

BANCASSURANCE FUNDAMENTALS



Public Training

Course Overview

Bancassurance has been one of the most important developments in the financial services sector in the past forty years. Bancassurance, in its simplest form, is the distribution of insurance products through a bank's distribution channels. It is an arrangement between a bank and an insurance company that allows the insurance company to sell its products to the bank's client base, as a common distribution channel. The motives behind bancassurance vary. This partnership can be profitable for both companies. For banks, it means product diversification. Banks earn additional revenue by selling insurance products and insurance companies expand their customer bases without increasing their sales force or paying commission to agents and brokers. This can help deliver volume growth in their business with a lower cost per sale.

Banks too have been looking for additional income streams and ways to add value to their customer relationships in a competitive marketplace. For insurers, bancassurance provides a means for increasing market penetration and turnover. Bancassurance has the potential to help both of these objectives.

Bancassurance teams must be in a position to consider the suitability of insurance products against the other financial services products available to meet customers' financial planning needs. To do this, they must have strong product knowledge and an understanding of the needs that the products are designed to address. Importantly, they need to be able to identify and understand their clients' needs in order that appropriate products can be recommended to meet those needs. The adviser's relationship with their client should be underpinned by ethical conduct and professionalism throughout.

In this training we will cover the nature of the financial services industry (including the emergence of bancassurance); the main insurance, savings, investment and retirement products available; the financial planning process and ethical behaviour.

Suitability

This training is suitable for: -

- Bancassurance advisors
- Bancassurance managers
- Principal officers
- Bancassurance teams in insurance companies
- Customer relationship teams
- Underwriters
- Claims teams
- Business Development teams
- Life Office officers
- Marketing officers in Banks and Insurance companies

Learning Outcomes

At the end of this workshop, participants will be able to demonstrate knowledge and understanding of: -

- The main elements of the financial services and insurance industry;
- The main insurance products;
- Savings and investment products;
- Retirement planning products;
- Retirement and planning products;
- What constitutes good and ethical client practice.



Day One

The financial services industry and bancassurance

On completion of this module, participants will be able to:-

- State the basic purpose of financial services and the role of the financial services industry in the economy;
- Describe the basic structure of the financial services market and the main types of organisation;
- Outline the distribution channels used for financial and insurance services, including ecommerce;
- Summarise the role of bancassurers and insurance companies and their respective responsibilities.

Main insurance products

On completion of this module, participants be able to: -

- State the main personal and financial details that give rise to a client's protection requirements;
- Outline the main features (including taxation treatment) and benefits of life assurance and health protection products which affect their suitability for a client;
- Summarise the main features and benefits of personal accident and travel insurance, mortgage and debt protection policies, household insurance and motor insurance; outline the provision of *takaful* products.

Savings and investment products

On completion of this module, participants will be able to: -

- List the factors on which a client's savings and investment requirements depend;
- Identify the main features, risks and returns of the main asset classes;
- Summarise the main features, risks and returns of savings and investment products which affect their suitability for a client;
- Discuss the relationship between a client's risk tolerance and the level of return, including money management;
- Describe how economic factors affect savings and investment.

Day Two

Retirement planning products

On completion of this module, participants will be able to:-

- List the factors on which a client's retirement needs may depend;
- Outline the main features and benefits of pension products and annuities which affect their suitability for a client;
- Identify the circumstances in which there is a need for annuities and pension advice;
- Describe how inflation, deflation and other economic factors affect pension schemes and annuities;
- Explain how changes in interest rates affect the future value of pension schemes and annuities.

The fact-finding process

On completion of this module, participants will be able to: -

- State the purpose and technique of fact-finding;
- Outline the information required by fact-find questionnaires;
- Describe how to evaluate completed fact-finds and make recommendations;
- Summarise how to prioritise financial planning needs.

Good and ethical client practice

On completion of this module, participants will be able to: -

- Discuss the adviser's duty, at all stages of the sales process, to ensure that the client understands fully all the implications of accepting the recommendations, including any inherent risks and ethical considerations;
- Outline what an adviser must do when he or she does not have a product that would properly meet the needs of the client;
- List the steps the adviser must take when the client rejects the adviser's recommendations;
- Explain why it is unethical to advise a client to switch between the financial products of different providers, unless the switch is clearly in the best interests of the client;
- Explain the importance of recommending the long term nature of a product to a client to avoid short term cancellations of policies;
- Describe the key elements of handling customer complaints effectively and the need for an effective complaints procedure;
- Outline the alternative methods of resolving disputes;
- Outline a typical ethical code of conduct for advisers;
- Discuss the outcomes that may result from behaving ethically and not behaving ethically;
- Describe the regulation and supervision of the bancassurance sector.

Course Summary

Location:	Radisson Blu Hotel, Upper Hill - Nairobi
Duration:	2 Days
Cost:	Kshs 52,500 + VAT Per Participant (Non-Residential)
Dates:	18 th – 19 th April, 2024

About Insurance Institute of East Africa

The Insurance Institute of East Africa (IIEA) is a leading provider of insurance education across the various functional areas of the insurance industry and is an approved training provider by National Industrial Training Authority (NITA) under Ref: NITA/TRN/1365.

IIEA has partnered with leading global providers of insurance education to offer a wide range of professional insurance qualifications developed by industry experts. The partners include the Insurance Institute of America (The Institutes), Cambridge International College (CIC) Britain, Australian and New Zealand Institute of Insurance and Finance (ANZIIF), International Fraud Training Group (IFTG), America's Health Insurance Plans (AHIP), Australian and New Zealand Institute of Insurance and Finance (ANZIIF) and the Institute of Chartered Shipbrokers to offer world class professional qualifications, designations, certifications and insurance fraud management programs to the insurance industry in East Africa. These programs are highly regarded across the industry and provide learners with the skills and knowledge to succeed in their careers across functional areas of the insurance industry.



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