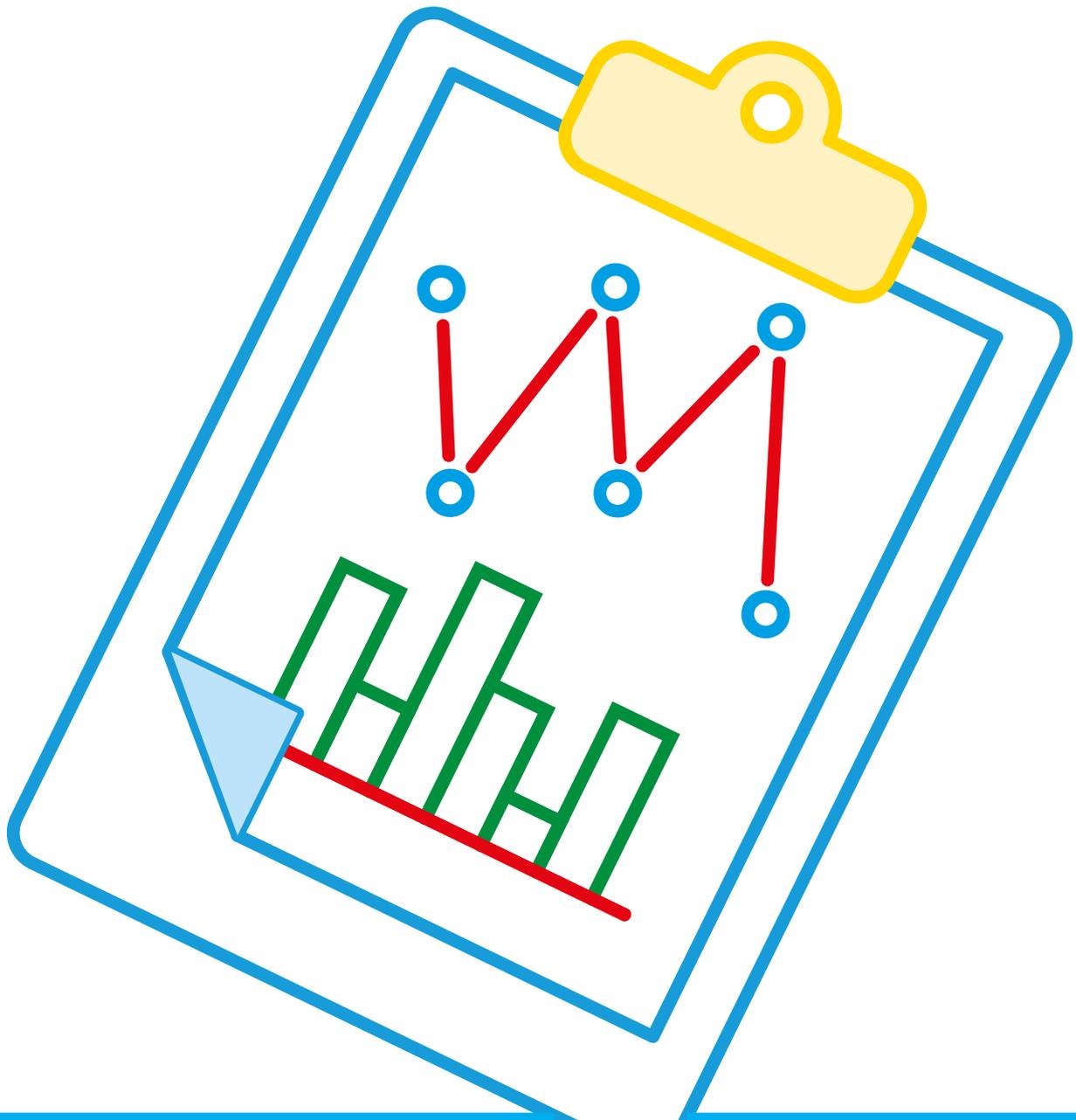


# Business quality and retention

Distribution quality management



# Welcome to the Distribution Quality Management (DQM) programme

The programme exists to create a market-leading approach to intermediary, partner and business quality management, through the usage of detailed MI analysis which empowers our distribution managers, together with their intermediary firms, to drive positive change and better customer outcomes for the future.

## Our commitment is to:

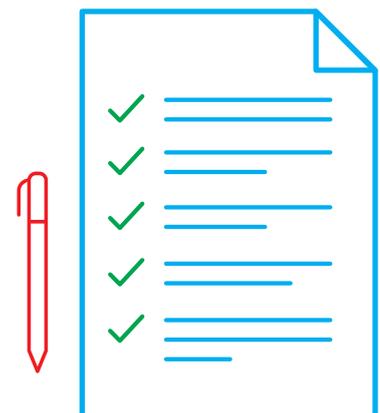
- Innovate, develop, educate and share knowledge, providing relevant analysis with key staff/management and businesses.
- Actively identify areas of waste, risk and opportunity.
- Create specific strategies to deal improve our stakeholders' positions.
- Create a team profile of specialism, tenacity, drive – professionalism.
- Be bold – drive action.

With 'business quality' being critical on everyone's agenda, plus the need to have credible, appropriate and timely data to help manage commercial and reputational risk, the DQM team have created systems, services, practices and support that will enable users to become more self supporting than at any time previously.

So, feel free to read and use our materials. We hope that these will either give you food for thought or can help directly in developing further strategies to improve performance and results.

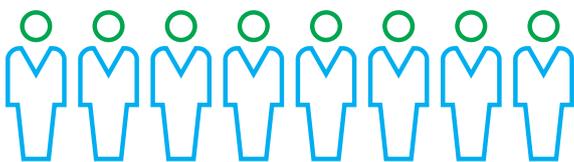
## Mike Pritchard

Commercial Manager  
Distribution Quality Management Team



# A smarter way to do business

Around 15 years ago our analysis revealed that a huge amount of existing protection business was being lost almost as quickly as new business was gained. As a result, we started to introduce various initiatives and strategies to prevent this from happening. We have now invested more than £1 million in our Business Quality (BQ) programme. Why not let us use our knowledge and expertise to help you maximise growth and improve your own business quality, retention and performance?



**43,000+**

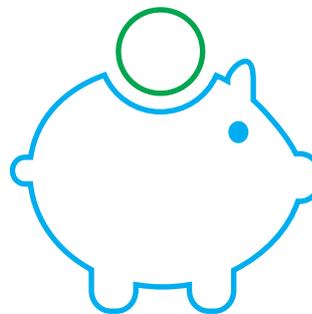
agencies that are automatically evaluated each month by the BQ programme MI systems.



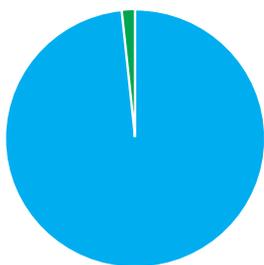
Over **20,000,000** rows of data scanned **monthly** to extract MI to help intermediaries to achieve better business quality results.

**1**

Our position in the marketplace for quality management programmes and systems. We are the industry's only insurer to formally recognise and commend business quality performance and customer outcomes.

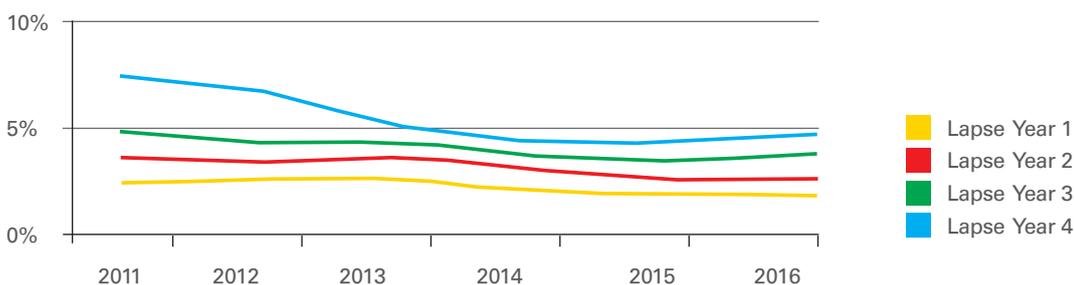


Paid out a total of £201 million from 2,665 claims as a direct result of the introduction of the EWS system.



**100+**  
years of experience in the BQ team.

Percentage decrease in lapses over the last five years



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6	Reducing the risk of misrepresentation
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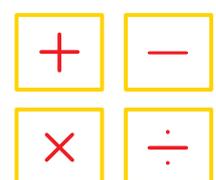
# Improving lead purchase results

## Fact

**Many firms and advisers worry about the quality of leads that they purchase. We understand how important it is for you to get the best value, an increase in conversion rates and a return on investment. So, we have produced a guide that provides simple and cost-effective ways to ensure you improve your lead purchase results.**

## 6 tips to help you assess the quality of your leads

- 1** Aim for realistic results. Be mindful of other agents who say they get a better result at lower prices. If better quality leads from a reputable seller give you a 20% return, anything more is a bonus!
- 2** Deal with a reputable provider. Any lead provider handling client data must comply with data controller regulations (as part of the Data Protection Act 1998). You can also check the Direct Marketing Association website for further advice on lead providers and purchases.
- 3** Carry out background checks. Always ask the lead provider for either a free, no-obligation trial period or provide valid testimonials to back up the quality and satisfaction from those that purchase their leads.
- 4** Check refund and quality policies. Refunds and quality guarantees are always a sure sign of a lead provider backing up their claims. Make sure that there are refund or compensation policies available.
- 5** Work to a budget. Work to a budget and once you have purchased leads, continue to track the quality and persistency of your purchases.
- 6** Maintain contact. Remember, the lead is a potential for future sales, so maintain contact after the sale and build a relationship with the client.



# Reducing the risk of misrepresentation

## Fact

We have a consistently high record of paying claims – we've paid out £2.6 billion in life, critical illness and terminal illness claims over the past 5 years.

## Reduce the risk of misrepresentation

### 1 Answer own questions.

It's imperative that your client answers their own application questions. On joint applications each client must answer all of the questions themselves.

### 2 Weight.

If your client is uncertain of their current weight, please ask them to weigh themselves.

### 3 Smoking.

Your client must disclose if they have smoked any cigarettes, cigars, a pipe or used nicotine replacements during the last twelve months, even if they only smoke occasionally.

### 4 Health.

Please ask your client to think carefully about their health, especially for things that no longer have symptoms. A good example is high blood pressure. It is usually symptomless, but it is important to wellbeing and health. Remember the timeframe that the question applies to. We ask about high blood pressure in the last five years.

### 5 Alcohol.

Your client needs to carefully consider all the questions related to alcohol including if they have been referred for help to deal with alcohol consumption, or if they have been told to cut down their drinking because it is too high.

### 6 Take time.

Ensure your client takes enough time to think about the questions. Ask them to think about their health beforehand if you can.

### 7 Spelling.

Always double check the spelling of your client's name and their date of birth. In a recent sample we found that 10% of policy amendments related to the inaccurate capture of names and dates of birth at point of sale.

### 8 Confirming Your Details.

Make your clients aware of the new post application process, when we make our final decision about their application:

- **Register** for My Account
- **Review** their details on the Personal Details document
- **Reaffirm**, to confirm the information is correct.

**Reviewing and reaffirming their personal details reduces the risk of misrepresentation and ensures you are not held responsible by your client for us not paying a claim.**

# How to ensure 'Confirm your details' is completed

## Fact

**We have introduced a new post-application process to make it easier for your clients. When your client's application is accepted, they will receive an email confirmation along with the policy start date. The email will ask them to take the following actions:**

**REGISTER** – for My Account

**REVIEW** – click on 'Review your Application' to access the Personal Details document

**REAFFIRM** – to confirm the information is correct

This process ensures that you are not liable for how the application information was gathered.

- The CYD process is initiated at the point we make a final underwriting decision on a life.
- It includes all possible amendments that have been made since the application had been submitted.
- Only Risk information, for example, medical answers are replayed to your client.
- Ensure that your client thoroughly checks the information and makes any amends if necessary.
- Amendments can potentially cause the terms to change, possibly resulting in commission having to be recalculated and interrupting the customer journey.

## 5 Tips to aid completions

- 1** Ensure that you are managing your clients' expectations at point of sale and any subsequent contact. Tell them how important the CYD process is!
- 2** Good practice is to highlight the CYD process requirement during an 'On Risk' call.
- 3** Use the CYD reports. Legal & General can supply an outstanding CYD report weekly/monthly so that you know who has/hasn't completed the CYD process.
- 4** Check that the CYD process has been completed via OLPC new business tracking.
- 5** Use Text/SMS as a reminder communication tool to chase up the CYD completion.

## Important

If further information is required and the cover is already live, we will issue a letter to your client instructing them that we require further information and that we will maintain cover for 60 days whilst we carry out this review. However, if we cannot obtain the information within this time period at the end of the 60 days the policy will be cancelled. If the cover is not already live, we will write to your client informing them that the decision has been removed and the underwriting process restarted.

# Reducing 'Confirm your details' amends

## Fact

In 2014 we received over 70,000 Checking Your Details forms with further information on them. 10% of policy amendments related to the inaccurate capture of names and dates of birth at point of sale.

## It's important to get it right first time

Amendments can cause the policy to change which interrupts the policy journey – this in turn can potentially cause a clawback of commission.

### 1 Double check.

Always double check...

- The spelling of your client's name
- Their date of birth
- Their occupation details including the hours worked and job title.

### 2 Answer own question.

It's imperative that your client answers their own application questions. On Joint applications each client must answer all of the questions themselves.

### 3 Take time.

Ensure your client takes enough time to think about the questions, and don't lead them with their answers.

### 4 Be specific.

Your client only needs to tell us things that we ask about. They only have to tell us if they have anything covered by the question within its timeframe. We do this to help your clients.

### 5 Weight.

If your client is uncertain of their current weight please ask them to weigh themselves before submitting the application.

### 6 Smoking.

Your client must disclose if they have smoked any cigarettes, cigars, a pipe or used nicotine replacements during the last twelve months, even if they only smoke occasionally.

### 7 Health.

Ask them to think about their health and family medical history beforehand if you can.

### 8 Answer honestly.

Explain the importance of answering honestly, and the potential consequences of misrepresentation.

**Ensure you build quality measures into your everyday working practice to improve your clients' customer journey and aid retention.**

# Reducing 'Cancelled from outset' policies

## Fact

**On average, a typical adviser will lose at least 10% of policies placed on risk. This can be due to numerous reasons, which can include:**

- Client changed their mind, e.g. they were not engaged or seriously misunderstood the importance of the product
- Mistakes on the application, causing the policy to redraw and possibly lose the sale altogether
- Client found the product cheaper elsewhere, either through another adviser or price comparison website.

To reduce CFO policies, you need to act as soon as the policy goes on-risk. It's important that you have a prevention strategy so you can keep hold of your clients' business and save valuable commission.

## Make the call – our seven-point checklist

Reduce CFOs by calling your clients, ideally within 48 hours of the policy going on-risk. Take this opportunity to reconfirm details and share important information:

- 1 Why:**  
the important reason for buying the cover.
- 2 Cost:**  
how much the premiums are and what they're for.
- 3 When:**  
we'll collect the first premium within 14–21 days.
- 4 Bank details:**  
check the sort code and account number again.
- 5 Regular payments:**  
what's their preferred date to pay the Direct Debit from the second collection onwards.
- 6 Confirmation:**  
written details will arrive in the post. Contact you with any queries.
- 7 Change of mind:**  
cancellation details will arrive seven days after the policy starts.



# Reducing lapses

## Fact

**Lapses can have a damaging effect on your client relationships and business performance. It is important that everything is done to maintain a healthy management of your client bank and clients' portfolio.**

**When reviewing lapse motives with firms, the feedback we receive indicates the main reasons to be:**

- Little client contact, if at all
- Poor expectation management from the point of sale onwards
- Underselling the need, for example the importance of Protection
- Perception of 'value of what was sold' has changed
- Client finds cover cheaper elsewhere, for example the Internet
- Competitor pressure (mortgage company, high street broker)
- Client expenditure pressures/circumstances changed

## Important tips – prevention is better than cure

### 1 Develop a structured contact strategy

Many clients will go elsewhere because their adviser does not realise the significance of staying in regular contact. From the first contact and for the lifetime of the policy, remind them of the reasons for purchase and most importantly what else you can offer.

### 2 Provide clear explanations

Clearly explain the key points around what happens after the policy goes on risk. This allows you to discuss any concerns or questions the client may have and needs reassurance on.

### 3 Reward loyalty

This can happen in many ways, but the main one is to give your clients something back for their loyalty. For example, a small free gift or a discounted charge next time they use your services.

### 4 Sign up to our Early Warning System

This can help you get the earliest report of a possible issue regarding a missed Direct Debit or policy cancellation.

**Remember:** If you treat client management as a single transaction, your clients may leave. You may not find out about this until you see a warning saying the policy is about to lapse or the commission has been reclaimed.

# Reinstate your client's Direct Debit

**We've made the reinstatement process easier for you if your client's premiums are in arrears or their Direct Debit has bounced. This quick and simple online process will help to:**

- Save time
- Increase your reinstatement success rate
- Provide better and more efficient service to your clients

**All you need to do is**

Input the policy number and account details

**We will write to your client within the next seven days to confirm:**

- The reinstatement will take place
- Their Direct Debit collection details

**If there are any issues with the reinstatement a member of our services team will contact you via email or phone. We should then be able to reinstate your client's policy and collect any missed premiums.**

## Has the client been advised that their policy is at risk of being cancelled?

We will cancel a policy and the client will not be permitted to reinstate after three months of outstanding premium. Your client will receive a letter from Legal & General to indicate what requirements are needed to reinstate.

After this initial warning letter, your client will receive a final letter stating that they need to contact us within 14 days in order to restart the policy.

You will still be able to use this process to reinstate as long as your client's details are provided within the 14 days stated in the letter.

If the 14 days have expired, this will mean that the policy has been cancelled and it therefore cannot be reinstated. To discuss your client's options if their policy has been cancelled, please speak to your usual Legal & General contact.

## Has the policy already been cancelled?

if your client's policy has been cancelled, you will not be able to reinstate it. Please speak to your usual Legal & General contact to discuss your client's options.

## Retention – it's worth it

## Direct Debit collection calculator

**Informing clients exactly when premiums will be collected**

**With our Direct Debit calculator you can tell your client:**

- What date the first premium will be collected from their bank account
- How many premiums will be collected on that date
- When the next collection will be made

**To get this information, all you need to input is:**

- Direct Debit set-up date
- Policy authorisation date
- The policy start date
- Your client's preferred collection day

# Increasing trusts

## Fact

In the tax year 2014/15 around £3.8 billion was paid in inheritance tax, which was up 11.9% on the previous year.

**Policies placed in trust can help your client maximise their benefit when it really counts.**

**Life policies in trust are twice as likely to stay in force, thus reducing the possibility that you will be subject to commission clawback.**

## Benefits for your client:

- Your client can help to ensure that the right people receive their life insurance benefit
- Using a trust should help to ensure that the money paid out from your client's policy can be paid out to the people of their choice quicker
- Using a trust should mean that the policy does not form part of your client's estate and therefore should be free from Inheritance Tax

## Benefits for you:

- Trusts help protect you from commission clawback
- Offers greater benefit and security to your client, helping to maintain a long-term relationship
- Trustees represent a marketing opportunity to potentially a warm, life insurance-aware, professional client
- Can open up cross-sell opportunities

We have developed and deployed online, market-leading Trust Hubs for both your business and personal clients. These can assist you in choosing from four types of trust by navigating through our three simple steps:

### 1 Inform

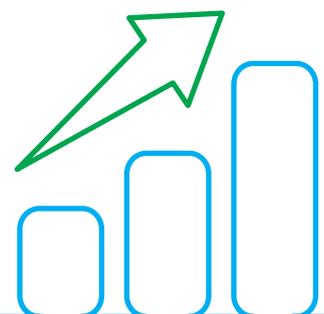
We'll help you educate your clients, without the jargon.

### 2 Select

Use our interactive tool to answer some simple questions in just a few clicks to help you and your clients decide which of our trusts may be right.

### 3 Complete

We can help you fill in the form online and get you and your clients on your way.



# Maximise client opportunities

## Fact

**Clients are hard enough to come by, so why not optimise every opportunity?**

## 10 tips to help you maximise every opportunity

### 1 Map your sales process

Analyse your pre- and post-sales processes to improve weaknesses and maximise strengths. What do your clients say about you? Ensure your infrastructure is optimised. Clients remember poor service more than good.

### 2 Measure conversion rate

Is it on target? Can it be improved? How can you outperform? Challenge at every stage of the process from lead generation to post-sale and beyond.

### 3 Qualify leads better

Take time and effort to convert. Set strategies for different scenarios, including objections.

### 4 Educate

Let your client know how good you, your service, the product and the price are. Focus on compelling reasons to buy. This encourages 'word of mouth' marketing from your clients.

### 5 Improve sales skills

Continuous training, reviews and competency testing can push the bar higher for your staff. From this, develop a best practice programme. Schedule monthly 'master classes' on what works best. Incentivise implemented ideas. The best salespeople are helpful, not pushy!

### 6 Keep it simple

Accurate record-keeping is essential to demonstrating competence. Ensure communications are simple and clear. Clients must be able to understand the message and the call to action.

### 7 Always follow up

Don't overcommunicate, but develop an individual plan for each client, with a reason to contact that has real value. Try varying the communication process.

### 8 Identify client gaps

For example, has their protection been written into trust? Have their circumstances changed? Great reasons to call and perhaps offer a full and free review to address their needs.

### 9 Produce case studies

Underline your importance with client testimonials which emphasise your role. Use these on your website and in other communications.

### 10 Work with others

Build alliances and affiliations with local businesses to tap into a wider client pool. Are there mutual benefits that can be gained from offers, discounts or access to certain products?

# Preventing poor business practice

## Fact

**It is possible to lose one in four of your clients within the first 12 months. Lack of customer care and regular contact will result in client dissatisfaction.**

## 10 tips to help you increase client satisfaction

### 1 Set yourself apart from the competition:

List your USP's and make sure they are included in your accompanying literature.

### 2 Review your sales team performance:

Are they on target and what do their KPI's demonstrate?

### 3 Optimise your communication routes:

Take time and effort to ensure you're using the best communication tools to their maximum potential.

### 4 Map out your processes:

Clients will walk away from poor quality systems, service, processes, staff and outputs. Are there any weaknesses/gaps that can be addressed?

### 5 Review your script:

If you use scripts, make sure that they are reviewed and improved based on your clients feedback.

### 6 Manage client expectations:

Do your clients know what happens next and what you can offer them?

### 7 Review your performance MI:

What does your performance MI tell you about your clients?

### 8 Collect feedback:

Ensure there is a clear process in place to collect client feedback. Reviews and endorsements will achieve more business.

### 9 Be mindful when purchasing leads:

Lead Provider data can vary so it is essential that appropriate due diligence takes place before purchasing leads.

### 10 Writing Protection:

Writing policies in trust is four times more likely to complete and stay in force than not.

## Be the best you can be...

- Ensure your systems and controls are simple but effective
- Clearly allocate roles and responsibilities to all members of staff
- Achieve more by implementing operational effectiveness
- Legal & General are available for further advice, don't be afraid to ask

# Reducing complaint volumes

## Fact

Every year we receive a large number of complaints from customers on their Protection policies, which were sold by advisers. We believe many of these could have been prevented with better business practices.

## Examples of the types of complaints we received:

- term assurance complaints where the adviser did not inform us that the new term assurance policy was to replace the older one
- complaints stating that the adviser did not have the authority to do this
- complaints regarding the sale/service/advice from their adviser
- complaints regarding incorrect information submitted by the adviser including policy start dates and premium collection dates

A claim for negligence can be made by a client/client's estate if an adviser fails to meet the kinds of professional standards that you would reasonably expect them to meet and application errors are made.

## Reduce your complaint volumes by engaging your clients:

### 1 Be clear

ensure your clients know whether an existing policy is to be cancelled, by who and when. State the policy number to be replaced on the application form.

### 2 Be thorough

ensure your clients answer their own application questions and take the time to think about their answers. Ask them to think about their health and their family's health beforehand, if possible.

### 3 Reiterate

remind your client when the policy will start and what the first premium collection date will be. Use our Direct Debit calculator: [legalandgeneral.com/ddcalculator](https://legalandgeneral.com/ddcalculator)

### 4 Build relationships

by explaining everything clearly you'll not only give your client a great experience, you'll gain trust, potentially more business referrals in the future and reduce the risk of commission clawback.

# Improving client communication

## Fact

Over half of all emails received are spam, compared to less than 1% of text messages.

## Email? Text? Other? How effective are they?

- Did you know:
- Only around 16% of all emails are opened on a desktop machine
- The average open rate for texts is roughly 98%
- Approximately 90% of participants in a text message campaign felt they had gained value from it
- On average, the number of consumers who say they have not been marketed to by text is 80%

## 7 steps towards achieving success

### 1 Determine communication style

Does your client prefer to receive written communication, or do they like face-to-face interaction or texts? Learn how your clients like to communicate and use this for future contact.

### 2 Keep better records

Keep a summary of your discussion and send it to your client for approval. This allows them to have a record too and reference this when you are next in touch.

### 3 Review your database

Segment the data into opportunities. Create and deliver a regular feed of information relevant to each segment: timed and targeted.

### 4 Tailor communications

Decide, with data analysis/fact-finding, those clients that have a propensity to purchase or those who just prefer to be kept informed. Don't flood clients with too much information.

### 5 Determine terms and expectations

The more specific you are, the less room there is for misunderstanding.

### 6 Set appointments

From the outset, tell your clients that you will stay in touch, the reason why and when.

### 7 Be prepared to really listen

It's vitally important to pay attention to what your client says. Do your homework before your meeting, review the results of communication deliveries and any feedback received, refer to notes and relevant information collected.

# Managing business risk

## Fact

**Clients can sue for negligent acts or for suffering damage or loss caused by negligent advice or other work within six years of the work being finished. In certain circumstances this can be extended up to 15 years.**

There is a feeling across the industry that the cost of Professional Indemnity (PI) cover is too high, and if this continues it could contribute to many advisers being forced to exit.

Factors such as commission income, business split, compliance, complaints and claims are taken into account when insurers determine what premium to charge.

A business that does not seek to optimise its own performance will naturally incur extra time, effort and costs to manage issues that could have been avoided had the proper control been in place.

In recent years there has been a significant increase in PI claims against advisers. We can help to prevent this from happening to you.

## Let us help you do the business

- 1 Make your clients the centre of everything you do and everything else will fall into line.

- 2 Ensure your clients are engaged and have given correct information in their application, so they are appropriately covered.
- 3 Reinforce the reasons why they bought and the product benefits on a post completion call.

## Taking the steps above should build your clients' trust in you, which in turn will:

- make them more likely to stay with you
- increase the likelihood of future cross-sales
- build long-term relationships
- build long-term value in your business

Reinforcing your business quality standards can future-proof your business so that when you want to retire, you may have a business of greater value to sell. It can also provide you with peace of mind, because if there are any issues you are unlikely to be subject to any legal requirements that may be costly.

# Improving seller competence

## Fact

**A knowledgeable, skilled and well-trained workforce is critical to a company's success. We understand that improving competencies allows your business to remain adaptable and competitive, ultimately contributing to increased productivity and greater revenue.**

## What are the benefits?

- Ability to develop appropriate competences to best practice standards through corporate and personal development
- Better customer/policyholder satisfaction and ensuing reduction of complaints
- Improved policy and client retention capability
- Optimising operational process and related management costs

## What areas should you consider?

- Product and system knowledge: are product and system basics understood?
- Before the sale: positioning and asking the right questions
- Point of Sale/Customer interview: completing the application accurately
- What happens next: managing customer expectations when finishing the call
- Beyond 'on risk': creating a rapport and future trading relationship

## What are the most effective ways to improve?

- Coaching and regular modular training programmes
- Mentoring and shadowing experienced members of the team
- Structured monthly 121's and feedback sessions
- Testing knowledge and skills

**Reduce CFOs by calling your clients, ideally within 48 hours of the policy going on-risk. Take this opportunity to reconfirm details and share important information.**

# How to win a Business Quality Award



Since the start of our Business Quality programme we've helped a large number of adviser firms improve their own business quality standards, with the ultimate goal of providing benefit to our mutual customers. The top performing firms and advisers have gone on to become worthy winners at the annual Business Quality Awards.

Since our inaugural event in 2011, we have presented 57 awards to 52 firms/individuals.

We are often asked "what do we need to do to be a winner?" So we have produced this guide to help you.

## Previous winners have demonstrated the following:

### 1. Retention

A fully functioning retention team and programme in place. This includes using our Early Warning System (EWS). Some of the smart firms look back at Early Warning reinstatements and match them to claims made. These make great case studies!

### 2. Successes

Ability to evidence, through Management Information (MI) success relating to retention, in terms of income and customers saved.

### 3. Process/practice re-engineering

This can be achieved through interaction with us or your own learning. For example, the 'on risk call' introduced after sale, can have a big impact on reducing Cancelled From Outset (CFO) policies.

### 4. Offering value add services

Introducing these to enhance retention rates, for example, trusts, wills, loyalty incentives etc.

### 5. Positive results in our own MI

**Winners are keen to work with us and our MI services to track and improve.**

### 6. Customer satisfaction

A feedback programme in place and evidence available. There are various programmes available online to facilitate customer feedback.

### 7. Post-sale strategy

A post-sale customer contact programme is in place. Not treating the customer as a single transaction provides longevity of relationship and future review opportunities.

### 8. Performance management scheme

**This can be implemented to realign behaviours. Are your sales teams focused on customer outcomes or cash? The firms that succeed get better income per transaction through focus on customers' needs first!**

How many of the above can you confidently say you do or have in some form?

Take it from us, these do work and ultimately, all firms want to retain every customer.

Sometimes through circumstances not within your control, losses do happen. Taking steps to have the best infrastructure in place can mitigate losses and sometimes develop further business.

# Specific medical report

## Specific medical report (SMR)

On 13 December 2015 we introduced further enhancements to OLP Connect and our application process to improve the accuracy of information provided by your clients. This will enable us to pay even more claims.

As part of our post-completion sampling process we will request an SMR from your client's GP. This will be to request further details on information they have specified on their application form.

## Background

Our internal research has indicated that the most common areas on the application form where misrepresentation is prevalent are:

- Weight – this question is the most frequent cause of misrepresentation
- Height
- Cholesterol
- Blood pressure
- Body Mass Index (BMI)
- Depression

## Online process

As of 29 January 2016 we are able to request and subsequently accept an SMR online, through our association with Niche Health. Niche has created the iGPR (Intelligent GP Reporting) software that allows the sorting, compilation and return of summarised medical records electronically. This enables a smoother and quicker process for both GPs and us.

## Benefits

- There are clear benefits to both you and your clients of post-completion sampling. It means:
- Improved accuracy of information provided by your clients, with the aim of avoiding misrepresentation.
- We can offer fairer premiums to your clients.
- We can pay even more claims.

## How does the process work?

- We will sample a selection of policies after completion.
- The application form will be checked to see if the selected client has missed any relevant information.
- We will then request an SMR from the client's GP.
- The GP will fill out the SMR form and return it to us.
- We will compare the SMR against the answers given on the application form.
- If we receive new or conflicting information, your client may be offered reviewed terms or cover could even be withdrawn.

## Further information

For more information on how we can work together to benefit your clients, we have the following documents, available on our Adviser Centre web pages:

- How to reduce the risk of misrepresentation.
- Working together to avoid misrepresentation.

# To keep clients, talk to an expert

## Fact

**Since 2010, our Early Warning System has helped clients claim £125.3m on 1,990 policies. These clients might not have received payouts if the adviser had not acted on the alert to keep their policies from lapsing.**

We all want to keep clients and increase sales. Our market-leading programme can help you work smarter – not harder – to help improve your protection business.

## No reason to leave

We know how challenging it can be to retain clients. That's why we've spent time and effort discovering why they leave, and developing ways to keep them. Our business quality and retention programme can provide you with solutions to help stop them from leaving.

Whether they simply forget to make a policy payment, or they look elsewhere for a product, we can equip you with effective strategies and tools to help drive positive change for your business, giving your clients every reason to stay.

## Better business, better relationships

Improving the service you deliver to clients will have a positive effect on their loyalty. Respond to their needs, answer their questions, keep in touch and help them with information and they'll see you in a whole new light. But how do you fit all that into your business?

Our experts have the experience to help you develop a business model so you can take it all in your stride. You'll soon be operating your protection business more efficiently, improving client experience and relationships.

## Our business quality programme can help:

- Warn you of potential policy lapses and cancellations, so you can keep them to a minimum.
- Improve application quality with accurate client information.
- Identify inefficient practices and offer you improved work processes.
- Maintain long-term relationships with client retention strategies.
- Award your business for good practice through our exclusive Business Quality Awards.

## Built around your client

You can be reassured that your clients are in good hands with us. They are at the heart of everything we do, and we work hard to build long-term positive relationships with them. We're:

- Simplifying application procedures, making it quicker and less stressful.
- Improving the quality of our client communications.
- Maintaining an efficient and compassionate claims service.
- Helping clients manage their assets through digital platforms.
- Providing clients with products and services that are relevant to their lives.

Looking after clients is central to our programme, and it's designed to help you build trust and confidence with your clients.

# How it works

Each of our programme's strategies and tools has a dedicated purpose, with the common aim of improving your protection business.

Our programme is designed to address different aspects of your protection business. That's why our experts offer to visit you at your office. They'll discuss business models, retention strategies and online tools that can work together for you and your clients.

## Why clients leave

When clients buy a protection product they do so for the best of reasons – to protect themselves and their families. So why do many policies lapse, sometimes just before they are needed most? With the busy lives that many of us lead some simply forget to pay, while others have more specific reasons.

**We've looked at why clients leave and have devised solutions to address each one:**

Their reason	Our solution
Forgot to pay premium	Early Warning System to alert of lapsed payments
Bank details change	Online Direct Debit Reinstatement Tool to reinstate payment details, quickly and easily
Forgot payment date	Direct Debit Collection Calculator to remind clients
Shopping around	Literature on a range of protection products
Lack of knowledge	Online expert podcasts to help inform clients
Cover is deemed unnecessary	Research documents to remind clients of the importance of protection, eg. Value of a Parent
Lack of contact	Client letter templates for you to keep in touch
Failed claim	Underwriting advice and online guides to help you to improve application quality

## Our retention tools

Convenient, quick and easy to use, these industry-leading online tools can help increase long-term client retention by reducing inactive cases, cancellations and lapses.

### Early Warning System

We understand how easily clients can be lost through administrative errors or simply if you haven't been informed of a change in their bank details.

Our Early Warning System is a secure online system that provides real-time information 24 hours a day, 7 days a week. If clients do lapse or cancel their policies, the Early Warning System will identify these policies and notify you within 72 hours.

Early notification gives you the opportunity to recapture policies, saving clients' protection and your

commission. With the Early Warning System you can also help clients maintain a continuous level of cover.

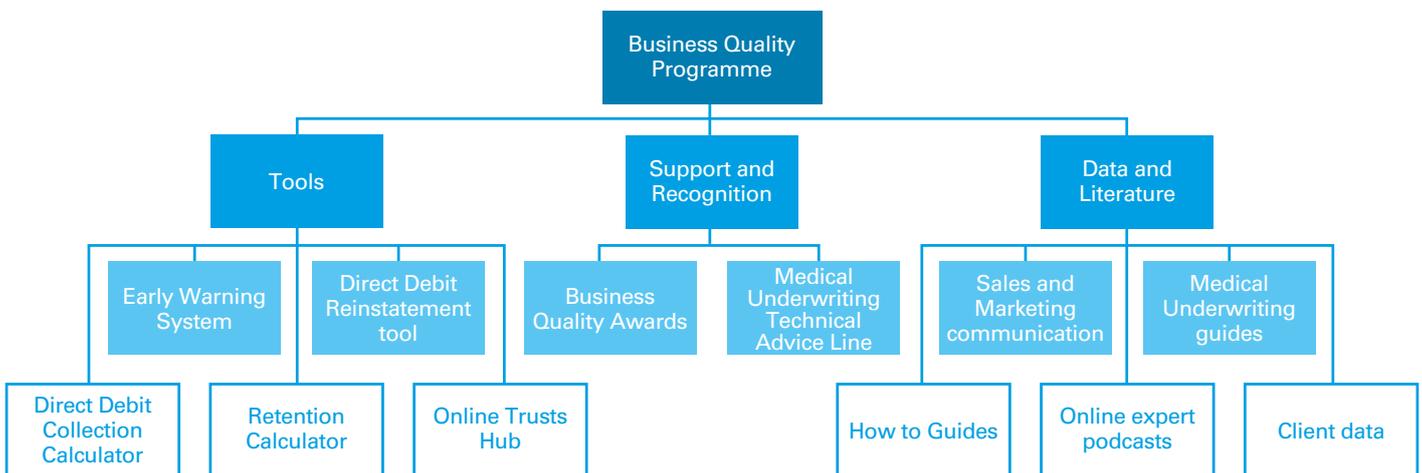
### Online Direct Debit Reinstatement Tool

If your client's premiums are in arrears or their direct debit has bounced this tool makes it easier for you to reinstate their payment details. This quick and simple online process will help to save time, increase your reinstatement success rate and provide better and more efficient service to your clients.

### Direct Debit Collection Calculator

This tool lets clients know when their direct debit will be collected, helping ensure that premiums are collected on time. Keeping clients informed can also help them keep track of their monthly expenses.

Here is a snapshot of our programme showing some of the many benefits.



With its range of strategies and tools, our Business Quality programme is comprehensive and **flexible to fit in with your business.**

# Avoiding pitfalls

In today's tough market, there are challenges that many in the protection industry face. As well as helping to retain clients, managing business quality can help adviser businesses face these potential issues and stay competitive at the same time.

Trends that we observe businesses facing include:

- **Increased professional indemnity costs.** Without quality management practices in place, a business is more likely to face cases of negligence, pushing up their professional indemnity premiums.
- **Clawback.** Client's expectations about level of service are increasing, especially in the ever more digital world. Not meeting their expectations may leave them feeling undervalued, leading to cancelling policies.
- **Losing clients.** Inefficient practices could easily alienate clients, and in a competitive market they'll have plenty of alternatives to turn to.
- **Negative referrals and damage to your reputation.** Intermittent client service, careless administration and passive business management can all take their toll through word of mouth, especially in social media.
- **Losing income and lower embedded value.** With lapsed clients, cancelled policies and higher professional indemnity premiums, the bottom line could be affected, decreasing the book value of a business.
- **Going out of business and bankruptcy.** Noting the warning signs around client retention is especially crucial in today's competitive market. Negative impacts can snowball quickly, causing business failure.

## Data security

Another pitfall which is easy to fall into is a lack of understanding for data security. This can have serious implications for your business. Our experience has taught us valuable lessons, so we have put together this list of issues for you to think about:

- Add data security terms and conditions to the staff employment contract.
- Set up individual agency numbers for sellers.
- Block external memory devices (eg. USB sticks) from being used on company machines.
- Introduce a ban on mobile phones at desks for sellers – particularly in a call centre environment.
- Set up internet security, for example, Websense.
- Set up a 'kill switch' on company devices, so if an employee leaves or the device is lost, the device can instantly be rendered useless.
- If possible have a separate customer services/ post-sale/admin team away from the sellers and the lead generators.
- Security cameras in the office – this would be prudent, not just for data security but for office security as a whole.
- Secure Customer Retention Management (CRM) systems, so for example, they can't be downloaded.
- Be aware when purchasing leads. Try to source a reputable provider and remember that quality leads can come at a premium, but may be worth it in the long run.

Looking after clients is central to our programme, and it's designed to help you **build trust and confidence with your clients.**

## Case study

Winners at the 2016 Legal & General Business Quality Awards, TopQuote offer advice and quotations on insurance and protection products. Managing director, Guy Codling, tells how the Early Warning System helps their business:



**TopQuote**, winners of Best Reinstatement Performance at the 2016 Legal & General Business Quality Awards.

“Effective arrears management ensures that the client is kept aware of any potential issues during their period of cover and that commissions are retained. These two elements are essential to the profitability of a protection business.”

“We chose to do business with Legal & General because of their Early Warning System. We understood that reducing the percentage of business that is lost through cessations was only going to be possible if we had a service that notified us immediately when a client missed a premium, or cancelled a mandate/policy. Early Warning System provides the necessary opportunity for the problem to be solved.”

“By no means do we feel that we have a perfect system. However, we do feel that there is no insurer out there with a clearer understanding of the importance of managing arrears, or a better system that helps achieve this aim.”

# Legal & General OLP Connect - Existing Business User guide.

Including new “Agent Hub Early Warning” service

## System Features and Benefits

The Existing Business Hub is a free, secure, online subscription system that provides real-time information 24 hours day, seven days a week. The system provides a notification of policies that are in danger of lapsing, which may in turn result in commission being clawed back.

- **Improved Policy Search.** Agents can use the new “Existing Business Agent Hub” to search for products and to see an immediate summary of any outstanding events.
- **Real-time data feeds.** Unlike the static snapshots of the existing Early Warning System (EWS ) (3x weekly), the agent will be able to see updates as events occur, and these events will be updated regularly as events change.
- **More client information.** The information screen will include full details of the product and customer contact details including telephone and email contacts where available. Where there has been an event i.e. DD failure it will also show full details of that event.
- **Interactive - notes/follow ups capability.** The system will automatically generate notes reflecting activity on the event and the Agent can add their own notes/comments on any actions or decisions they have made. In addition, Agents can mark events as not requiring any further action by them and can filter to remove these events from their view.
- **Longer data archive facility.** Unlike the 4 weeks of data provided by the existing EWS system, the Agent will be able to see any on-going events as long as they are active.

“As you know, at TQ we are enthusiastic users of the EWS and we eagerly anticipate the chance to improve this market leading process. We see the main benefit as being: Improving the customer experience when dealing with payment issues. Improving operational costs and efficiency between TQ and L&G”

**Guy Holding,**  
Managing Director of Top Quote

## LOG IN.

Please enter your LoginID and password to access the service.

User ID

Password

LOG IN

Alternatively, [log in using Unipass.](#)

[Forgotten your password?](#)

Forgotten your user ID? Call us on 0370 050 0274.

### 1. Access

### 2. Log In

Using ID and Password to access the service.

**FOR TRAINING PURPOSES ONLY - THE DATA USED IN THIS GUIDE IS NOT REAL AND INTENDED FOR ILLUSTRATION PURPOSES ONLY**

The purpose of this guide is to explain the updated AGENTHUB with guidance on April 2017 enhancements to the Progress widgets first introduced in November 2016, how to load a new application, search for an existing application, case management, viewing outstanding evidence requirements and document printing.

The screenshot shows the AGENTHUB interface for 'EXISTING POLICIES'. On the left is a search bar for existing policies with fields for Surname, Date of birth, OR, and Policy number, along with 'SEARCH' and 'CLEAR' buttons. The main area is titled 'Policy Events' and includes a checkbox for 'Including inactive records' and a link to 'Click here to download data'. Below this is a table of event categories:

Category	Sub-category	Count
1 ALL OF YOUR EVENTS	TOTAL	28
	DD FAILURES	2
2 YOUR FIRST NOTIFICATIONS	LAST WEEK	9
	TOTAL	11
3 YOUR DIRECT DEBIT FAILURES	LAST WEEK	3
	TOTAL	4
4 YOUR CANCELLATIONS	LAST WEEK	3
	TOTAL	4
5 YOUR POLICIES GOING OFF-RISK	OFF RISK THIS WEEK	0
	OFF RISK THIS MONTH	0
	CLAWBACK THIS MONTH	0

At the bottom of the table is a 'Download data' link.

**1. All of your events**

This shows all your cases where an event has taken place such as failed premium collection or a policy has cancelled.

**2. Your first notifications**

This show cases where the bank has informed us that their attempt to collect a premium has failed. At this stage we will not have written to your customer as the bank always makes a second attempt but it does give you early warning. The Cancellations button shows when your customer has notified us that they wish to cancel their policy.

**3. Your Direct Debit failures**

This shows cases where the Direct Debit has been cancelled by your customer or where a second attempt at a collection has failed.

**4. Your Cancellations**

This shows instances where your customer has notified us that they wish to cancel their policy.

**5. Your policies going off risk**

This shows which policies are close to being cancelled as there has been no action taken by your customer.

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The screenshot shows the AGENTHUB interface with the following elements:

- Header:** Legal & General logo, LOGIN, LOGOUT, NEW APPLICATION, MENU, and AGENTHUB.
- Navigation:** NEW BUSINESS and EXISTING POLICIES tabs.
- Search Widget:**
  - Search existing policies:** Includes an info icon and instructions:
    - Search works for existing policies and is not limited to policy events
    - You can search using either Surname and Date of birth or Policy number
    - Search is not available on Surname or Date of birth only
 Input fields for Surname, Date of birth, and Policy number. Buttons for SEARCH and CLEAR.
  - Useful links:** A plus sign icon.
- Search Results:**
  - Header: Search results > Your Direct Debit Event > 1st Notification
  - Filter: [ ]
  - Table with columns: Policy number, Event created, Event type, Customer name(s), Clawback due, Clawback, Agent/FRN.
  - Table Data:
 

Policy number	Event created	Event type	Customer name(s)	Clawback due	Clawback	Agent/FRN
0205497853	15/06/2017	Bounced DD	Sur-review-two , F	01/01/0001	0.00	5199997
0205773401	15/06/2017	Bounced DD	Yesyes , N	01/01/0001	0.00	5199997
  - BACK button
- Footer:** EVERY DAY MATTERS. logo, Accessibility, Security, Legal and regulatory, Privacy policy, Cookie policy, © Legal & General Group plc 2017, and Legal & General logo.

## 1. Info icons

Clicking any of the info icons will display a brief description for the screen content it relates to.

## 2. Search results

Here's an example of how the search results will look, with column headers varying depending on search or widget button used. Click a policy number to view the event details.

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Legal & General Existing Business Details - Policy 0205487853 AGENTHUB

**EVENT DETAILS - Bounced DD** [Show less](#)

Event created	Event status	Clearback	Clearback due	Policy type
15/06/2017	Notification only - no action required			
Off cover	Reason for cancellation	Reinstatement options		
DD19		Reinstatement not available		

**Reinstatement requirements**

Direct Debit instruction	Arrears amount	Declaration of Health
No		
Last premium paid	Next premium due	Number of premiums outstanding
07/04/2017	07/05/2017	0

Mark this record as active
  Mark this record as inactive

**NOTE HISTORY** [Show less](#)

Date	User	Details
15/06/2017	SYSTEM	DD payment bounced - initial notification

Add new note here (max 256 chars)

**PRODUCT DETAILS - Increasing Family and Personal Income Plan** [Show less](#)

Monthly benefit	Policy status	Policy start date	Policy end date	Monthly premium	Collection day
£3,601	InForce	07/05/2016	07/05/2021	£10.00	07
Trust	Premium basis	Walker	TIC	TPD	CCIC
NI	Guaranteed	No	No	No	No
Original monthly benefit	Include conversion?	2nd death			
£3,601	No	No			

**Agent details**

Name	Agent	Master agent	Servicing agent
Default BD Terms	519997	519997	519997

**CONTACT DETAILS** [Show less](#)

Life insured			
Name	Address	Postcode	Date of Birth
Mr First-review-two Sur-review-	Legal & General Assurance Society L, Legal & General Mount St, Moulton Road, Kington, TAMWORTH	KT20 8EU	07/10/1986

**1. Event details**

As there is an ongoing event you will see information regarding this event.

**2. Note history**

Sometimes you will see notes that the system has produced. You also have the opportunity to write notes but these will not be visible to our customer service teams and are purely for your own use.

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# FAQ's

## What is happening to EWS?

### 1. What is happening to EWS?

EWS will be decommissioned (date to be confirmed) and you will now be able to access data on Direct Debit bouncers, cancellations and policy lapses from the home page (AGENTHUB) of our market-leading intermediary case management system, Online Protection Connect (OLPC). All the information that you would have found by logging in to EWS you will now find in this tab. But it gives you even more as it also replaces the Policy Enquiry Search function that is on the Adviser Centre.

### 2. Where can I find this kind of information on OLPC?

On the home page (AGENTHUB) you will find two tabs, one for New Business and one for Existing Business. Information on any Direct Debit bouncers, cancellations and policy lapses can be accessed from the Existing Business tab.

### 3. How do I get to the new existing business tab?

Simply log in to OLPC and, assuming you have permission to view this data, you will see it in the buttons on the new tab on the right hand side.

### 4. What is different now?

Information on the first notification is now provided and there more data items available on the screens and for download. There is a new look and feel making it easier to access the information.

### 5. Will my client see what I see? Will they get a notification from you?

The customer process has not changed and they will receive initial and review letters in the normal way. The information we are providing allows you to help save cases that may otherwise have lapsed.

### 6. Does this mean that paper/ letters are being replaced by this service?

Currently letters will go out with the aim to eventually move to electronic.

'All round huge improvement and I very much look forward to using it.'

**Andrew Tinsley,**  
Managing Director of Easy Life

# FAQ's

## Access

**1. How do I access the information on Direct Debit bouncers and cancellations?**

Simply log in to OLPC and, assuming you have permission to see the data, you will see the new tab on the right hand side. If you do not have access to OLPC please speak to your account manager.

**2. Are there any access restrictions or do I need to get permission to view data?**

There are currently 3 areas of functionality:

- Policy Search functionality means you can see information on policies that relate to your agency number.
- You will be able to see event data for your agency number.
- You will be able to download the event data.

The last 2 elements can be switched on or off if you wish to restrict information you or your colleagues see. Should you wish to restrict access please contact your account manager or the Registrations Team with the user IDs to be restricted.

**3. Where should I go if my access permissions are not correct?**

Please contact your account manager or the Registrations Team.

Email – [advisercentre@landg.com](mailto:advisercentre@landg.com)

Telephone number – 0370 050 0274 (We may record and monitor calls)

**4. Will I need to login separately to each firm I have access too?**

The standard level of access only allows you to access to your own agencies but if you require access to more than one agency within your firm please speak to your account manager or our registration team who can explain the options available.

# FAQ's

## Using the Existing Business Tab

**1. Will I get an email alert (like the current EWS) when a new warning is generated?**

No you will not. EWS was a separate system so you had to be prompted, through email to log in. OLPC is widely used and you will now easily be able to monitor both your new business applications and the status of existing in one place.

**2. How often is the data updated? For EWS is used to be 3 times weekly (Monday, Tuesday & Thursday)**

The data gets refreshed every day.

**3. What are "inactive records"?**

If you do not want to see a repeated policy in your list again, select this box and it will be hidden from your view of the event data. It will still show when you do an individual policy search.

**4. Please explain what the policy event notifications mean:**

- All of your events: All policies where an event has taken place.

- Your first notifications: Early warning of policies that may be cancelled or may have problems with the Direct Debit payment (customer has not yet been notified).
- Your Direct Debit failures: Policies where the bank has notified us that the Direct Debit has been cancelled or there are insufficient funds.
- Your cancellations: Policies where the customer has instructed us to cancel or where the policy has been replaced by another policy.
- Your policies going off risk: Policies where cancellation is imminent.

**5. I use the data with my CRM application. Can I download the data (like I could with EWS)?**

Yes there is a download function in CSV format.

**6. What information does the download give me vs the online view?**

It gives you the same information that is shown on the new screens. You can select the fields that you want to download.

"Really like the new system! User friendly, and contains sufficient information for us to eliminate a lot of calls to L&G."

**Katie Robinson,  
VITA**

# FAQ's

## Using the Existing Business Tab

**7. Am I able to see notifications early? In other words, at first failure?**

Yes, first failures will appear in your first notifications button.

**8. Is the "Event Created" date the date of the notification or the date of the failure (e.g. client cancelled DD at bank)?**

It is the date we were notified by the bank.

**9. Can I reinstate any policy or should I use another service to do this?**

Please follow your current process for reinstating the policy.

**10. Can I reinstate any policy or should I use another service to do this?**

Please follow your current process for reinstating the policy.

**11. Will I be notified when a policy has been reinstated or should I check the Policy Enquiries screen?**

There has been no change to this part of the process.

**12. Can this link to the 'Credit & Debit Card Reinstatement' service?**

Not at present.

**13. How long should I wait for a policy to be reinstated once I have passed all information on?**

Current work around time is 3 working days to reinstate the policy if all requirements are received.

**14. Will I be able to see saved cases?**

There is a new link on the Existing Business tab which takes you to a page where you can access data about your saved cases.

# FAQ's

## Policy Enquiries

**1. Can I search for any policy?**

Yes as long as you have permission to see it.

**2. Are all contact numbers on the screen?**

If we hold a contact number (or an email address) for a customer then it will show on the screen.

**3. The ability to add notes is helpful; are these permanent and who else can see these?**

They will remain while there is an ongoing event and are visible to anybody who has access to those policy details. However Legal & General services will not act on any notes that you enter.

**4. Can I see the exact date of the cancellation or the lapse on Policy Enquiries?**

Yes

**5. Can I download specific reports of my existing clients; for example, can I see all clients who are paying premiums that were on risk in 2016?**

No

**6. Is it possible to see how many of my clients have been written in trust?**

No but you can see on the individual client policy screen if the policy has been written in trust.

**7. Can I extract a report from Policy Enquires?**

Not currently available.

## MI and Tracking Performance

**1. I am keen to see my "warning" and "saved" activity, where can this be found?**

It is not currently available.

**2. Am I able to create reports that allow me to see where my performance can be improved?**

No this is not possible at present.

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