

How to use this test

This test is designed to help member agents assess a job applicants' knowledge of operations and procedures typical to an independent insurance agency. It is one of many tools that can be used in the hiring process. It was developed by IIAT staff with the assistance of member agents. It is intended only as a guide to understanding the candidates background and experience. Results should be confirmed through interviews and discussions with the candidate and previous employers.

Grading this test

Because many of the test questions have no specific correct answer, scoring based upon a numerical grade is not appropriate. Individual responses, however, should indicate whether the candidate has direct experience with the subject.

A satisfactory response to a question will likely vary depending upon the individual agency and the job the candidate is seeking. You may wish to consult with others in the agency to determine what a correct response to specific questions would be.

Your agency must determine whether enough answers to the questions satisfy your desire for experience.

Hiring the applicant

There is no better time to consider the training needs of staff than when they are first hired. Be sure to discuss the results of this and other tests with the person hired and search for areas where additional training or orientation to the agency can be beneficial. For more information, or to discuss individual test results, call Paul Martin at IIAT, 800/880-4728.

1. List the names of three or more departments that might typically be found in an independent insurance agency.
2. If a customer calls in to report a automobile claim, what kinds of information would you need for processing?
3. What are some typical questions you might ask a personal lines prospect?
4. What are some benefits of working for an independent agency?
5. What are some ways that insurance company underwriting requirements differ?
6. List at least five kinds of information required on an application for homeowners insurance.

7. What do the following abbreviations commonly used in property and casualty insurance mean?
- | | |
|-----|--------|
| BI | PIP |
| PD | UM/UIM |
| CGL | WC |
| PAP | BAP |
8. What are some things you might say or do to calm an agency customer angry about their renewal premium?
9. Describe an example of good telephone etiquette.
10. What is the FAIR Plan?
11. In auto insurance, is it important to know how a vehicle being insured is titled? Why?
12. What kinds of information are found on a proof of auto insurance card provided to customers?

13. What does E&O mean?
14. Prioritize the following agency tasks (from 1 to 3) by their importance in completion.
- ___ Issuing a certificate of insurance for a custome
 - ___ Substituting an auto on an existing policy for the same coverage
 - ___ Requesting renewal for a large commercial customer
15. What types of policies are subject to audit in commercial insurance?
16. Why should audits be processed promptly?
17. What is the difference between an independent agent and a direct writer?
18. What is the role of a producer in an independent insurance agency?

19. What is the role of a typical CSR in an independent insurance agency
20. Describe why a customer would want an umbrella policy?
21. Why is age important in auto insurance?
22. Who has the right to cancel an insurance policy?
23. What kinds of work can you do in an insurance agency if you don't hold an agent's license?
24. In workers' compensation insurance, which of the following variables affects the amount of the premium?
- a. sales
 - b. number of employees
 - c. payroll
 - d. number of miles driven by employees

25. What record would an agency typically have that proves that a customer had requested a change to an insurance policy?
26. What is a binder?
27. Name a common computer automation system used in independent insurance agencies?
28. What two types of coverage in auto insurance require a written rejection from the customer?
29. In addition to the premium, what other charges are shown on the declarations page of a surplus lines policy?
30. How far in advance would an agent ideally begin working on the renewal of a commercial account?