AIC 30: Chapter 5 - Communicating Effectively

1. David is a new claim representative. He is interviewing Veretta, an insured. Veretta has been involved in an auto accident which was not her fault. David is listening to her give her statement and asking questions as needed.

As the interview continues, Veretta’s countenance becomes more angry-looking and her body posture exhibits defensiveness. If David just keeps on going with the interview, which barrier to effective listening is he exhibiting?

A. Violating the speaker’s expectations

B. Exhibiting boredom or loss of focus

C. Ignoring nonverbal cues

D. Conveying insincerity

2. Which of the following is NOT one of the three main assertions which a reservation of rights letter must contain?

A. That the letter is not a denial of coverage

B. That the insurer can add to or modify its coverage position based upon additional coverage issues which may arise during the investigation

C. That any actions taken by the insurer do not constitute a waiver of rights or admission of coverage

D. That the insurer does want to pay the claim if the facts of the case warrant it

3. Which statement best describes the relationship between written communication and the audience for which it is intended?

A. The writer should be consistent in using the same style and language for all audiences

B. The writer should vary the style and language he/she uses to be best understood by a specific recipient

C. The writer should always use only the simplest language so anyone could understand it

D. The writer doesn’t have to consider the intended audience, he/she should just write to their own most comfortable style

4. Which of the following is a best practice concept about composing email messages pertaining to a claim?

A. Informal symbols, emoticons, abbreviations and the like should be avoided

B. Structure, content, and tone should consider the primary and/or secondary audiences who may read it

C. Jargon/technical terms should be used minimally if at all, and explained when used

D. All of the above

5. What is a main difference between a reservation of rights letter and a nonwaiver agreement?

A. A nonwaiver agreement gets signed by the insured, the reservation of rights letter does not

B. Reservation of rights letters are prohibited in some states, nonwaiver agreements are not

C. Nonwaiver agreements must be filed in the state of policy issuance, reservation of rights letters need not be filed

D. Nonwaiver agreements have Federally-specified language, reservation of rights letters do not

6. The receiver will interpret what the sender sends based in part upon the type of credibility he/she grants the sender. Donovan, a representative, is assigned to deal with Arwyn, an insured who suffered a wind damage loss to her house.

By the settlement of the claim, Arwyn has a high degree of trust in Donovan. What type of credibility does this represent?

A. Derived

B. Initial

C. Primary

D. Terminal

7. Face-to-face communication provides more information than any other medium because of the nonverbal communication that occurs. When the nonverbal communication being conveyed by a person sends a different message than the words he/she is saying, what should that prompt the representative to do?

A. Consider the verbal input as untrue

B. Stop the interview and allow the person time to unwind or calm down

C. Pursue additional lines of questioning or investigation

D. Contact the insurers SIU

8. Representatives communicate verbally with many parties in the course of a claim. The representative must identify the purpose of each communication so he/she can effectively plan and engage in the communication. Which of the following is NOT one of the four main purposes of claim communication?

A. Resolution

B. Evaluation

C. Arbitration

D. Negotiation

9. Which of the following is a generally accepted practice in the drafting of denial letter?

A. The specific purpose of the letter is not stated in the first sentence

B. The specific purpose of the letter is stated in the first sentence

C. The denial should be the last thing to read in the letter

D. Reassuring language should accompany the denial

10. Claim representatives communicate with many parties in the course of handling a loss. The communication process happens in what two phases?

A. Transmission and receiver

B. Sender and feedback

C. Transmission and feedback

D. Sender and receiver