Insurance Agent interview questions

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What to expect

Interviews for insurance agent roles focus on your ability to assess client needs, explain policies clearly, and work within regulatory boundaries. Employers want to see that you can sell without pressure and keep clients through renewals.

- **Process:** Questions about how you structure a client needs analysis, compare options, and process an application from start to finish.
- **Behavioural:** Questions asking for past examples of handling difficult clients, explaining complex policies, or meeting sales targets.
- **Scenario:** Questions that put you in a realistic situation, such as a client wanting to underinsure or a claim being denied, to test your judgement.
- **Technical:** Questions about policy wording, PDS and FSG documents, underwriting platforms, and compliance obligations under ASIC.
- **Client-facing:** Questions about building trust, managing objections, and maintaining relationships over renewal cycles.

The process usually begins with a phone screen with a recruiter or hiring manager, covering your sales background and compliance awareness. If you progress, you'll have a face-to-face or video interview with the manager, often including a role play where you explain a policy or handle an objection. Some larger insurers include a numerical or written exercise on policy wording. Final rounds may involve meeting the team or a senior leader.

1. Walk me through how you assess a client's insurance needs from first contact to policy issue.

Why they ask

This tests whether you have a structured, compliant approach to client advice rather than just selling a product.

How to structure your answer

Use a step-by-step walk-through: initial fact-find, risk identification, comparison of options, and application through underwriting.

> **Example answer**
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> *“First I book a call or meeting and use a fact-find to understand their situation: assets, liabilities, dependents, business activities, and any existing cover. I ask about their budget and risk tolerance, because that shapes the recommendation. Then I map their risks against available products, explaining exclusions and waiting periods in plain language. I prepare a quote and a comparison of two or three options, then walk them through the recommendation. Once they agree, I submit the application through our underwriting platform, follow up on any underwriting requirements, and confirm the policy is issued. I also diarise a review for twelve months' time.”*

2. Tell me about a time you had to explain a complex policy exclusion to a client who was frustrated.

Why they ask

This tests your communication skills, empathy, and ability to keep a client relationship intact under pressure.

How to structure your answer

Use STAR: describe the situation, your task, the action you took, and the result for the client and the business.

Example answer

"A client had a claim denied due to a pre-existing condition exclusion. I needed to explain why while keeping the relationship. I sat down, acknowledged their frustration, and used a simple analogy to explain how the exclusion worked. I showed them the exact wording in the PDS and explained how it applied to their situation. I also reviewed their policy to see if we could adjust cover for the future. The client understood, stayed with us, and later increased their cover after the review."

3. A client wants to underinsure their home to save on premiums, even though you know it won't cover rebuild costs. What do you do?

Why they ask

This tests your ethical judgement, ability to handle conflict, and understanding of your obligations under the best interests duty.

How to structure your answer

Use a judgement-under-pressure structure: pause, consider the consequences, apply the rules, communicate clearly, and document the advice.

Example answer

"I would start by understanding their budget pressure. I'd explain the risk of underinsurance, using a rebuild cost estimate to show the gap between their sum insured and the real cost. I'd offer to look at a higher excess or adjust other cover to bring the premium down without leaving them exposed. If they still insisted, I'd document the advice and the client's decision, because I can't recommend a policy that doesn't meet their needs. I'd also suggest a review in six months."

4. How do you explain the difference between a Product Disclosure Statement and a Financial Services Guide to a client?

Why they ask

This tests your technical knowledge and your ability to make compliance documents meaningful to a client.

How to structure your answer

Define each document briefly, explain its purpose, and then link it to the client's decision-making process.

Example answer

"The FSG tells them about me and my employer, our fees, and how we get paid. The PDS is about the product itself: what's covered, what's not, premiums, and cooling-off. I use the FSG at the start so they know who they're dealing with, then the PDS when we discuss the specific policy. I always give them time to read both and encourage questions."

5. How do you build trust with a new client who is sceptical about insurance salespeople?

Why they ask

This tests your client-facing skills and your understanding that trust is built through transparency and follow-through.

How to structure your answer

Use a relationship-building structure: listen first, be transparent about your role and remuneration, and demonstrate consistency over time.

Example answer

“I start by listening more than talking. I ask about their concerns and what's happened in the past. I'm upfront about how I get paid and what I can and can't do. I don't push a product; I explain options and let them choose. Then I follow up when I say I will, because trust comes from consistency. If they need time, I give it.”

6. What steps do you take to ensure you meet ASIC's requirements when recommending a policy?

Why they ask

This tests your regulatory knowledge and your commitment to compliance in everyday advice.

How to structure your answer

Identify your obligations, describe the process you follow, and explain how you document and stay current.

Example answer

“I start with a needs analysis to meet the best interests duty. I only recommend products that fit their objectives, financial situation and needs. I give them the FSG and PDS, and I keep a record of the advice and the client's decisions. I complete my RG 146 training and stay up to date with code of practice changes. If I'm unsure, I check with my compliance team before proceeding.”