

Research Article

REVIEW OF BARRIERS TO THE DEVELOPMENT OF E-INSURANCE USING AHP METHOD (CASE STUDY: IRAN INSURANCE)

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ABSTRACT

Electronic insurance is one of the important phenomena result from the adoption of ICT and information management .That causes profound changes in the way compensation is insurance sales. So that the relationship with the insurer increases and the range of virtualized dealing with some types of insurance policies that are broader. In this study, the review and identify barriers to the implementation of electronic insurance paid on the insurance industry of Iran using AHP and hierarchical analysis, we prioritize these barriers. The results showed that environmental indicators in order of importance, and nature of organizational behavior and options in order of importance Cultural factors, The complexity of the insurance field, necessary initial visit and assessing the damage to the person, Lack of support from senior managers, Resistance against changing personnel, legal, macro-development costs, technology, weak administrative structure, lack of funds, shortage of manpower, technology and weaknesses within the organization are the most important obstacles to the development of electronic insurance.

Keywords: *E-Commerce, Insurance, Electronics, Information Technology*

INTRODUCTION

Period in which to get the electronic phenomenon called; because a lot of phenomena associated with which, such as electronic commerce, E-banking, e-government, electronic Insurance e live in total noted. With the utilization of information technology in the insurance industry, which is reflected in the emergence of e-insurance, geographic limitations, and when it is destroyed and extensive development of insurance industry information systems are created (Bromideh, A & Aarabi, N ,2005). Global trends indicate that E-commerce the most advanced countries in the field of activity is in progress in recent years, underdeveloped countries and developing quickly walk to the access and use of e-commerce but all countries in proportion to their infrastructure and their ability to achieve this discussion many investors have done, a subset of electronic commerce can be considered insurance (Behkamal, 2009). Electronic Insurance provides opportunities to improve the quality of services provided to citizens and they are able on the neither night nor day, every minute of the intelligence services of the insurance policy issued announcing the inquiry rate and damage have access. Insurance of electronic and information technology use The interaction between insurance companies and customers can Numerous benefits, including the ability to provide services at all times of day, No person, for compensation, Provide fast and reliable service, Prevent insurance fraud and increase the income of the insurer should be sought; It appears to the development of e- insurance, Avoidance is an essential (khajooee, 2007). The purpose of this research contribute to the development and implementation of electronic insurance in Iran Insurance Company Through the review and identify barriers to the development of electronic insurance and offer ways to improve and develop electronic insurance the

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study of three-ramifications (behavioral factors, structural and environmental) is used and the fourth dimension as the nature of the research, e-commerce, is the Economist Intelligence Unit to add.

Research Literature

Insurance: The insurance contract based insurance company committed to the amount of money he pays another company or person, Harm to the insured seeks to compensate for unwanted event. Money the insured pays the insurance premium and what are insurance called insurance issues (Bromideh, 2004).

Insured: A person who contracts for insurance and pays the insurance premium commitment. The property and liability insurance policyholder is identified, but sometimes personal insurance policyholder is a person or institution and the insured, others (khajooee, 2007)

Insurer: Corporation is allowed under state law and regulations and technical standards to the insurance operations, accepted that risk and capital commitment or payment of insurance compensation, employment, the loves (Amir Kani, 2010)

Electronic insurance:

Electronic insurance important phenomena result from applying information and communication technology and information management that has had profound transformation in how to sell insurance and compensation. So the one hand to increase the level of communication with the insurer and the other hand, some types of insurance policies to virtual domain sales has wider E insurance general sense as the use of Internet and information technologies in production and distribution of insurance is defined. And the special meaning it can be as a means of providing insurance coverage through the online petition, proposed and negotiated the contract is signed (Ahranjani,2010)The main challenges and constraints facing electronic insurance Ahmed, M. (2008) in an article on some of the conditions that make it difficult to sell online insurance articulates:

- Insurance contracts unintentionally due to lack of information or lack of expertise in web pages a user's computer may occur.
- When a representative from the website or through e-insurance is purchased, it is unclear what the ultimate risk for the company.
- The possibility of incomplete information which may affect the contract. For example, given the spatial coverage is not possible.
- Electronic Signature, which not only fulfill the contract itself, but also in determining the onset of the purchased insurance coverage is important.
- Validity and effectiveness of the contract may be affected by the failure of data transmission.
- Unauthorized use of policyholder information, commercial insurance by Rivals and the information may be exploited.
- Fraud and non-payment of premiums
- security issues
- Conflict between electronic networks together
- Many people are not familiar with the new technology of interest to the purchase of goods and services over the internet do not.
- Establishing electronic systems and leaving old systems initially involves high costs.
- Lack of legal fees for the use of e-commerce and electronic signature documents, lack of knowledge and culture of electronic commerce, the establishment of this system makes it difficult.

The research model:

This research was inspired by the three-ramifications (dr Ahrnjayy, 2008) to examine behavioral factors, and pays attention to structural and environmental studies ecommerce Development organization, UNCTAD and the Economic Intelligence Unit and the experiences of Amir Khani and virtuous doctor consistent another set of factors as the nature of the insurance industry it's to add it.

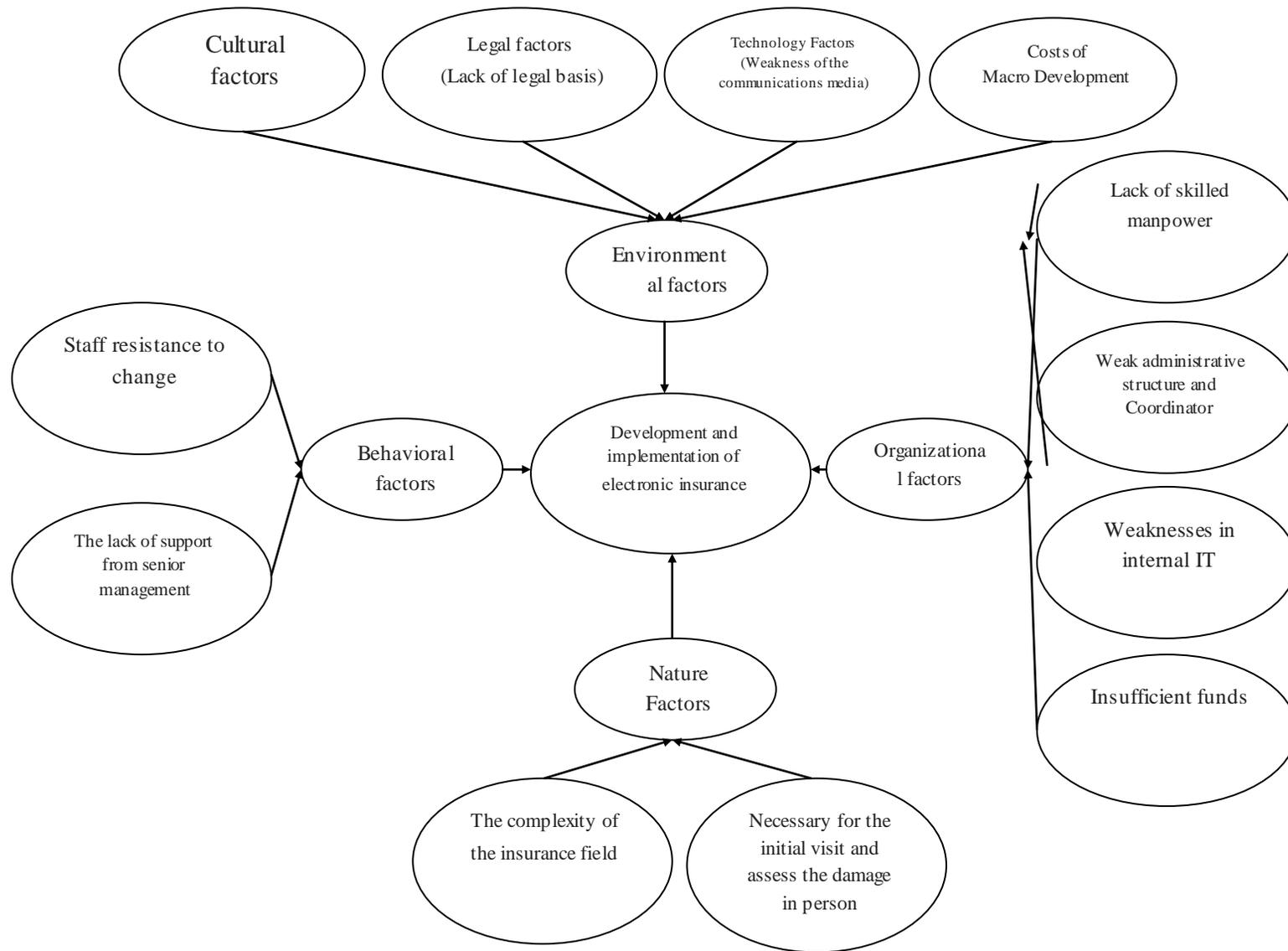


Figure 1 - Conceptual model of barriers to implementation and development of e insurance company

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Barriers to nature:

Nature, complexity and variety of factors shape the nature expresses. The nature of the field of risk insurance rate requires additional factors may be more difficult to sell its products through Internet.

Environmental barriers:

The purpose of the environmental factors that are outside the scope of authority and organizational barriers underlie behavior. The barriers of the four legal, cultural, technological and macroeconomic costs of development are examined.

Institutional barriers:

Organization of non-human factors barriers to the four dimensions of expert manpower shortage, weak administrative structure and coordinator of weakness within the IT organization, insufficient funds will be assessed.

Behavioral barriers:

Behavioral factors related to the staffing of three personnel resistance to change, lack the expertise, the lack of support from senior executives is reviewed.

Ahonen & salonen 2004) research on insurance companies (1200 companies) Finland and customers following results were obtained : According to the survey , the vast majority of insurance companies at least 3 to 5 years of Internet services they use almost all of them have a website . Than other corporate clients of these firms on average 2 to 5 times a year, the insurance benefit. Save time and costs as reasons for the popularity of e-services. Yet the lack of public awareness , previous negative experiences of users, complexity, methods, and processes electronic insurance , lack of facilities and equipment , security systems, require professionals and technicians requires favorable conditions , including the challenges and barriers of electronic banking , electronic insurance in Finland are presented research by the Central Insurance Islamic Republic of Iran the impact of electronic commerce on the insurance industry, Internet promotion tool for insurers, State of the insurance industry in the era of e-commerce and study the impact of electronic commerce on the insurance industry has done.

MATERIALS AND METHODS

Descriptive research method is a survey of the target application. Field-based research study of the barriers to the development of the Electronic Insurance Company is a province in the East. To collect data from a questionnaire based on a Likert scale of five options as a tool to gain insights officials, insurance agents are used. In order to investigate the barriers to the development of electronic insurance in Iran insurance company rankings barriers AHP method is used. The population and sample size statistical community of experts, who are involved in e-insurance, is a province in the East is from 4 expert advices. The study was conducted in two stages. the first stage aims to identify the barriers and critical factors affecting the development of electronic insurance in Iran Insurance Company, which was among the results obtained from the study and review of previous studies. In the second phase of the AHP, the weight of criteria and options using the technique of choice (first step) and calculate the most important obstacles to the development of electronic insurance selected.

Ranking factors and AHP approach

The data required for the AHP pair wise comparisons (using a questionnaire) were collected and the priority given to each factor and the factor level achieved, the results are given in the following tables.

Table 3: Ranking of environmental factors by using AHP

The relative weight	Factors	Rank
0.457	Cultural	1
0.193	Legal	2
0.176	Overall cost of development	3
0.174	Technology	4

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Table 4: Ranking of organizational factors using AHP

The relative weight	Factors	Rank
0.505	Weak administrative structure	1
0.206	Lack of funding	2
0.151	Manpower shortage	3
0.017	Weaknesses in internal IT	4

Table 5: Ranking behavioral factors using AHP

The relative weight	Factors	Rank
0.516	Lack of senior management support	1
0.484	Staff resistance to change	2

Table 6: Ranking of nature using AHP

The relative weight	Factors	Rank
0.51	The complexity of the insurance field	1
0.49	Necessary for the initial visit and assess the damage in person	2

Finally, weight by multiplying the weight of each factor level (the hierarchy) the final weight of each factor was obtained ranking and weighting factors in the following table are shown.

Table 7: Ranking of higher level using AHP

The relative weight	Factors	Rank
0.407	Environmental	1
0.259	Organizational	2
0.21	Behavioral	3
0.125	Nature	4

Table 8: Ranking the factors using AHP

The final weight	Factors	Rank
0.153	Cultural	1
0.132	The complexity of the insurance field	2
0.127	Necessary for the initial visit and assess	3
0.108	Lack of senior management support	4
0.102	Staff resistance to change	5
0.079	Legal	6
0.076	Overall cost of development	7
0.067	Technology	8
0.063	Weak administrative structure	9
0.026	Lack of funding	10
0.019	Manpower shortage	11
0.017	Weaknesses in internal IT	12

CONCLUSIONS AND RECOMMENDATIONS

The first step in the establishment of electronic insurance, identifying the factors and variables that are oh regulation need this system. But which factors are more important, must be done according to the criteria and factors. In this study, identify and prioritize obstacles to the development of electronic insurance can help realize the insurer Although Iran. Managers need a step by step method using multiple criteria to prioritize obstacles to the development of electronic insurance. Therefore, in this study, the AHP were

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used. This model consists of four index options is 12. The results showed that the options are prioritized in order of importance of cultural factors, the complexity of the insurance field, required initial visit and assess the damage to the person, lack of support from senior managers, staff resistance to change, legal fees, macro development, technology, weak administrative structure lack of funds, shortage of manpower and weaknesses within the IT organization among the major obstacles to the development of electronic insurance are the main recommendations made by experts, promote the use of computers and the Internet between people and policyholders, promote e-commerce and increasing public awareness about the benefits of electronic health insurance, raising the awareness of senior managers in the field of ICT, reducing employee resistance change through education reform trade rules and monitoring and tracking of relevant manpower in this field and more.

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