



# MCAST

Malta College of Arts, Science & Technology

MQF Level 4

BC4-A2-16

**MCAST Advanced Diploma in Insurance**

**Course Specification**

## **Course Description**

This course is a core qualification for all those wishing to embark on a career in insurance across its different sectors. Throughout the two-year programme, various aspects of insurance will be explored by the students in as much a hands-on and practical way as possible. Areas include basic insurance principles including the regulatory environment; the key insurance disciplines of underwriting and claims; as well as popular products including: motor, household, healthcare and packaged commercial insurance. Market legislation, regulation, market practice and distribution for those starting work in or having dealings with this market are also placed under focus. Students taking up this programme of studies may wish to register and sit for the relevant Chartered Insurance Institute (UK) examinations. On successful achievement of the CII (UK) examinations, CII members will be able to make use of the designation Cert CII. Through the review of the programme delivered by MCAST (now a two-year Level 4 programme), a more holistic preparation is awaiting those who take up this course of studies. This qualification is the first step towards becoming professionally qualified and, as such, its value is widely recognised by employers throughout the insurance industry.

## **Programme Learning Outcomes**

At the end of the programme the learner will be able to:

- 1. Understand the nature of the insurance market, its structure and its main features*
- 2. Demonstrate a knowledge of basic insurance practice and products and of the main methods of handling and resolving customer complaints*
- 3. Apply basic insurance principles including the regulatory environment and the main principles governing contracts*
- 4. Understand the nature and main features of risk and insurance.*

## **Entry Requirements**

MCAST Diploma in Business

or

4 SEC/O-Level/SSC&P (Level 3) passes Preferred: English Language, Mathematics

**Current Approved Programme Structure**

<b>Unit Code</b>	<b>Unit Title</b>	<b>ECVET/ECTS</b>
BCINS-406-1501	The Local Insurance Market	6
BCINS-412-1502	Insurance, Legal and Regulatory	12
BCINS-406-1503	Insurance Underwriting Process	6
BCINS-406-1504	Specialist Insurance Market	6
BCMRK-406-1505	Marketing in Insurance	6
BCOFF-406-1506	Office Practice	6
BCINS-406-1505	Personal Effectiveness in the Insurance Market	6
BCBST-406-1509	Business Decision Areas	6
BCINS-412-1506	General Insurance Business	12
BCINS-406-1507	Insurance Business and Finance	6
BCCMR-406-1503	Customer Service in Insurance	6
BCINS-406-1508	Claims Practice	6
BCWBL-412-1504	Insurance Work Based Learning	12
CDKSK-406-1520	Malti	6
CDKSK-406-1604	English	6
CDKSK-406-1603	Entrepreneurship	6
BCCPY-406-1602	Contemporary Issues in Insurance	6
<b>Total ECVET/ECTS</b>		<b>120</b>

## **Unit: BCINS-406-1501 The Local Insurance Market**

**Unit level (MQF):** 4

**Credits :** 6

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### **Unit description**

This unit will give students an insight into the local insurance market in Malta. It will give them an understanding of the regulatory framework and describe the insurance products available in the local market. It will allow learners to gain knowledge and understanding of the main insurers within the market and will ultimately give students an insight into their possible future industry.

The unit will help students understand why innovative legislation within the local market is important. It will help students understand the importance of EU membership to the island's insurance industry.

An integral part of this unit will be gaining an understanding of the Malta Financial Services Authority. The students will be able to describe the importance of the MFSA in providing stability to the industry.

Students will be able to give a description of the life and non-life products available within the local market. Life products will include; Critical Illness and Term Assurance. Non-life products will include general products such as; Motor, House, Health and Travel Insurance.

The learners should be able to describe the main insurers within the industry. This description should include a breakdown of each company's area of expertise within the market.

### **Learning Outcomes**

**On completion of this unit learners should be able to:**

1. Describe the structure of the local insurance market and include a description of the regulatory framework companies are bound by.
2. Explain the significance of EU membership to the local insurance market and describe the importance of innovation.
3. Give a detailed description of the products available within the local market, including life and non-life products.
4. Recognise the main insurers within the industry and discuss their area of expertise within the local market.

## Unit: BCINS-412-1502 Insurance, Legal and Regulatory

Unit level (MQF): 4

Credits : 12

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### Unit description

This unit is designed for learners who hope to have a career within the insurance industry and also hope to attain a chartered insurance institute qualification. The unit will give learners grounding in the main legal principles relating to insurance contracts, including the regulatory principles relating to insurance business and the key elements to protect consumers. Fundamental to this unit is the learning which will enhance individual development within the workplace.

Learners will understand and be able to explain risk within the insurance industry from a legal perspective. They will be given a set of circumstances and be expected to know how to manage that risk using the main features of risk management. This unit will require learners to explain the need for insurance and be able to discuss the main features of it.

Integral to this unit is an understanding of the insurance market including the London market. Learners will be expected to be able to describe the five main groups of people within the market.

An essential section included in this unit is the need for learners to be able to describe the essential elements of a valid contract and other legal requirements surrounding this, such as conditional/unconditional acceptance and also termination and cancellation rights. The learner will understand insurable interest and its role within the sector.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Understand risk within the insurance market and how to manage risk in a given set of circumstances.
2. Know and understand the structure and main features of the insurance market.
3. Understand the key principles of contract, agency and insurable interest and appreciate their place within the insurance market.
4. Understand the importance of utmost good faith and also comprehend the doctrine of proximate cause and its application to non-complex claims.
5. Understand the key elements related to indemnity and how this is applied to contracts of insurance, as well as having an understanding of contribution and subrogation.
6. Recognise the legal requirements related to insurance business transactions and also understand the principles of contribution and subrogation.
7. Know the various methods of resolving complaints show an understanding of consumer protection and also know the CII code of Ethics.

## Unit: BCINS-406-1503 Insurance Underwriting Process

Unit level (MQF): 4

Credits : 6

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### Unit description

This unit is designed for learners who hope to have a career within the insurance industry and also aim to attain a chartered institute of insurance qualification. The unit will provide a comprehensive overview of the insurance underwriting process. Learners will be provided with knowledge and understanding of areas including identification, assessment and acceptance of risk, rating and relevant financial factors. Fundamental to this unit is the learning which will enhance individual development within the workplace.

Learners will understand the main facts associated with the process of insurance underwriting. They will be able to describe the legal significance of various procedures carried out and refer to the importance of quotations and premiums. This unit will provide learners with an understanding of insurance policies and give an insight into policy forms and exceptions.

Learners will be given an understanding of procedures relating to renewals and cancellation. Learners will be able to explain the general features and policy cover of personal and commercial insurances. It is essential that knowledge is gained of the main support type insurance services that exist and learners will be required to describe the part they play within the underwriting process.

The unit will allow learners to develop an understanding of the fundamental underwriting criteria for a range of insurances such as motor, pecuniary and liability. This unit will enable the learner to develop the knowledge to be able to distinguish between genuine and fraudulent claims and also explain the consequences faced by parties involved.

An essential part of this unit is the principles and practices of pricing. Learners will be required to describe the factors influencing pricing within the underwriting process. Learners will be aware of the significance of managing exposure within the context of the underwriting process.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Recognise material facts and procedures relating to the insurance underwriting process
2. Understand the underwriting process in relation to insurance policies, renewals, personal insurance, commercial insurance and cancellation.
3. Understand the varying support type services available and also know the various considerations in relation to the different types of products available on the market.
4. Recognise the principles of pricing, the factors affecting pricing and also understand how to manage exposure within the context of the insurance underwriting process.

## Unit: BCINS-406-1504 Specialist Insurance Market

Unit level (MQF): 4

Credits : 6

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### Unit description

This unit will give students an insight into the Lloyds and London specialist insurance market. It will give students knowledge of the roles and responsibilities of individuals involved in this market and will also detail how business is transacted.

The unit will give learners an insight into basic insurance concepts. Students will be able to describe the main classes of risk in the specialist market. They will be able to describe the main features of cover and summarise their significant features.

Learners will gain a good understanding of the legal principles affecting insurance in the specialist market. They should be able to describe utmost good faith in relation to the broker and underwriter and they should also be able to explain the legal principles governing transactions in this market.

Students will comprehend the regulatory requirements related to the London market, paying specific attention to the role of major international regulators. With reference to the UK's Principles for Business Handbook, students should be able to explain the regulators' statutory objectives.

An in-depth understanding of the London market will be essential to this unit. Students should be able to describe the London market and explain why it is important to the global market. Learners should be able to identify the key parties involved and they should be able to summarise their roles.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Understand insurance concepts in relation to the specialist insurance market.
2. Comprehend the main classes of business in relation to the specialist insurance market.
3. Understand the legal principles affecting this insurance in this market.
4. Identify regulatory requirements specifically related to this market.
5. Understand the structure of the Lloyds & London markets and know how they are governed.
6. Understand issues relating to the specialist market such as intermediation, underwriting and how business is transacted.

## Unit: BCMRK-406-1505 Marketing in Insurance

Unit level (MQF): 4

Credits : 6

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### Unit description

Marketing involves informing people about a particular product or service, in order to encourage them to buy more, thus increasing sales; the purpose of which is to encourage potential customers to purchase or use the product or service. In environments where profitability is paramount, it is accepted that customers' needs must be identified and satisfied. The Marketing concept is about creating satisfied customers. This can be done through coordinating the development, pricing, promotion and distribution of products. However, when marketing a service, such as insurance, there are several other factors that must be taken into account. As there is no physical product for the consumer to assess the perceived risk in their decision-making, the risk is considerably higher than that of a tangible product. Therefore, the marketing of insurance services must be given other considerations.

Individuals studying this unit will learn the basic principles of marketing. This will include the role of marketing, the importance and use of marketing information for effective decision-making. Learners should also gain a good understanding of segmentation. The learners should then understand the development of successful marketing mixes. This will look at the traditional '4ps' (product, price, place and promotion) but will have emphasis on the importance of the extended marketing mix (people, process and physical evidence). The extended marketing mix is paramount to the marketing of insurance as services are considered to have four main characteristics that distinguish them from traditional 'products'. These characteristics will be studied in depth and will aid the learners to understand the importance of marketing techniques specific to the insurance industry.

This unit provides a solid foundation for individuals wishing to learn the basics of Marketing within a service context. The unit is designed to help learners develop and learn how to search for information, identify and analyse relevant information to aid decision-making. This allows learners to apply knowledge within a service marketing context.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Explain the concept and role of marketing within an insurance organisation.
2. Identify and explain factors affecting marketing decisions in insurance.
3. Select and justify appropriate segmentation methods within an insurance context.
4. Explain the nature and characteristics of marketing in insurance (Services Marketing).
5. Identify and explain the techniques of marketing in the insurance industry, using the extended marketing mix.

## **Unit: BCOFF-406-1506 Office Practice**

**Unit level (MQF):** 4

**Credits :** 6

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### **Unit description**

This unit will give learners the opportunity to learn the important practical factors that contribute to the effectiveness of an insurance organisation. They will look at these factors objectively and be able to describe how they ensure the success of a busy insurance organization.

The student will study organizational size and how work practices must be changed in accordance with company size to be effective. They will look at how insurance offices are laid out to achieve optimum performance. They will analyse the choice of hardware that is available to companies and be able familiar with the usage of this hardware. They will become familiar with all materials that are required to run a busy office, how they are ordered and stock replenished. All aspects of communication will be looked at, whether it is written or verbal, formal or informal and how to process information correctly and efficiently.

Learners will become confident in certain procedures used in an insurance office like; mail, answering queries from internal and external customers and appointment organisation.

On completion of this unit, learners will understand the practical aspects of an insurance office.

### **Learning Outcomes**

**On completion of this unit learners should be able to:**

1. Understand features of organisational size and office design in an insurance organisation.
2. Determine the importance of effective information and communication in an insurance organisation.
3. Describe procedures used by the insurance clerk in an insurance office environment.

## Unit: BCBST-406-1509 Business Decision Areas

Unit level (MQF): 4

Credits : 6

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### Unit description

This unit will give learners the opportunity to analyse the decisions which insurance businesses must take about their structure and operational activities in order to ensure they meet their objectives. They will look at these factors objectively and be able to describe how they contribute to the success of an organization.

The student will look at key business departments and analyse how they function to ensure the success of an insurance organization. By looking at the marketing function, they will analyse how this department performs and how they contribute to the success of the business by providing information to boost profits.

They will analyse the Human Resource function and the key elements that are used to recruit, support, train and discipline staff to the benefit of the organization. They will look at how staff interact with co-workers and management.

They will look at the operational decisions that an organization makes and how changes can be made to benefit organizational output and good customer service.

They will look at the finance function within an organization and how its decisions affect the rest of the business.

They will look at the Administration department and understand how this function supports the rest of the business to provide their service.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Evaluate the internal organisation of insurance business enterprises.
2. Analyse the marketing decisions made by insurance organisations.
3. Understand the role of Human Resource Management within insurance businesses.
4. Explain the operational decisions made by insurance organisations.
5. Appreciate the financial information that is generated by the Finance department of an insurance organisation.
6. Explain how the administration department supports an insurance business organisation.

## Unit: BCINS-412-1506 General Insurance Business

**Unit level (MQF):** 4

**Credits :** 12

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### Unit description

This unit is designed for learners who hope to have a career within the insurance industry and also aim to attain a Chartered Insurance Institute qualification. The unit will provide learners with grounding in basic insurance products and practice. Learners will gain knowledge and understanding in areas including underwriting, claims and information and communication technology. Fundamental to this unit is the learning which will enhance individual development within the workplace.

Learners will understand the main facts associated with the process of insurance underwriting. They will be able to describe the legal significance of various procedures carried out and refer to the importance of quotations and premiums. This unit will provide learners with an understanding of insurance policies and give an insight into policy forms and exceptions.

The unit will allow learners to have an understanding of procedures relating to renewals and cancellation. Learners will be able to explain the general features and policy cover of personal and commercial insurances. It is essential that knowledge is gained of the main support type insurance services that exist and learners will be required to describe the part they play within the underwriting process.

Learners will develop an understanding of the fundamental underwriting criteria for a vast range of insurances such as motor, pecuniary and liability. This Unit will enable the learner to develop the knowledge to be able to distinguish between genuine and fraudulent claims and also explain the consequences faced by parties involved.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Identify insurance products and associated services and have an understanding of underwriting and policy wordings for general insurance business.
2. Apply knowledge of principles to premium calculation of general insurance business to a given set of circumstances and understand claims within the context of general insurance business.
3. Recognise how to use knowledge of principles concerning the operation of policy conditions affecting claims for general insurance business to a specified set of circumstances.
4. Understand information and communication technology, security, confidential information, data protection and customer services within general insurance business.

## Unit: BCINS-406-1507 Insurance Business and Finance

Unit level (MQF): 4

Credits : 6

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### Unit description

This unit will enable students to show an understanding of the business and financial operations within an insurance organisation. This will include being able to describe the different types of Insurance companies and the markets in which they operate, the key stakeholders within the market and, lastly, students will be able to discuss reasons for company growth including mergers and acquisitions.

Students will also be able to describe the structure and management of an insurance business, including the role of executives. Included in this section will be the importance of planning, performance monitoring and control within an insurance organisation.

Students will be familiar with the main aspects of corporate governance, which will incorporate being able to describe corporate governance frameworks, annual reports and annual accounts.

Furthermore, students will comprehend the role of common functions within insurance organisations, including underwriting, claims, risk management and compliance. This section will also incorporate other common functions relative to insurance organisations such as internal audit, finance, IT operations and facility management.

A firm grasp of accounting principles will be integral to this unit. In this section, students will use accounting skills and be able to describe the purpose and function of Financial Accounting and be able to distinguish between Financial and Management Accounting along with accounting practices and their application. Students will be able to analyse businesses using financial ratios such as Profitability, Productivity and Liquidity.

In the Final section students will learn how to analyse the strength of Insurance organisations, describe the role of ratings agencies and, also, describe regulatory solvency requirements.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Understand the structure of the insurance industry
2. Be able to determine the key components relating to the management of insurance business
3. Understand the main aspects of corporate governance
4. Understand the role of common functions within insurance organisations
5. Understand accounting principles and practices and their application
6. Recognise and understand the main practices of insurance company accounts
7. Analyse businesses using financial ratios
8. Determine the financial strength of insurance companies

## **Unit: BCCMR-406-1503 Customer Service in Insurance**

**Unit level (MQF):** 4

**Credits :** 6

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### **Unit description**

The unit is necessary for any service organization to understand the needs of their customers. It is paramount for service organisations due to the constant contact between organisations and customers in the insurance industry.

It is important to learn the importance of customers and the impact they can have on a business. The unit will begin with a focus on customers which will then widen out to explore different customer types. The unit will then examine various techniques and approaches to adopt in order to deal with them. Moving on to look at customer service from a management point of view allows the student to see customer service from both points of view. From looking at the impact management decisions can have can help align staff and ensure a level of customer service is maintained throughout. By then looking at strategies companies currently have allows students to examine effective customer service techniques and improvements a company could implement. These improvements can then be channeled into creating a new strategy.

The student should feel confident in customer types, customer service terminology, and what entails good customer service. The unit allows students to look at customer care from an organisational point of view. Beginning from the point of view of the customer and following this through the point of view of staff (internal customers) and finally the organisation. The unit will enable students to understand terminology surrounding customer care to ultimately identifying areas of weakness in a company and developing a customer care strategy based on this.

### **Learning Outcomes**

**On completion of this unit learners should be able to:**

1. Understand the importance of customer service, customer expectations and identify different customer types
2. Understand the sales process in order to maintain and build client relationships in the insurance industry
3. Understand an insurance organisation's customer service strategy

## **Unit: BCINS-406-1508 Claims Practice**

**Unit level (MQF):** 4

**Credits :** 6

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### **Unit description**

The need of any insurance policy lies in the provision of compensation to the insured following a loss. It is the essence of insurance. Therefore, a customer pays a known amount known as the 'premium' with the anticipation that should something go wrong and as a result a loss would be suffered, the insurer will compensate them financially.

The customer is thus buying an expectation and it is at the claims stage that the insurance organisation will prove its worth. If the claim is handled badly or unfairly the relationship with the customer can be terminated and consistently poor claims handling could severely jeopardise the reputation of the insurer.

Whilst insurers should strive to pay losses fairly and promptly not all claims are payable due to uninsured losses, exclusions, policy conditions or perhaps fraud. The claims handler must therefore check the validity of the claim and communicate this to the client. This means that the job of a claims handler is very important and will directly affect the bottom line of the organisation. The unit will enable students to understand the general principles relating to claims, the claims considerations and administrative functions, claims settlement methods and the management of claims expenses.

### **Learning Outcomes**

**On completion of this unit learners should be able to:**

1. Outline the general principles in the claims handling process.
2. Explain and examine claims considerations and administration.
3. Understand claims settlement methods and calculations.
4. Analyse the management of claims expenses.

## **Unit: BCWBL-412-1504 Insurance Work Based Learning**

**Unit level (MQF):** 4

**Credits :** 12

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### **Unit description**

This unit will allow students the opportunity to participate in work based experience. Through the certificate in insurance students will enjoy the valuable learning involved with work based learning. When attending a work placement students will immerse in the day-to-day operations of an insurance organisation and will be on placement for 180 hours. The students will be assigned a mentor for the duration of their placement; this mentor will eventually assess the student on the skills they have gained during the placement.

During the placement the learner will be allocated general office based duties. This will give the student the opportunity to observe and reflect on the day-to-day activities of employees at all levels of the organisation. It will also be an opportunity for the student to have real first-hand experience of the industry, giving them a chance to decide if working in the industry will fulfil their ambitions.

It is hoped that by interacting with employees of the organisation, the students will be able to reflect and gain skills which are difficult to teach in a classroom environment. This is a good opportunity for the students to reflect on their academic learning experience and also put into practice what they have learned during their studies.

In addition to providing opportunities for enhancing their technical subject specific knowledge and skills, a further feature of the module is the provision of opportunities for learners to develop a broad set of intellectual, practical and transferable skills to assist career progression and add value to their organisations by way of enhanced performance.

## Learning Outcomes

**On completion of this unit learners should be able to:**

1. Apply, in a real life working environment, knowledge and understanding acquired through academic studies.
2. Observe skills, techniques and instruments used to perform tasks and reflect on the appropriateness and effectiveness of them.
3. Utilise concepts and theories gained through academic studies and life experiences, and reflect on the appropriateness of these concepts and theories.
4. Reflect on pre agreed objectives, performance reviews and on-going personal development plans (PDP), using a work placement log book.

## Unit: BCCPY-406-1602 Contemporary Issues in Insurance

Unit level (MQF): 4

Credits : 6

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### Unit description

This unit aims to provide the learner with a practical and contemporary perspective of the different areas the programme of studies focusses upon. It is one way how to keep the programme of studies dynamically at par with the ongoing changes which are synonymous with such a programme of studies. The unit aims at continuing to bridge the gap between theory and practice as well as provide the student with the access to the latest developments as they occur within the industry one is nurturing a career in... and this is done through the direct involvement of key players in industry.

The approach adopted for this unit will be different to the usual lecture approach. Instead it will comprise of a number of guest speakers from different areas of industry who will tackle different aspects of the focus area of studies. Attendance to these talks and seminars will be of paramount importance for this unit. The speaker will provide their own and their organisation's experience in relation to particular management areas and issue.

The unit is spread throughout the programme of study, in a manner as to include all the different events (seminars, thematic talks, conferences, on site visits etc) hence integrating them into one module for which students will have the opportunity to submit two distinct take home assignments.

### Learning Outcomes

On completion of this unit learners should be able to:

1. Prepare oneself to the importance of Continuous Professional Development.
2. Garner Knowledge, Understanding and Analysis of different contemporary issues in the specific area of studies.
3. Reflect upon the information obtained from the different events (seminars / talks / on-site visits) and relate it to the respective theories and models.
4. Nurture a disposition towards identifying a specialist area which one may opt to focus on, when embarking on a career in this area of studies.