

GUIDELINES ON CONTINUING PROFESSIONAL DEVELOPMENT PROGRAM FOR GENERAL INSURANCE AGENTS

Preamble

The Continuing Professional Development (CPD) Program For General Insurance Agents applies to all the practitioners in the general insurance agency force with effect from 1st January 2005 where the training hours and related requirements stipulated in the Guidelines must be complied with.

It is to be noted that only the basic and minimum requirements are stated in the CPD Program. Agents are strongly encouraged to better educate themselves and pursue higher and more advanced training programme according to their own training and development needs.

Objectives

The objective of the CPD Program is to raise the standard of competency and professionalism of the general insurance agency force. The CPD will serve as a guide as to what training programme the agency force should pursue in order to stay updated and continuously upgraded, keeping the agency force abreast of the latest development and demands of the financial services industry.

The four (4) Sections in the CPD Program are detailed as follows :-

Section 1

This section spell out the minimum CPD training hours for the general insurance agents.

- i) All existing registered general insurance agents as at 31st December 2004 are required to complete the 20 CPD training hours annually from 2005 onwards.
- ii) New agents registered on or after 1st January 2005 are required to complete the 20 CPD training hours from the following calendar year the agent was first registered.

Section 2

The minimum training hours outlined above are guidelines on the number of CPD training hours the general insurance agents need to comply. The agency force can earn the credit points either through attendance of the programme or its assessment (such as assignment, evaluation test, examination etc.)

Individual insurers, however, shall identify the training initiatives according to their own unique business focus and marketing strategy. The training initiatives must be skills and knowledge based programme. Pure motivational programme are not encouraged.

The rules and regulations governing the credit hours and accreditation would be categorized into two :-

- Structured

Attendance of training programmes as per the syllabus and scope outlined/detailed for the general insurance agent in this document.

- Unstructured

By attending other programmes not listed in the scope outlined and by following the proposed methods :-

- i) Attending conventions and programmes recognized and approved by individual companies;
- ii) Attending classes and courses recognized and approved by individual companies;
- iii) Going through self study/self learning programmes recognized and approved by individual companies;
- iv) Teaching in courses and programmes recognized and approved by individual companies;
- v) Speaking in conventions/seminars recognized and approved by individual companies.

Breakdown of the 20 CPD training hours awarded for the various structured and unstructured courses will be as follows:-

- i) Technical Training - minimum of 60% (12 hours)
- ii) Non-Technical Training - maximum of 40% (8 hours)

CPD Training Hours – Syllabus and Scope

The Syllabus and Scope would be applicable to the general insurance agents.

General insurance agents may earn CPD training hours by attending training programs categorized in the following areas:-

Technical Subjects	
i)	Property/Engineering
ii)	Liability
iii)	Marine
iv)	Healthcare/Medical
v)	Miscellaneous
vi)	Motor

Non-Technical subjects	
i)	<p>Sales & Marketing</p> <ul style="list-style-type: none"> ★ Effective Selling skills ★ Handling difficult and angry customers ★ Negotiation Skills ★ Art of persuasive communication ★ Customer care programme/CRM ★ Presentation Skills
ii)	<p>Computer literacy</p> <ul style="list-style-type: none"> ★ Understanding computers and internet ★ Microsoft Word ★ Microsoft Excel ★ Microsoft Power Point
iii)	<p>People Management</p> <ul style="list-style-type: none"> ★ Interpersonal and mentoring skills ★ Managing change with self and staff ★ Managing people and teams ★ Effective listening ★ Effective leadership
iv)	<p>Personal Development</p> <ul style="list-style-type: none"> ★ Time Management ★ Business English ★ Personal effectiveness ★ Personal grooming ★ Organization & Planning ★ Business Ethics ★ Communication/Interaction Skills

v)	<p>General Knowledge</p> <ul style="list-style-type: none"> ★ Finance for non-financial managers ★ Project management ★ Stress management
vi)	<p>Agency Development</p> <ul style="list-style-type: none"> ★ Budget management ★ Compliance Issues ★ Operational Management

Seminars/Congresses and Conferences

- Insurers shall maintain the true spirit of CPD by ensuring its agency force strike a proper balance between classroom training/e-learning and seminars/congresses/conferences attendance. CPD hours earned through attending Seminars/Congresses and Conferences should not exceed 40% of CPD hours for a particular year. This 40% of CPD hours may be divided into technical or non-technical training depending on the topics covered.

List of Providers

- General Insurance Agents may earn CPD training hours by attending the Programmes/ Seminars / Congresses and Conferences by any of the providers shown below.

CPD hours will be credited for attending seminars/congresses/lectures/conferences/ coaching conducted by the following list of providers or insurance companies:

i)	Courses conducted by approved Industry Education providers like MII, CII, AII and other general insurance related bodies
ii)	MII Annual Lectures
iii)	Annual General Insurance Agency Conventions, National Achievers Congress
iv)	Company conventions and congress
v)	In-house training on new products launched by insurers
vi)	Technical Courses provided by relevant institutions e.g. by Inland Revenue Board, Actuarial Society, MIA, ACCA, ICMA, MICPA, etc.
vii)	Agents coaching by Principals

Section 3

Credit Hours and Accreditation

The following rules and regulations governing credit hours accreditation would apply.

Actual Hours (Learning/Lecture/Training Hours) on approved programmes	CPD Credit Hours
Full day , 8 or more actual hours per day	Eight (8) CPD credit hours
Half day , 4 actual hours	Four (4) CPD credit hours
Evening classes, i.e. after 6 p.m.	One (1) CPD credit hour for every actual hour (maximum of 4 credit hours allowed)
E-learning / Multimedia / Approved Self Learning programme	Number of CPD credit hours awarded to be the same as that awarded to companies recognized classroom learning programme
Lectures, training and speaking	One (1) CPD credit hour for every actual hour of lecture/training or speaking hour (Maximum of eight (8) CPD credit hours allowed per day)
Dialogue/Coaching	One (1) CPD credit hour for every actual hour (Maximum of 12.5% of the 40 % CPD credit hours allowed).
Achievement of professional qualification, e.g. FCII, AMII	Eight (8) CPD credit hours for each qualification obtained

The following conditions will apply for the awarding of the credit points:-

- ★ Credit point for CPD can be earned only once for the same programme i.e. every individual can earn credit from the same programme only once per agency contract.
- ★ Credit points awarded through the 1st Principal are transferable to the 2nd Principal under which the agent is registered with PIAM.
- ★ Extra credit points earned in a year cannot be carried forward to the following year.

Section 4

Compliance

Individual insurers shall be responsible in monitoring the compliance, to keep track and record all CPD requirements of their agents.

With effect from year 2009, each Principal is required to enter the CPD training hours earned by their agents in the CPD Module under the OARS. This would facilitate the checking and/or tracking of the CPD hours earned by an agent with his other Principal (for agents representing 2 Principals).

Penalties

The following penalties will be imposed on general insurance agents who do not meet the 20 CPD training hours requirement:-

- * First offence : Letter of Warning to be issued by insurer to agents concerned by 31st January of the following year.

- * Second offence : A 12 months suspension to be imposed on agents who do not meet the 20 CPD hours requirement. The suspension would be applicable on both Principals (for agents representing 2-Principals).

Suspension Letter to be issued by insurer to agents concerned by 31st January of the following year.

- * Third offence : Upon uplifting of the 12 months suspension and if the same agent fails again to meet the 20 CPD hours, the agent concerned would be terminated and barred from registration for 12 months and this shall be applicable to both Principals (for agents representing two Principals).

Expunging of past offences

The counting of the offences committed is cumulative on a 4-year cycle. Past offences outside the 4-year cycle will be expunged, i.e. if an agent after being served with either a letter of warning or suspension has 3 consecutive years of compliance with the 20 CPD hours, all past offence(s) would be expunged from the agent's record.

The methodology for the expunging of past offences is outlined in Appendix A.

EXAMPLES FOR THE EXPUNGING OF PAST OFFENCES

Example 1

Name of Agent	2009	2010	2011	2012	2013	2014	2015	2016
Agent A	CPD not met. Letter of Warning issued in 2010	CPD not met	Suspended for 12 months from 1/1/2011 to 31/12/2011	CPD met	CPD met	CPD met	CPD not met	Letter of Warning to be issued in 2016

In example 1, a Letter of Warning to be issued in year 2016 (instead of letter of termination) as agent qualified under the 4-year cycle for expunging of past offences.

Example 2

Name of Agent	2009	2010	2011	2012	2013	2014
Agent B	CPD not met. Letter of Warning issued in 2010	CPD met	CPD met	CPD met	CPD not met	Letter of Warning to be issued in 2014

In example 2, a Letter of Warning to be issued in year 2014 (instead of letter of suspension) as agent qualified under the 4-year cycle for expunging of past offences.

Example 3

Name of Agent	2009	2010	2011	2012	2013	2014	2015
Agent C	CPD not met. Letter of Warning issued in 2010	CPD not met	Suspended for 12 months from 1/1/2011 to 31/12/2011	CPD met	CPD met	CPD not met	Terminated and barred for 12 months

In example 3, Agent C will be terminated and barred for 12 months as the agent failed to meet the 20 CPD hours in year 2014. Agent does not qualify for expunging of past offences.

Example 4

Name of Agent	2009	2010	2011	2012	2013	2014
Agent D	CPD not met. Letter of Warning issued in 2010	CPD not met	Suspended for 12 months from 1/1/2011 to 31/12/2011	CPD met	CPD not met	Terminated and barred for 12 months

In example 4, Agent D will be terminated and barred for 12 months as the agent failed to meet the 20 CPD hours in year 2013. Agent does not qualify for expunging of past offences.

Example 5

Name of Agent	2009	2010	2011	2012	2013
Agent E	CPD not met. Letter of Warning issued in 2010	CPD not met	Suspended for 12 months from 1/1/2011 to 31/12/2011	CPD not met	Terminated and barred for 12 months

In example 5, upon uplifting of the 12 months suspension and since Agent E failed again to meet the 20 CPD hours in year 2012, the agent would be terminated and barred for 12 months. Expunging of past offences does not apply in this situation.