

# Ethical Guidelines for Insurance Professionals

CPCU 311 Instructor Guide

1st Edition

**CPCU** The Leading Insurance Designation Program  
Powered by **The Institutes**

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# Using This Instructor Guide

## ***Introduction***

The instructor guide has been designed to assist you in presenting the course material to the participants in your classes. The goal of both the course material and the instructor's guide is to help you to create a positive learning environment for participants.

This guide is a collection of suggested activities, organized by assignment and addressing each Educational Objective (EO). The activities support individual objectives, so you can select and combine them as needed when teaching a segment of the course.

Using the guide will help reduce your preparation time, while increasing the level of interactive classroom activity that is essential to adult learning. The activities are constructed with a highly interactive format. They were created to support discussion and interaction rather than lecture. Adults learn more effectively when they are engaged in the learning process. Group approaches to problem resolution and product development create an iterative exploration of the information to be learned to achieve each EO.

The material is geared specifically for this course as a companion to the other course materials available. You will find a variety of activities that participants can work on either as a class, in small groups or independently. To add variety in your class sessions, we suggest including both group and individual work.

Vocabulary is a very important part of Institute exams and is vital to good communication in the insurance industry. You may want to create your own exercises to specifically address them for each assignment if no such exercise is provided. Module Four of the general course leader handbook provides some ideas for creating your own exercises.

**Special Note:** If an educational objective is not addressed in this guide, it does not mean it is of lesser importance than any other objective as part of the Institutes exams.

We welcome your comments regarding this Instructor Guide or any of the course materials. Thank you for your participation as an instructor.

## ***Components of the Instructor Guide Activities***

The instructor guide activities include the following components:

### **Title**

The title describes the content within an assignment that supports the educational objective.

### **Educational Objective (EO)**

The EO statement precedes the instructions for each activity.

## **Instructions**

Instructions include any universal directions for the instructor applying to all activities that follow.

## **Activity**

The title for each activity has a number, a name and description of the *type* e.g. (scenario, case, game, discussion).

The activity section includes contains brief statements of the instructor's actions. Talking points describe how the activity is to be performed (individual work, table-top exercise, working in groups) and the output (completed worksheet, presentation, etc.) Any "debrief" instructions to review the outcome of the learning activities are also included as needed. The use of any job aids and handouts is described there.

- Job aids are structured documents that are already completed or tables for completion, which the participants can use when returning to their workplace. Job aids for completion are an effective place to provide space for the participants to explore and record application of the course content to their own work environment.
- Handouts can include other miscellaneous information that the participants might find useful. For example, red flags for fraud, research summaries, or relevant articles are useful handouts. These can include instructor developed handouts e.g. current event articles.

Any handouts, including worksheets for completion or case study readings, are provided after the instructions for each activity. You have permission to copy and distribute any of these handouts to your class participants.

## Defining Terms

### **Educational Objective (EO)**

Distinguish between these terms:

- Morals
- Laws
- Ethics

## Instructions

### **Activity 1—Defining Morals, Laws, and Ethics**

#### **Group Activity Followed by Large Group Discussion**

Divide participants into small groups. Ask participants to complete the questions in **Activity 1—Defining Morals, Laws, and Ethics**.

**Debrief:**

Lead the class discussion on the differences between morals, laws, and ethics.

### Activity 1—Defining Morals, Laws, and Ethics

Questions	Answers
1. What is the difference between morals and ethics?	
2. Give an example of a moral.	
3. What are laws and how do they relate to morals and ethics?	
4. How are insurance professionals affected by laws?	

## Professionalism

### **Educational Objective (EO)**

Support the position that professionalism is a desired characteristic of the insurance practitioner.

### **Instructions**

#### **Activity 1—Describing Professionalism**

##### **Group Activity Followed by Large Group Discussion**

Divide participants into small groups and provide each group with a flipchart.

Assign each group one of the following traits:

- High ethical standards
- Professional competence
- Sense of altruism
- Commitment to continuous education
- Participation in an association or a society
- Ability to think and act independently
- Public recognition as a professional

Ask participants to explain why their assigned topic is a desired trait of an insurance professional.

**Debrief:**

Call on each group leader to present their group's ideas.

## Insurance Professionals and High Ethical Standards

### **Educational Objective (EO)**

Summarize why it is important that insurance practitioners maintain high ethical standards.

### **Instructions**

#### **Activity 1—Summarizing Ethical Standards**

##### **Group Activity Followed by Large Group Discussion**

Divide participants into three small groups and provide each group with a flipchart. Assign each group one of these topics:

- Regulatory requirements
- Social responsibility
- Economic outcomes

Ask the groups to prepare a summary as to why it is important for insurance professionals to conform to the ethical standard presented in the topic.

##### **Debrief:**

Review the groups' summaries with the class.

## Ethical Responsibility to Groups

### Educational Objective (EO)

Give examples of an insurance practitioner's ethical responsibility to these groups:

- Insurers
- Policyholders
- The public

### Instructions

#### Activity 1—Creating Examples of Ethical Responsibility

##### Group Activity Followed by Large Group Discussion

Divide participants into three groups and provide each group with a flipchart. Assign each group to represent one of these groups:

- Insurers
- Policyholders
- The public

Ask participants to create an example that explains an insurance practitioner's ethical responsibility to their assigned group. Mention to participants that they should choose examples that differ from those presented in the course materials.

##### Debrief:

Review the groups' examples with the class.

## Ethical Dilemmas

### Educational Objective (EO)

Given an ethical dilemma, identify:

- The stakeholders
- The motivation for the actions taken
- The relevant ethical issues

## Instructions

### Activity 1—Examining Ethical Dilemmas

#### Group Activity Followed by Large Group Discussion

Divide participants into small groups and provide each group with a flipchart. Ask each group to provide an example of an ethical dilemma an insurance professional might encounter.

**Debrief:**

Review the groups' examples of ethical dilemmas with the class. During the discussion of each dilemma, ask participants to identify the following:

- The stakeholders
- The motivation for the actions taken
- The relevant ethical issues

## Ethical Theories and Decision-Making Tools

### Educational Objective (EO)

Apply these theories to an ethical dilemma using the decision-making tools:

- Rules-based
- Situation-based
- People-based

### Instructions

#### Activity 1—Resolving Ethical Dilemmas

##### Group Activity Followed by Large Group Discussion

Divide participants into small groups and provide each group with a flipchart.

Assign each group one or two of these decision-making tools:

- Rules-based
- Situation-based
- People-based
- Codes of ethics
- Flow charts and checklists

Ask participants to present the key theory behind their assigned decision-making tool, and then create a scenario for which that tool would apply.

##### Debrief:

Review the groups' presentations with the class.

## Barriers to Ethical Decision Making

### **Educational Objective (EO)**

Summarize the barriers to making ethical decisions.

### **Instructions**

#### **Activity 1—Summarizing the Barriers to Ethical Decision Making**

##### **Individual Activity Followed by Large Group Discussion**

Ask participants to review the list of barriers in **Activity 1—Summarizing the Barriers to Ethical Decision Making** and indicate in the columns whether each barrier is physical, procedural, or administrative.

**Debrief:**

Review the answers with the class. You might also ask the class to share any other barriers to ethical decision making they might have identified or encountered.

### Activity 1—Summarizing the Barriers to Ethical Decision Making

<b>Example</b>	<b>Physical</b>	<b>Procedural</b>	<b>Administrative</b>
1. Insufficient guidance			
2. Corporate culture			
3. Destruction of documents			
4. Inconsistent standards			
5. Measurable production requirements			
6. Misaligned priorities			
7. Unavailable witness			
8. Threats to personal safety			

## Answers for Activity 1—Summarizing the Barriers to Ethical Decision Making

<b>Example</b>	<b>Physical</b>	<b>Procedural</b>	<b>Administrative</b>
1. Insufficient guidance		X	
2. Corporate culture			X
3. Destruction of documents	X		
4. Inconsistent standards		X	
5. Measurable production requirements			X
6. Misaligned priorities			X
7. Unavailable witness	X		
8. Threats to personal safety	X		

## Ethical Guidelines for Insurance Professionals

### Educational Objective (EO)

Given an ethical dilemma, apply the Ethical Guidelines for Insurance Professionals to arrive at a resolution.

### Instructions

#### Activity 1—Applying Ethical Guidelines

##### Group Activity Followed by Large Group Discussion

Divide participants into small groups and provide each group with a flipchart. Assign each of the groups one of the seven Canons:

- Altruism
- Continuing professional development
- Legal conduct
- Diligent performance
- Maintaining and raising professional standards
- Professional relationships
- Public education

Ask participants to summarize the key requirement(s) of their assigned Canon and to then come up with an ethical dilemma to which their assigned Canon applies.

**Debrief:**

Review the groups' presentations with the class.

## Ethics Case Studies

### Educational Objective (EO)

Apply ethical theories and decision-making tools, including the Ethical Guidelines for Insurance Professionals, to resolve these kinds of ethical dilemmas:

- Conflict of Interest
- Privacy
- General business

### Instructions

#### Activity 1—Resolving Ethical Dilemmas

##### Group Activity Followed by Large Group Discussion

Divide participants into three small groups and provide each group with a flipchart. Assign each group one of these three cases found in the course materials:

1. Ethical Dilemma Case One: Claim Representative, Marcy
2. Ethical Dilemma Case Two: Underwriter, Aaron
3. Ethical Dilemma Case Three: Human Resources Manager, Emma

Ask participants to discuss the ethical dilemma faced in the case, to outline the ethical theories or decision-making tools that can be used to make a decision, and the possible resolution(s) to the dilemma. Each group should be prepared to share their answers with the class.

Pose these additional questions for discussion:

1. Case One: Would it have been ok to for Marcy to accept the tickets, even if the claim was not “suspicious?”
2. Case Two: What role should the alleged “rumors” about Maureen’s character play in this case?
3. Case Three:
  - Is “young blood” a valid consideration for the agency, regardless of Laci’s relationship to the owners?
  - Which in your opinion is the lowest-performing agent? (The newest agent with promise, but ranking third in sales? Or is it the agent with slightly higher sales but on probation?)

##### Debrief:

Review the groups’ presentations with the class.

