attitudes required to accomplish them.

The competency profile is meant to cover all tasks and operations that a new life insurance representative may accomplish upon beginning his or her career. However, certain competencies and competency components may not apply to all representatives, depending on their practice.

Furthermore, evaluation criteria will not be developed for all competencies and competency components presented in the profile. Only those competencies and components that will be deemed relevant to consumer protection will be selected for the qualification exams. However, the entire profile will nonetheless be of interest to trainers wishing to offer training covering the full scope of tasks and operations associated with the occupation.

AREA A — PROSPECTING OF CLIENTS

<p>A1 — Implementing marketing strategies</p>	<p>A1.1 – Analyzing trends influencing purchasing behaviors</p>	<p>Includes determining the targeted clientele, compiling major trends that influence purchasing behaviors, and establishing links between the two.</p>
	<p>A1.2 – Defining product-appropriate marketing strategies</p>	<p>Includes compiling various marketing strategies and evaluating them according to the products offered</p> <p>This step may lead to the elaboration of a marketing plan.</p>
	<p>A1.3 – Adopting a range of techniques to increase sales</p>	<p>Includes implementing the marketing plan, which may comprise the use of means such as:</p> <ul style="list-style-type: none"> • advertisements; • promotional tools; • sales management systems; • etc. <p>The use of these means must be compliant with provider’s communication guidelines and rules of ethics.</p>
	<p>A1.4 – Assessing the effectiveness of selected marketing strategies</p>	<p>Includes comparing implemented marketing strategies, investments made and market requirements.</p>
<p>A2 — Establishing business relations</p>	<p>A2.1 – Developing a prospecting plan</p>	<p>Includes determining the most relevant prospecting techniques based on products offered and targeted clientele.</p> <p>Also includes determining complementary techniques which, together, may increase prospecting results.</p>
	<p>A2.2 – Using a range or prospecting techniques</p>	<p>Includes, among others, the use of such varied techniques as:</p> <ul style="list-style-type: none"> • mass mailing (paper or electronic); • telemarketing (prospecting by telephone); • door-to-door prospecting; • advertising (print, audio, television, electronic); • referrals; • participating in social event (volunteering, sporting events, etc.).
	<p>A2.3 – Establishing a client relationship based on trust</p>	<p>Includes applying basic principles or relational marketing as well as using professional behaviors that aim to make the client feel secure.</p>
	<p>A2.4 – Obtaining references from the client</p>	<p>Includes using different means to target potential clients among existing clients’ acquaintances as well as determining the appropriate moment for implementing these means.</p>

AREA B — ADVISING ON FINANCIAL SECURITY PRODUCTS

B1 — Providing advisory services in accident and sickness insurance

B1.1 – Distinguishing characteristics and specificities of various accident and sickness insurance products

Includes the ability to distinguish, based on their characteristics and specificities, individual and group accident and sickness insurance products such as:

- short- and long-term disability insurance products;
- critical illness coverage;
- long-term care coverage.

Also includes the ability to distinguish the optional coverage related to these products.

B1.2 – Carrying out an analysis of the client's needs, financial means, priorities and predispositions

Includes collecting data through different means (know-your-client questionnaires, personal interviews, etc.) in order to determine the client's interpretation of:

- his/her needs;
- the desired benefit;
- his/her ability to pay;
- his/her risk tolerance;
- his/her understanding of insurance and financial products;
- any other information deemed relevant.

Besides the client's interpretation, this analysis also includes the evaluation of the client's predisposition and openness.

B1.3 – Drawing up the client's financial situation

Includes collecting all relevant data from the client in regards to:

- his/her taxation framework;
- his/her current coverage through insurance and financial products;
- his/her assets;
- his/her liabilities;
- other benefits to which the client could be entitled.

B1.4 – Determining financial risks that could impact the client

Includes using various scenarios and hypotheses to underline the main financial risks that could affect the client's situation due to sickness or disability.

Also includes adjusting the initial needs analysis based on the client's reactions to the various risks considered.

B1.5 – Establishing an accident and sickness insurance recommendation based on the client's needs and situation

Includes determining the most relevant accident and sickness insurance products to aim for the most coherent alignment of the client's needs and situation and the recommendation presented.

Elaborating the recommendation also includes:

- determining coverage amounts;
- determining the waiting period;
- selecting complementary coverage;
- calculating the premium;
- etc.

B1.6 – Informing the client of the recommendation's characteristics and limits

Includes explaining the following to the client:

- each party's legal obligations;
- products selected in the recommendation;
- exclusions and coverage limitations;
- the underwriting process;
- elements that impact the premium amount;
- etc.

B1.7 – Filling out the application according to applicable laws and regulations

Includes respecting laws and regulations related to the distribution of insurance products and contracts.

Also includes collecting all required information to fill-out the application and ensuring that products included in the application are those selected by the client.

Competencies	Competency components	Clarifications regarding competency components
B1 — Providing advisory services in accident and sickness insurance (cont'd)	B1.8 – Liaising with the underwriter to verify the client's eligibility	Includes pre-approving the client, providing relevant client information relating to selected products, asking for medical reports or other complementary information, as well as identifying differences between the initial recommendation and the underwriter's proposal.
	B1.9 – Presenting the contract to the client	Includes providing explanations relating to: <ul style="list-style-type: none"> • surcharges; • exclusions; • options; • amendments to the initial recommendation; • etc. The presentation also includes explaining the policy in detail and obtaining signatures, payments or required documents to finalize the contract.
	B1.10 – Renewing and modifying an accident and sickness insurance contract	Includes comparing new coverage and that provided by the current contract in relation to the client's current needs and situation. Also includes providing explanations to the client regarding potential amendments that can be brought to his/her contract.
B2 — Providing advisory services in life insurance	B2.1 – Distinguishing characteristics and specificities of various life insurance products	Includes distinguishing, based on their characteristics and specificities, individual and group life insurance products such as: <ul style="list-style-type: none"> • term life insurance; • whole-life (permanent) insurance; • universal life insurance. Also includes the ability to distinguish the optional coverage and riders related to these products.
	B2.2 – Carrying out an analysis of the client's needs, financial means, priorities and predispositions	Includes collecting data through different means (know-your-client questionnaires, personal interviews, etc.) in order to determine the client's interpretation of: <ul style="list-style-type: none"> • his/her needs; • the desired benefit; • his/her ability to pay; • his/her risk tolerance; • his/her understanding of insurance and financial products; • any other information deemed relevant. Besides the client's interpretation, this analysis also includes the evaluation of the client's predisposition and openness.
	B2.3 – Drawing up the client's financial situation	Includes collecting all relevant data from the client in regards to: <ul style="list-style-type: none"> • his/her taxation framework; • his/her current coverage through insurance and financial products; • his/her assets; • his/her liabilities; • other benefits to which the client could be entitled; • a portrait of his/her eventual estate balance sheet.
	B2.4 – Determining financial risks that could impact the client	Includes using various scenarios and hypotheses to underline the main financial risks that could affect the client's situation due to premature death. Also includes adjusting the initial needs analysis based on the client's reactions to the various risks considered.
	B2.5 – Establishing a life insurance recommendation based on the client's needs and situation	Includes determining the most relevant life insurance products to aim for the most coherent alignment of the client's needs and situation and the recommendation presented. Elaborating the recommendation also includes: <ul style="list-style-type: none"> • determining coverage amounts; • identifying an appropriate beneficiary; • selecting riders; • selecting complementary coverage; • calculating the premium; • etc.

Competencies	Competency components	Clarifications regarding competency components
B2 — Providing advisory services in life insurance (cont'd)	B2.6 – Informing the client of the recommendation's characteristics and limits	<p>Includes explaining the following to the client:</p> <ul style="list-style-type: none"> • each party's legal obligations; • products selected in the recommendation; • exclusions and coverage limitations; • the underwriting process; • elements that impact the premium amount; • etc.
	B2.7 – Filling out the application according to applicable laws and regulations	<p>Includes respecting laws and regulations related to the distribution of insurance products and contracts.</p> <p>Also includes collecting all required information to fill-out the application and ensuring that products included in the application are those selected by the client.</p> <p>May include offering temporary insurance.</p>
	B2.8 – Liaising with the underwriter to verify the client's eligibility	<p>Includes pre-approving the client, providing relevant client information relating to selected products, asking for medical reports or other complementary information, as well as identifying differences between the initial recommendation and the underwriter's proposal.</p>
	B2.9 – Presenting the contract to the client	<p>Includes providing explanations relating to:</p> <ul style="list-style-type: none"> • surcharges; • exclusions; • options; • amendments to the initial recommendation; • etc. <p>The presentation also includes explaining the policy in detail and obtaining signatures, payments or required documents to finalize the contract.</p>
	B2.10 – Renewing and modifying a life insurance contract	<p>Includes comparing new coverage and that provided by the current contract in relation to the client's current needs and situation.</p> <p>Also includes providing explanations to the client regarding potential amendments that can be brought to his/her contract.</p>
B3 — Providing advisory services in financial products	B3.1 – Distinguishing characteristics and specificities of various financial products	<p>Includes distinguishing, based on their characteristics and specificities, individual and group financial products such as:</p> <ul style="list-style-type: none"> • segregated funds; • individual annuities; • group annuity plans (employer-sponsored pension plans).
	B3.2 – Carrying out an analysis of the client's needs, financial means, priorities and predispositions	<p>Includes collecting data through different means (know-your-client questionnaires, personal interviews, etc.) in order to determine the client's interpretation of:</p> <ul style="list-style-type: none"> • his/her needs; • the desired benefit; • his/her ability to pay; • his/her risk tolerance; • his/her understanding of insurance and financial products; • any other information deemed relevant. <p>Besides the client's interpretation, this analysis also includes the evaluation of the client's predisposition and openness.</p>
	B3.3 – Drawing up the client's financial situation	<p>Includes collecting all relevant data from the client in regards to:</p> <ul style="list-style-type: none"> • his/her taxation framework; • his/her current coverage through insurance and financial products; • his/her assets; • his/her liabilities; • other benefits to which the client could be entitled.

Competencies	Competency components	Clarifications regarding competency components
B3 — Providing advisory services in financial products (cont'd)	B3.4 – Determining financial risks that could impact the client	<p>Includes using various scenarios and hypotheses to underline the main financial risks that could affect the client's ability to achieve his/her financial goals.</p> <p>Also includes adjusting the initial needs analysis based on the client's reactions to the various risks considered.</p>
	B3.5 – Establishing a financial products recommendation based on the client's needs and situation	<p>Includes determining the most relevant financial products to aim for the most coherent alignment of the client's needs and situation and the recommendation presented.</p> <p>Elaborating the recommendation also includes:</p> <ul style="list-style-type: none"> • selecting investment vehicles; • establishing contribution rates; • calculating applicable fees; • etc.
	B3.6 – Informing the client of the recommendation's characteristics and limits	<p>Includes explaining the following to the client:</p> <ul style="list-style-type: none"> • each party's legal obligations; • products selected in the recommendation; • coverage limitations; • the underwriting process; • elements that impact the amount of fees; • etc.
	B3.7 – Filling out the application according to applicable laws and regulations	<p>Includes respecting laws and regulations related to the distribution of insurance products and contracts.</p> <p>Also includes collecting all required information to fill-out the application and ensuring that products included in the application are those selected by the client.</p>
	B3.8 – Presenting the contract to the client	<p>Includes providing explanations relating to options or amendments to the initial recommendation.</p> <p>The presentation also includes explaining the contract in detail and obtaining signatures, payments or required documents to finalize the contract.</p>
	B3.9 – Renewing and modifying a financial product contract	<p>Includes comparing new products and those provided by the current contract in relation to the client's current needs and situation.</p> <p>Also includes providing explanations to the client regarding potential amendments that can be brought to his/her contract.</p>

AREA C — TRANSACTIONS WITH THE CLIENT

C1 — Selling products and services	C1.1 – Planning the sale	<p>Includes preparing required documents and material:</p> <ul style="list-style-type: none"> • information kit; • basic illustrations; • brochures for various products; • forms; • etc. <p>Also includes determining a sales approach according to the client's needs, priorities and characteristics.</p> <p>Preparing further includes adopting a sales-appropriate attitude.</p>
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Competencies	Competency components	Clarifications regarding competency components
C1 — Selling financial products and services (cont'd)	C1.2 – Greeting the client	Includes using appropriate greetings and presentation formulas as well as respecting the client's meeting criteria and requirements.
	C1.3 – Using presentation techniques to put forward products and services	<p>Includes the ability to:</p> <ul style="list-style-type: none"> • translate information on products and services into plain language; • use a sales-appropriate vocabulary; • rephrase to measure a client's understanding of the information being presented. <p>The presentation also includes disclosing the total cost and the detailed cost for each product and service.</p>
	C1.4 – Adjusting the sales approach according to the client's behavior	<p>Includes the ability to evaluate the client's behaviors, statements and openness in order to adapt the sales approach.</p> <p>Also includes adapting presentation tools and material to the client's behaviors.</p>
	C1.5 – Negotiating with the client	<p>Depending on the situation, includes:</p> <ul style="list-style-type: none"> • recognizing those aspects that can be negotiated; • using different sales pitches; • countering the client's objections respectfully; • amending the recommendation by common accord.
	C1.6 – Closing the sale	<p>Includes the ability to:</p> <ul style="list-style-type: none"> • recognize the appropriate moment to close the sale; • use the appropriate forms and documents; • present the next steps following the sale. <p>Also includes thanking the client.</p>
	C1.7 – Evaluating the sales performance	<p>Includes verifying the level of client satisfaction, recognizing aspects that should be improved and recording such observations.</p> <p>May also include the identification of corrective measures to improve weaker aspects of the sales performance.</p>
	C2 — Providing customer service	C2.1 – Using techniques to develop customer loyalty
C2.2 – Answering client questions and complaints		Includes using various communication tools to follow-up with clients, the ability to identify their needs and to provide a satisfactory answer to the needs expressed.

Competencies	Competency components	Clarifications regarding competency components
C2 — Providing customer service (cont'd)	C2.3 – Providing personalized follow-ups to clients	<p>Includes maintaining relevant information on clients in order to suggest alternatives, enhancements or amendments to the current contract and to follow-up on their personal situations.</p> <p>Also includes the ability to personalize customer service based on client types.</p>
	C2.4 – Processing claims	<p>Includes the ability to:</p> <ul style="list-style-type: none"> • know the client's file; • recognize required information; • distinguish required documents; • use appropriate forms; • communicate with the client respectfully and understandingly; • etc.
	C2.5 – Implementing means to improve customer service	<p>Includes determining customer service weaknesses and recognizing realistic means to correct them.</p>

AREA D — CAREER MANAGEMENT

D1 — Maintaining an updated professional practice	D1.1 – Consulting various sources of information pertaining to the field and its products	<p>Includes turning to documentation, information folders, a mentor or more experienced representatives to update product knowledge and one's professional practice.</p>
	D1.2 – Taking part in training activities relating to professional practice	<p>Includes attending information sessions or training offered by products and services providers, regulators, training firms or professional associations.</p>
	D1.3 – Maintaining compliance with professional standards, laws and regulations	<p>Includes understanding and respecting the legal framework that applies to the field, and the ability to act in a way that respects professional standards, compliance rules and ethics.</p> <p>Also includes the ability to evaluate one's professional practice on a legal and regulatory basis as well as knowledge and respect of the rights of consumers.</p>
D2 — Structuring one's professional practice	D2.1 – Establishing a business plan	<p>Includes determining:</p> <ul style="list-style-type: none"> • professional goals; • one's service offering; • potential markets to canvass; • a business plan for professional practice (projected costs and revenues); • the need for additional human resources.
	D2.2 – Prioritizing professional tasks	<p>Includes using management tools, determining tasks that can be delegated and the ability to prioritize different files to attend to and tasks to be accomplished.</p>

Competencies	Competency components	Clarifications regarding competency components
D2 — Structuring one's professional practice (cont'd)	D2.3 – Using information management tools	<p>Includes compiling client files, classifying files, documents and forms used in professional practice as well as the ability to quickly find the required information to process a request.</p> <p>These actions must respect the confidential nature of clients' personal information.</p>
	D2.4 – Managing human resources	<p>Includes knowledge of laws and regulations applicable to employee management and restricted professional acts.</p> <p>Also includes the ability to communicate effectively in the context of a business relationship and to apply quality controls to employees' work.</p>
	D2.5 – Assessing the effectiveness of the business plan	<p>Includes evaluating the level of achievement of professional goals, balancing the budget and respecting other elements of the business plan.</p> <p>This evaluation may also include the ability to formulate alternatives to the current business plan.</p>