

# Optimizing . . . or Misleading?

**In a fast-paced environment**, relying on an assistant or a team member to help manage client relations may be a necessity. But is it always prudent?

**In an effort to provide continuous and** seamless service to clients, a broker provided her e-mail and voicemail passwords to her assistant. She thought the move would let her assistant respond to routine inquiries on her behalf while she got on with her hectic schedule of meetings, site visits and presentations.

Over time, her assistant became knowledgeable about the business and took it upon herself to provide answers to an increasingly complex inflow of questions and other tasks. The busy broker was pleased with this new arrangement and how effectively she had delegated her tasks. And she was happy to see the initiative and drive of her assistant, which she rewarded with a small promotion and pay raise.

Due to her schedule, the broker felt she could not meet the “timeliness” test and trusted in the professionalism of her assistant. She justified this by ensuring she oversaw the content and nature of the requests and responses.

The question is: Was she misguided?

Perhaps not. But she may be misrepresenting herself and her services. Assuming the assistant is a licensed broker, then the issue is ultimately one of transparency. The source of communications is being misrepresented as coming directly from the broker, when in fact it’s coming from the assistant. It is a fundamental question of good

faith, and in an industry rooted in trust, a professional cannot allow that to be compromised.

Most clients will understand that people, especially successful people, don’t work in isolation and have others to assist them. Many brokerage firms may take a team approach; but it is critical that the client be aware of the nature of the relationship and service being provided. Confidentiality would not generally be problematic, so long as there is openness about who is privy to the communication. For that reason, a broker should introduce her assistant (or team), at an early stage, to the clients. The nature of the relationship should be explained and the clients advised that the assistant will be responding directly to more routine types of inquiries, but that the broker will supervise and will continue to be available to respond directly. And if a client did have particular confi-

dentiality concerns, and only wanted the involvement of the broker and no others, then the request must be respected.

Another factor is the E&O implications. The assistant should not be given any more responsibilities than are appropriate given his/her level of education and training, and understanding of the client’s risks. What if the assistant made an error and provided incorrect information, resulting in coverage gaps and litigation? Problems can happen when clients believe that all responses are coming from the broker and possibly believe they are paying a premium for the broker’s expertise, a premium they would not pay for a less experienced person. Similarly, if the broker sold her services on the basis that the client, when dealing with her, is always dealing with a senior person and that if the client dealt with another broker they could be dealing with a junior and not know it.

If the assistant is not licensed, then the broker should not be assigning any level of client-relations and he or she should never be answering questions or providing advice. ■

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