

# RISK MANAGEMENT AND INSURANCE: Protect Your Family's Future

*Training of Trainers Manual  
Toolkit*

**Global Financial Education Program**

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# HANDOUT 1

## Pre-Test

Test # \_\_\_\_\_

QUESTION	ANSWER
1. What is "risk"?  <i>(Circle the most appropriate answer)</i>	A) Risk is hardship caused by difficult events. B) Risk is the possibility of loss or injury. C) Risk is failure to protect oneself.
2. An example of a protection step is...  <i>(Circle the most appropriate answer)</i>	A) Selling assets such as jewelry or livestock B) Borrowing from a microfinance institution C) Contributing to a savings account
3. One important factor to consider when deciding where to save money is how accessible the money will be when you need it.	True    False
4. If an emergency affects your ability to earn income, you should take a loan to help you pay for unexpected expenses.	True    False
5. In response to an emergency, insurance can provide a lump sum of money that you might not get otherwise	True    False
6. A form of financial protection against the threat or possibility of loss is called...  <i>(Circle the most appropriate answer)</i>	A) Emergency loan B) Insurance C) Bank account
7. If an insurance customer never experiences an emergency that qualifies for an insurance payment, his or her premium payments will be returned.	True    False
8. One insurance policy will cover all emergencies.	True    False
9. The beneficiary is the person who receives a payment upon policy holder's death.	True    False
10. If you are insured against theft and have experienced theft in your business you have to submit the request for payment called...  <i>(Circle the most appropriate answer)</i>	A) A claim B) A premium C) A policy

# HANDOUT 2

## Key Principles and Practices of Adult Learning

PRINCIPLE	DESCRIPTION
<b>Respect</b>	<ul style="list-style-type: none"> <li>■ Learners feel respected and feel like equals.</li> </ul>
<b>Affirmation</b>	<ul style="list-style-type: none"> <li>■ Learners need to receive praise for even small attempts.</li> </ul>
<b>Relevance</b>	<ul style="list-style-type: none"> <li>■ Learners learn best by drawing on their own knowledge and experience.</li> <li>■ Learning must meet the real-life needs of the adult—jobs, family, etc.</li> </ul>
<b>Dialogue</b>	<ul style="list-style-type: none"> <li>■ Adults learn better when they can discuss information. The “banking approach” of making “deposits” in someone’s head may be effective for children but is less appropriate for adults.</li> <li>■ Learning must be two-way to allow the learner to enter into a dialogue with the teacher.</li> </ul>
<b>Engagement</b>	<ul style="list-style-type: none"> <li>■ Learners must get involved through discussion, small groups and learning from peers.</li> </ul>
<b>Immediacy</b>	<ul style="list-style-type: none"> <li>■ Learners must be able to apply the new learning immediately.</li> </ul>
<b>20/40/80 Rule</b>	<ul style="list-style-type: none"> <li>■ Learners remember more when visuals are used to support the verbal presentation and best when they practice the new skill. We remember 20 percent of what we hear, 40 percent of what we hear and see, and 80 percent of what we hear, see and do.</li> </ul>
<b>Thinking, Feeling, Acting</b>	<ul style="list-style-type: none"> <li>■ Learning should involve thinking, emotions and doing.</li> </ul>
<b>Safety</b>	<ul style="list-style-type: none"> <li>■ Learners need to feel that their ideas and contributions will be valued—that they will not be ridiculed or belittled.</li> </ul>
<b>Accountability</b>	<ul style="list-style-type: none"> <li>■ Teachers need to be accountable to the learners that their learning needs are met, that the exercise will be useful to them.</li> </ul>

# HANDOUT 3

## Keys to Managing Small-Group Work

- Be sure to clearly define the activity and “product” of the small-group work. Ensure that everyone understands the group size before breaking into groups. Instructions may be given after groups have formed.
- Make sure that participants move physically so they can face each other and hear each other—encourage quick physical movement.
- Use groups of different sizes—use pairs, groups of three and “solidarity groups.”
- Move around while discussions are occurring to assure understanding, answer questions and note key points of discussion. You may even want to encourage some groups to share specific points you think are key with the large group when the time comes.
- It is not always necessary to have each group present. Take a sample from among the groups.
- Avoid having each individual member of a group report to a large group—ask groups to assign one person to report.
- If you find there is confusion, stop all groups and clarify the activity.

## HANDOUT 4

### One Accident, Three Responses

Last year, a terrible bus accident occurred on the hilly road from the district capital up to the three villages along the same northern route. An animal darted in front of the bus, startling the driver just as he was going around a curve. When he swerved, he lost control and the bus rolled over. Most of the passengers only suffered cuts and bruises. But three young men had injuries that required hospitalization.

#### **Pedro**

Pedro lives with his parents and younger brothers on their farm north of the capital. Most of the family works on the farm, but he is a teacher in town and rides the bus there each day. In the accident, he broke his leg in two places, and had to stay home from work for several weeks until he was strong enough to get around on crutches. At first, his family was in shock. How would they pay the hospital bill and meet daily expenses without Pedro's salary? But they sat together to figure out how much they would need and made plan to raise the money.

- They could borrow  $\frac{1}{2}$  of the total amount needed from Pedro's aunt and uncle.
- Their savings (set aside to purchase a dairy cow) would cover  $\frac{1}{4}$ .
- Pedro's mother would take in laundry to earn  $\frac{1}{4}$  and eventually repay the aunt and uncle.
- Pedro's two younger brothers would quit their after-school soccer team to replace their mother on the farm.

#### **Alberto**

Alberto works as a mason. His wife, Helen, has a cooked food stall in the market in town where she prepares breakfast for the government office workers. She opens very early and closes her stall by 10 am. When Alberto fractured his hip in the accident, he was unable to work for eight weeks. To pay the medical bill, Helen approached her village savings and loan group for financial assistance. The group was able to lend her enough money to pay for  $\frac{1}{2}$  the bill. The other  $\frac{1}{2}$  would come from an old debt owed to the family by Helen's brother. She would have to insist that he repay it now. To replace Alberto's income, Helen would keep her food stall open for lunch. Their three children would have to go without their lunch allowance and eat, instead, at Helen's stall. This year, they would cancel their annual pig roast to celebrate the nation's birthday.

# HANDOUT 4 (Continued)

## One Accident, Three Responses

### **Juan**

Juan operates a motorcycle taxi in town while his wife tends their small farm. She grows maize to eat and keeps goats. His earnings are spent first on school fees for their two children. When Juan broke his leg in the bus accident, the family had no savings that they could use to pay their medical bills. At first, they borrowed from the moneylender to pay the hospital bill, but with Juan unable to work, they had no income from which to make loan payments. Finally, Juan had to sell the motorbike to pay off the loan. He had just enough money leftover for school fees for the younger daughter. The older one left school and found a job in town as a maid. To pay for daily expenses, his wife sold half of her goats.

# HANDOUT 5

## In Good Hands Insurance Company Life and Accident Insurance Policy Summary

Fill in the blanks in the insurance policy with the correct term from below.

<b>Waiting period</b>	<b>Beneficiary</b>	<b>Benefit</b>	<b>Exclusions</b>
<b>Eligibility</b>	<b>Deductible</b>	<b>Claim</b>	<b>Premium</b>

1. \_\_\_\_\_

The policyholder must pay \$10 every six months to In Good Hands to activate the insurance policy and keep it in force.

2. \_\_\_\_\_

When a covered death or injury occurs, In Good Hands will provide a payment of the following amounts:

- Loss of life: \$3,000
- Loss of limb: \$1,500
- Loss of sight: \$2,000
- Loss of hearing: \$1,000

In the instance of loss of life, the beneficiary will receive the full payment. In case of injury, the policyholder will receive the full payment.

3. \_\_\_\_\_

The policyholder must designate one person to receive the insurance money in case of death of the policyholder. This person may include the policyholder's spouse, child, parent or sibling. This person should be listed on the enrollment form provided by In Good Hands.

4. \_\_\_\_\_

If an insured injury occurs, the policyholder must submit a request to In Good Hands for the payment. The person making the claim will be required to complete the appropriate paperwork to In Good Hands in support of his or her request. In case of death, additional required documentation includes birth certificate and death certificate. In case of injury, a doctor's note may be required.

## HANDOUT 5 (Continued)

### In Good Hands Insurance Company Life and Accident Insurance Policy Summary

5. \_\_\_\_\_

The policy does not cover any loss caused by or resulting from suicide or self-destruction; committing or attempting a felony or illegal act; act of war. In Good Hands will not pay any benefits for injury or death resulting from any of these causes.

6. \_\_\_\_\_

All clients of Happy MFI who are between the ages of 18 and 65 are eligible for coverage.

7. \_\_\_\_\_

When filing a claim for an injury caused by an accident, the policyholder must pay \$20 before receiving the insurance benefit.

8. \_\_\_\_\_

The policyholder must wait 3 months before his or her life insurance coverage becomes effective. Coverage for injuries due to accidents begins immediately upon activation of the insurance policy, once the first premium payment is made.

# HANDOUT 6A

## Questions to Ask the Insurance Agent—Partner A

**INSTRUCTIONS:** Pretend you are a potential client interested in purchasing life and accident insurance and your partner is an insurance agent. Ask your partner the following questions about the policy and check their answers with the ones provided below.

### Benefits

Question 1: What benefits does the insurance policy guarantee to the policyholder?

*Answer 1: It provides \$3,000 in case of death of the policyholder; \$1,500 in case of loss of the policyholder's limb; \$2,000 in case of the policyholder's loss of sight; and \$1,000 in case of the policyholder's loss of vision.*

### Beneficiary

Question 2: Who can be named as a beneficiary?

*Answer 2: The policyholder can name their spouse, child, parent or sibling as the beneficiary*

### Eligibility

Question 3: What are the eligibility requirements for who can purchase this insurance policy?

*Answer 3: All clients of Happy MFI who are between the ages of 18 and 65 are eligible for coverage.*

### Waiting Period

Question 4: When will my policy be active?

*Answer 4: As soon as the first premium payment is made, the accident policy is active. Death is not covered during the first 3 month waiting period.*

Question 5: What if something happens to me during the waiting period? Am I entitled any benefit?

*Answer 5: In case of death during the 3 month waiting period, the policyholder is not entitled to any benefit.*

# HANDOUT 6B

## Questions to Ask the Insurance Agent—Partner B

**INSTRUCTIONS:** Pretend you are a potential client interested in purchasing life and accident insurance and your partner is an insurance agent. Ask your partner the following questions about the policy and check their answers with the ones provided below.

### Premium

Question 1: What is the amount of the premium?

*Answer 1: \$10*

Question 2: How frequently do I pay the premium?

*Answer 2: Every six months*

### Deductible

Question 3: What is the amount of the deductible?

*Answer 3: \$20*

### Claim

Question 4: What type of documentation do I need to make a claim?

*Answer 4: In case of death, additional required documentation includes birth certificate and death certificate. In case of injury, a doctor's note may be required.*

### Exclusions

Question 5: What events are named as exclusions to this policy?

*Answer 5: The policy does not cover any loss caused by or resulting from suicide or self-destruction; committing or attempting a felony or illegal act; act of war.*

# HANDOUT 7

## Local Modification Chart

### MODIFICATIONS TO LEARNING SESSION GUIDES

INFORMATION/ MODIFICATION ISSUE	MODIFICATIONS/ INFORMATION NEEDED	NO. OF THE LEARNING SESSION REQUIRING CHANGES
Title of the Learning Session		
Achievement-Based Objectives		
Time Period for the Learning Session		
Steps—Titles and Sequencing		
Media and Materials		
Story Situation/ Examples Need to be More Relevant		

# HANDOUT 7 (Continued)

## Local Modification Chart

### MODIFICATIONS TO LEARNING SESSION GUIDES

INFORMATION/ MODIFICATION ISSUE	MODIFICATIONS/ INFORMATION NEEDED	NO. OF THE LEARNING SESSION REQUIRING CHANGES
Worksheets		
Pictures		
Local Problems and Solutions are Different		
Open Questions Need to Change		
Names of People in Stories/Dramas		
Adult Learning Methods: Small-Group Work, Games, Exercises, Etc.		

# HANDOUT 7 (Continued)

## Local Modification Chart

### MODIFICATIONS TO LEARNING SESSION GUIDES

INFORMATION/ MODIFICATION ISSUE	MODIFICATIONS/ INFORMATION NEEDED	NO. OF THE LEARNING SESSION REQUIRING CHANGES
Local Terms		
Currency and Amounts Used in Stories, Exercises and Examples		

# HANDOUT 8

## Key Principles for Giving and Receiving Feedback

### **GIVING FEEDBACK:**

1. Be specific. Come up with specific examples.
2. Suggest an alternative practice or approach.
3. Be appreciative.
4. Ask questions to understand why the person did something that you felt was inappropriate.

### **RECEIVING FEEDBACK:**

1. Listen to the entire comment/suggestion. Try not to interrupt the one who is providing the feedback.
2. Before responding, ask questions to make sure you understand clearly what the person is saying.
3. Try not to get defensive and justify your actions.
4. Be thankful for the ideas.
5. Help the one providing the suggestions to be specific (see point 1 under "Giving Feedback").

# HANDOUT 9

## Risk Management and Insurance: Protect Your Family's Future Workshop Assessment Questionnaire

**NAME:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**INSTRUCTIONS:** Please take a few moments to consider your experience during the workshop and share your comments and ideas. Your input will help shape future workshops. If you need more space, write on the reverse side of the page.

**1. WHAT ACTIVITIES WERE MOST HELPFUL? WHY?**

**2. WHAT ACTIVITIES WERE LEAST HELPFUL? WHY?**

**3. WHAT COULD BE ADDED OR CHANGED TO MAKE THE TRAINING BETTER?**

# HANDOUT 10

## Risk Management and Insurance Post-Test

Test # \_\_\_\_\_

QUESTION	ANSWER
1. What is "risk"?  <i>(Circle the most appropriate answer)</i>	A) Risk is hardship caused by difficult events. B) Risk is the possibility of loss or injury. C) Risk is failure to protect oneself.
2. An example of a protection step is...  <i>(Circle the most appropriate answer)</i>	A) Selling assets such as jewelry or livestock B) Borrowing from a microfinance institution C) Contributing to a savings account
3. One important factor to consider when deciding where to save money is how accessible the money will be when you need it.	True    False
4. If an emergency affects your ability to earn income, you should take a loan to help you pay for unexpected expenses.	True    False
5. In response to an emergency, insurance can provide a lump sum of money that you might not get otherwise	True    False
6. A form of financial protection against the threat or possibility of loss is called...  <i>(Circle the most appropriate answer)</i>	A) Emergency loan B) Insurance C) Bank account
7. If an insurance customer never experiences an emergency that qualifies for an insurance payment, his or her premium payments will be returned.	True    False
8. One insurance policy will cover all emergencies.	True    False
9. The beneficiary is the person who receives a payment upon policy holder's death.	True    False
10. If you are insured against theft and have experienced theft in your business you have to submit the request for payment called...  <i>(Circle the most appropriate answer)</i>	A) A claim B) A premium C) A policy

# HANDOUT 11

## Risk Management and Insurance Post-Test with Answers

Test # \_\_\_\_\_

QUESTION	ANSWER
1. What is "risk"?  <i>(Circle the most appropriate answer)</i>	A) Risk is hardship caused by difficult events. <b>B) Risk is the possibility of loss or injury.</b> C) Risk is failure to protect oneself.
2. An example of a protection step is...  <i>(Circle the most appropriate answer)</i>	A) Selling assets such as jewelry or livestock B) Borrowing from a microfinance institution <b>C) Contributing to a savings account</b>
3. One important factor to consider when deciding where to save money is how accessible the money will be when you need it.	<u>True</u> False
4. If an emergency affects your ability to earn income, you should take a loan to help you pay for unexpected expenses.	True <b>False</b>
5. In response to an emergency, insurance can provide a lump sum of money that you might not get otherwise	<u>True</u> False
6. A form of financial protection against the threat or possibility of loss is called...  <i>(Circle the most appropriate answer)</i>	A) Emergency loan <b>B) Insurance</b> C) Bank account
7. If an insurance customer never experiences an emergency that qualifies for an insurance payment, his or her premium payments will be returned.	True <b>False</b>
8. One insurance policy will cover all emergencies.	True <b>False</b>
9. The beneficiary is the person who receives a payment upon policy holder's death.	<u>True</u> False
10. If you are insured against theft and have experienced theft in your business you have to submit the request for payment called...  <i>(Circle the most appropriate answer)</i>	<b>A) A claim</b> B) A premium C) A policy