



भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

Central Office, Marketing Department:

3rd Floor, Yogakshema Building, **West Wing**, Jeevan Bima Marg, Nariman Point, Mumbai 400 021.

Ref: CO/Mktg./ZD/Oprns./Re-inv./12/2024-25

Date: 28.05.2024

To,

All HODs of Central Office,
All Zonal Offices,
All Divisional Offices,
All P&GS Units,
All Branch Offices (Through D.O.s)
Audit and Inspection Departments,
MDC, ZTCs & STCs.

Re: Re-investment of Claims Payouts – Role & Responsibility of Manager (Re-investment)

It is observed from the claims settlement data of past several years that, only a small percentage of total Maturity claims are getting re-invested. Every year, LIC settles claims to the tune of Rs. 2 lakh crores. These huge claim payouts, pump up liquidity into the economy and mostly end up in investments in bank FDs, post office FDs, Mutual Funds etc. These claimants who receive the maturity/survival benefit claims every year are loyal customers of LIC and their association with LIC should be encouraged to continue further. Maturity claim settlements are the events where these customers who are loyal hitherto, may leave LIC and go out of our books perhaps, forever. It is felt that this moment of truth of claim payment can be converted in to a great opportunity for the Corporation by duly sensitizing the customers through a structured contact programme and making them aware about our products which can fulfill their continuing insurance needs matching with their present stage of life and income levels.

Every maturity claim is an opportunity for new regular premium and new single premium plan. These claimants have been associated with the Corporation since long time and have been loyal customers by paying their premium payments regularly and any new policies bought by them will have high persistency.

A lumpsum amount can be reinvested with LIC in single premium guaranteed savings plans or annuity plans or ULIPs as these would otherwise be invested in Fixed Deposits of Banks or Post Offices which offer only short term guarantees.

Therefore, in order to give a special focus to the reinvestment of huge claim payout every year, the position of Manager (Re-investment) has been created in each Divisional Office. The position of Manager (Re-investment) is aimed at spearheading and monitoring the Claims re-investment activity on daily basis. Manager (Re-investment) will be responsible for growth and target on re-investment of claims and shall be reporting to Marketing Manager of the Division.

Standard Operating Procedure

It has been decided that, the following SOP is to be adopted by all Units.

- The Division has to give a minimum target of Re-investment of claims payouts (at least 15% of total maturity claim amount paid) to the branches and the progress on the same is to be reviewed by SDM/MM every month.
- The claim payout should be ranked and attended to by grading the amounts for follow up at different seniority levels of our Marketing Officials.

Officials (Cadre)	Net Claim Amount Payable
All HODs of the Branch	Upto Rs.2 Lakhs
ABM(Sales) / BM(Sales)	More than Rs.2 to 5 Lakhs
Branch In-charge	More than Rs.5 to 10 Lakhs
Marketing Manager	More than Rs.10 to 25 Lakhs
Sr.Divisional Manager	More than Rs.25 Lakhs

- A soft message (SMS only) with relevant text introducing contact person may be sent to the claimant prior to telephonic talk with him/her to exhibit professional courtesy.
- A team of "Joint Call Specialists" is to be formed at Divisional level comprising Manager (Re-investment), Manager (Sales), Product Manager and two officials in the cadre of AO/ADM having earlier marketing exposure, as selected by the Sr. Divisional Manager.

The team will assist the agents by their physical/digital presence when needed by them during any joint call with the prospect to facilitate the process of sale. This will increase the probability of effective closing of the sale.

The team will apprise the Marketing Manager from time to time about their efforts and progress made by them in this regard. Any special achievement in this regard can be highlighted in the e-APAR of the concerned team member.

- At Zonal level, review meeting of all Managers (Re-investment) to be held at the end of every quarter in presence of Regional Manager (Marketing) to review the progress made in this area and further targets/Roadmaps for next quarter to be decided. Regional Manager (Claims) will also attend this meeting.
- This Zonal Level Meetings may be held in the presence of C.O. officials of Marketing Departments once or twice in a year to give more thrust in furthering the activities to enhance the results in this key area.
- Managers (Re-investment) with excellent performance in this area to be awarded in these meetings in the presence of dignitaries.
- Attractive competitions for Branches for Claim reinvestment should be designed. The competitions can be designed at either Zonal or Divisional level as decided by Zonal Manager-in-charge. Any branch achieving excellent performance in this key area may be visited by SDM/MM to motivate the team further.
- Branch and Division to form Mini call centers and Task Force for Claim reinvestment.
- Flash for achievers in Claim Reinvestment should be released upon criteria decided by Zonal Manager-in-charge.
- Daily Progress of the Claims-reinvestment to be reported by the Manager (Re-investment) to the Marketing Manager of the Division Office.
- Tracker on daily activities and progress on reinvestment can be made through I.T. support so that the information is made available on daily progress to the Manager (Re-investment) and Marketing Manager of the Divisional Office keeping the Zone and C.O. informed as well.

Role of Manager (Re-investment)

- Reinvestment monitoring: Main Role of Manager (Re-investment) will be to monitor the Claim reinvestment on daily basis. Manager (Re-investment) will report to the Marketing Manager on the progress of the Claim reinvestment on daily basis.

- Follow-up with field force for 'Total Maturity Claims due' for reinvestment.
- Manager (Re-investment) has to work on 'Total Maturity Claims Due' list generated from e-Feap well in advance and ensure that the physical meeting of concerned LIC Marketing Official/DO/CLIA/Agent happens well before the claim intimation to the claimant is sent. This is to ensure that the thought of a new product is planted before the customers mentally commit the amounts for other investments.
- Manager (Re-investment) has to coordinate with Field Force/Marketing Officials and claims team of the Branches and meet them regularly and communicate with the Branch-in-charge/Claims HOD of the branch about daily progress.
- Manager (Re-investment) has to monitor the allocation and progress of re-investment in Orphan policies with field force.
- Manager (Re-investment) or concerned officials have to contact the claimant directly in cases the agent is not in-force.
- More focus to be given on top 80% of the Claims-payouts (on Amount basis) of the branch.
- Manager (Re-investment) will move in field in his/her headquarters with local Branch officials for canvassing for Claim-reinvestment. He/she will personally visit HNI customers in his/her headquarters for reinvestment.
- Manager (Re-investment) would keep in mind that canvassing a new policy will be in combination of Single Premium and Non-single Premium as per Claimant's need. Single Premium in Annuities/Savings/ULIPs will cover major part of the reinvestment amount and Non-single will serve the purpose of customer's continued association with our corporation.
- Manager (Re-investment) may arrange customer/claimant awareness camps for reinvestment of claims proceeds. Presentation of our best selling products and new products may be done to sensitize the customers/claimants to invest in new policies on their lives or on lives of their family members.
- Manager (Re-investment) must present the progress report on reinvestment of claims pertaining to all branches in the Division in meetings of Branch In-charges in presence of SDM/MM in every month.
- Manager (Re-investment) has to coordinate with Manager (Claims) in Divisional Office and share his/her presentation in Claims Seminars arranged in Divisional Office periodically and conduct awareness session with claims personnel of the Branches at least once in every month.
- Flash for achievers in claim reinvestment to be highlighted in all such meetings/seminars.
- Manager (Re-investment) will coordinate with Claim Reinvestment Committee formed as per the guidelines provided by CO-CRM Department.

Executive Director (Marketing/PD) & CMO

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