TRAINING EFFECTIVENESSS IN CONTINUING PROFESSIONAL DEVELOPMENT PROGRAM FOR GENERAL INSURANCE AGENTS

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ABSTRACT

Attaining training effectiveness for Continuing Professional Development (CPD) program will be beneficial for General Insurance Agents in performing their daily activities. The CPD Program for General Insurance Agents applies to all the practitioners in the general insurance agency force with effect from 1st January 2005 where the training hours and related requirements stipulated in the guidelines must be complied with.

The Financial Mediation Bureau (FMB), now known as Ombudsman for Financial Services (OFS), a unit under the Central Bank of Malaysia had recorded 609 in 2015, 660 in 2014 and 742 in 2013 for General Insurance products. This report shows that the person who introduces to the public insurance products are not well versed with the product thus the knowledge imparted were different from what is it all about. In the insurance industry, the person is widely known as agent who plays the role as link between insurance companies and customers.

This research has been conducted in two training session to find the best way to improve agent basic understanding on Negotiation thus connection to the higher-level knowledge is possible. Collaborative learning, which was introduced as a sharing session, through small group discussion has been chosen for the purpose of developing effective in undergoing the program.

The Study concludes that agents are more comfortable to be open-minded and less stressful while learning with their peers compares to instructors. Based on interviews and observations, results found that collaborative learning do improve understanding and built critical thinking. The approach developed had resulted a more relax and conducive learning environment and the training effectiveness achieved served as evidence in agents' performance

Keywords: *Collaborative learning, Training Effectiveness, Continuing Professional Development Program, Human Resource Management*

INTRODUCTION

In Malaysia, the Continuing Professional Development (CPD) Program for General Insurance Agents applies to all the practitioners in the general insurance agency force with effect from 1st January 2005 where the training hours and related requirements stipulated in the Guidelines must be complied with. It is to be noted that only the basic and minimum requirements are stated in the CPD Program. Agents are strongly encouraged to better educate themselves and pursue higher and more advanced training programme according to their own training and development needs.

The fact that there is very little achievement in training effectiveness was clearly spelt in the report by OBS, which was establish under the Financial Services Act 2013 and Islamic Financial Services Act 2013; which shows that there is some improvement of product knowledge attained and it implies that more training should be organised by all General Insurance companies throughout the CPD program.

The objective of the CPD Program is to raise the standard of competency and professionalism of the general insurance agency force. The CPD will serve as a guide as to what training programme the agency force should pursue in order to stay updated and continuously upgraded, keeping the agency force abreast of the latest developments and demands of the financial services industry.

The CPD program requires strong fundamental knowledge in insurance, as it is actually the continuation of module potential agents need to go thorough before sitting for the Pre-Contract Examination (PCE). Agents need to pass PCE before they are allowed to practice as an insurance agent. This program demands agents to be able to relate to issues and needs in business venture strategic decision. However, the drawback in achieving this is difficult because agents are weak in the basics due to low clasp of fundamental understanding.

As stipulated in the training literature, supervisor support is one of the critical factors for training effectiveness. The capability of supervisor, in this context, the unit manager who is in charge of overseeing the whole activities of any General Agent, actually plays effective roles in training program which allows increase in the Agent's motivation to learn. It is uniquely understood that the supervisor's role as a predicting variable is very little emphasized in a training program.

This training method, increasingly popular in recent years (Hedge *et al.*, 2001), is based on multi-source feedback. Dalessio (1998) terms multi-source feedback as evaluations gathered about a group of subject from two or more rating sources.

In terms of evaluating the effectiveness of training programs, we adapt Kirkpatrick's measurement categories for evaluating the effectiveness of training programs including: reactions; learning; behavior; and results (Alliger and Janak, 1989).

The first category or level in Kirkpatrick's model is the "reaction" or outlooks that participants in a training program have toward the actual program. While this outcome is

an important starting point for evaluating program outcomes, it is perhaps the least explored in any other studies. The second category in Kirkpatrick's model is "learning" and is concerned with knowledge outcomes, or ideas, information, and approaches from the training program that are understood and retained by trainees. For the third level in his model, Kirkpatrick identified "behaviour" as an outcome. This level is concerned with the actual on-the-job application of learned ideas, information, and approaches from the training program. The final level in the model is concerned with "results," and is broadly conceived as the overall end results achieved. These results could take numerous forms including; meeting sales quotas, cost reductions, increased employee retention or satisfaction, and any number of system outcomes.

When the reviews of training such as Gordon (1985), Burke and Day (1986), Bass (1990), Lewis (1995), and Collins and Holton (2004) are analysed, it becomes more apparent that little is known about successful managerial training that will boost organizational performance. Saari *et al.* (1988) argued that the reason for this lack of knowledge is a scarcity of meaningful and rigorous research; they contended that the evaluation of these training programs is not comprehensive. Similarly, Gordon (1985), in his review, concluded that the effectiveness of training programs devoted to management games or simulations is not clear. Further, Gordon stated that he could not find any published evidence that managers who perform well in management games and simulations will improve their performance on the job. Bass' (1990) conclusion was that despite their widespread use, evaluations of simulations are hard to come by. In the following section, evidence related to managerial training from various meta-analytic studies would be discussed.

The motivation of choosing this method is twofold. First, it aims to change agents' insight towards reading-based subject which is regarded as difficult. In fact, the subject is able to provide interesting findings if technique and styles are translated and understood; which will not be effective if there is inadequate level of training program introduced. Hence, in the sharing session, the first objective is to enhance critical thinking towards better understanding of the subject. Second, it is found that most agents have weaknesses and lack of confidence in oral communication. Thus, the second objective of this study is to enhance communication skill. Once communication skill is improved, agents are capable of delivering and sharing knowledge acquired to reflect their understanding level. This paper is organized as follows. In section 2, the literature review and theoretical framework are discussed. In section 3, the methodology is presented. The results are discussed in section 4. Finally, the work of this paper is summarized in the last section.

LITERATURE REVIEW

In general, collaborative learning and teaching is an instructional method that paired or grouped individuals to work together to achieve common goals (Lang, 2008). Besides building interest among participants, this method is able to stimulate training effectiveness (Johnson & Johnson, 2008; Dewhurst, D., Harris, Foster-Bohm & Odell (2015). Grouping individuals of different level make participants responsible not only on

their level of learning, but also of the other as well. Reaching the goals set implies that agents have helped each other by learning things together (Lang, 2008).

In a study conducted by Johnson and Johnson (2008), among secondary schools students, collaborative learning allows information acquired to be retained much longer compared to those who learnt individually. Collaborative learning consolidated the components of sharing, debating, arranging thoughts and reflections of thoughts which empower enthusiasm for learning as in agreement to constructivism standard. The procedure obliges agents to end up more mindful of their learning and basic in picking the best thoughts. Besides, during the time spent shared learning, agents turn out to be more capable as information is shared through examinations in this way turning out to be more basic.

Training effectiveness is dependent on training delivery method (Anderson et al., 1996; Boyle, Anderson, and Newlands, 1994; Doherty-Sneddon et al., 1997; Hale, 1998; Meline, 1976; Raphael & Wagner, 1974; Veinott, Olson, Olson, & Fu, 1999).

Studies have shown that a critical factor influencing skill transferability between training and the job is the extent to which trainees receive the opportunity for practice and constructive feedback (Goldstein, 1993; Latham & Saari, 1979; Wexley & Latham, 1991). In classroom training, interactive activities are often used to engage trainees and enable real-time feedback for the trainees and trainer. These activities are considered critical for a quality learning experience (Wagner, 1998). Buch and Bartley (2002) also observed that most trainees preferred the traditional classroom training to other training delivery method

However, monitoring and assessment is crucial for collaborative learning to be effective. Instructor has to set both group goals and individual accountability. This is to ensure that each individual learnt something in the process of completing task. In fact, participant who teaches other is the one who learnt most as backed up by most researchers.

METHODOLOGY

The Continuing Professional Development (CPD) Program for General Insurance Agents applies to all the practitioners in the general insurance agency force with effect from 1st January 2005 where they have to complete 20 CPD training hours from the following calendar year the agent was first registered

During the first training program of 12 CPD hours where the agents were introduced to a module entitled "How to negotiate to close a business?" At the start of the session just after lunch of the first day, agents are divided into permanent groups. Each group consists of agents who have both strong and weak preliminary knowledge on General Insurance with a different entry qualification, race and gender. The aim of the grouping is to ensure that all groups are similar collectively.

The study was done under three phases of experiment using collaborative mode of discussion in a module entitled Negotiation Techniques for Agents. The first phase that is

in the first sharing session, agents were given simple discussion to answer questions during game quiz. Group members are given 60 seconds to discuss before providing short answers. Questions were given in turn to each member, but before answering they were allowed to discuss the correct answer with the member.

During this session, instructor was able to observe whether the principle used above to check the level of understanding was reflected. If agent was able to answer without discussing, it was concluded that the agent had adequate level of understanding. If agent discussed with group members it was inferred that they were either uncertain or had inadequate level of understanding. After completing the game quiz, a simple individual written test was given. At the end of the session, instructor was able to identify training effectiveness among agents, individually.

By the end of the first day, the second phase was conducted by giving information to conclude an insurance case study. All groups were given 15 minutes to prepare the conclusion before presenting it to the whole class. The discussion allowed all members to talk, evaluate and negotiate their arguments. The presentation, which commenced in the first session of the second day, allowed them to compare answers obtained for the task. Just before lunch, the agent was given a topic to check their level of understanding.

The third phase was giving a group assignment just before the lunch break which marks the completion of the second cycle. The group assignment took 2 hours to complete and was handed over by tea break. One of the conditions of the project was to have minimum one discussion sessions with instructor to guide, argue and solve problems encountered in order to complete the assignment. However, most groups demanded for more consultation meetings. And the outcome of this task was assessed through written report.

The process is repeated in the following CPD Training session with a new set of agents to confirm the result. Besides that, before completing each cycle, simple survey was asked face to face during debriefing session in order to check on agents' understanding and also on the training effectiveness. Following questions were asked:

• What have you learnt today?

• What are being discussed during negotiation process?

• Do you feel comfortable talking on the negotiation issue given? Why?

• Are you able to understand the learning content?

• Why the outcome (of the issue) is positive/negative?

RESULTS AND DISCUSSIONS

As being observed during the course, agents enjoyed "informal" learning through sharing session. They also felt more comfortable admitting to their peers rather than teachers that they do not know or they do not understand. For example, during the first phase, weaker agents were identified where they were indirectly forced to talk and discuss with group member to answer questions given correctly.

In second phase, it was observed that groups were involved totally in discussion, that in an advance sharing session. During the session, instructors were sometimes being called to confirm on arguments or seek help for better explanation. Instructor was also needed to clear confusion. When presentation was conducted, agents were noted to ask questions promptly by referring to their friends or themselves collectively. For example;

- "My friend here asked why in insurance negotiation there is bargaining whilst in bargaining there no negotiation? Why there are differences?"
- "We would like to know why integrative negotiation is the same as compromising and often regarded as "Best Alternative to A Negotiated Agreement?" Instead of using "I", agents were found to help their friend to clear confusion, as they were unable to rationalize. In response, instructor was not going to answer the questions directly but throwing it the whole class and invite to a bigger circle of discussion session. The discussion is then steered by the instructor towards the right answer. Some agents even called the instructor to reassure their understanding, such as:
- "He/she would like to know why we do we have to ensure proper communication, ethics, power, impasse are the main elements in negotiation"

From the information hinted by instructor to probe critical thinking, it was interesting to observe that agents had gotten themselves ready in further discussion to find the explanation of the issue.

From the individual test given, it is observed that weak agents improved their understanding gradually where agents are able to solve task given. During post mortem of the test, agents were able to relate to which learning session the questions were reflected. Some even admitting that they remember who asked the questions being discussed, who argued on the issue and who gave the answers.

The third phase brought discussion into higher level, which was regarded as reflection session; it is to test on their teamwork and written communication. Each consultation allowed instructor to identify understanding level of each group member deeper. Weak agents were seen to have strong attachment with good agents and declared themselves as study partners. Unsupportive agents were found to successfully overcome their shyness barrier and able to overcome their weaknesses on the topic.

In addition, writing report together helped weaker agents to articulate their understanding better. During consultation, instructor was able to ask why and who constructed a particular argument for negotiation cases. One group member was explaining the answer

orally and sometimes it was interrupted and led to further discussion by others, mostly conforming their understanding on the issue.

In general, understanding of the topic was also reflected during and after the course. Individual improvements were recorded through cumulative assessment. Yet, some positive comments were collected as follows:

- "We don't know that we are actually learning during the 2 day course. All along we only talked to each other." "It is so fun and interesting."
- "I am afraid of doing negotiation before but now I understand why you (the instructor) claimed that friends help me and I remember. Excellent"
- "No readings but I know many new things. This is great."
- "Negotiating with strangers is actually very interesting."
- "I hate group work as usually we had free riders. However, the compulsory consultation allows us to be more serious in learning. Everybody has to understand the topic and the final assignment must incorporate what we have learned.
- "I thought negotiation is difficult but my friends make it easier by giving tips and tricks during discussion."
- "I do not feel guilty for not knowing what negotiation is all about.

Finding shows that results of test and final exams improved through the application of collaborative learning. Agents who neglected the importance of prior knowledge were able to improve their understanding not only on prior knowledge but also on current knowledge. Response received changed from "what is the correct answer?" to "why this is the correct answer?" towards the end of the semester. By understanding the concept, agents focused more in enhancing their knowledge through critical thinking rather than remembering facts for the purpose of passing exams. The learning process helped agents to develop their critical thinking through fulfilling the needs of finding solutions.

The method of taking in likewise varies from different subjects being taught (as a rule repetition educating). The learning approach opens more open door for understudies to enhance their correspondence ability through dynamic realizing, which requires talking, exhibiting and report composing. Modest agents were obliged to talk instead of floating away and turning to be free riders. Among agents with fears on theory subjects, they turned out to be more agreeable and fascinated when the subject was shared via comprehension and the mode of learning also differs from other subjects being taught.

CONCLUSION

This study proves that collaborative learning is beneficial in achieving training effectiveness. The approach is two-branched, allows formal and informal objectives being targeted simultaneously. In this case, collaborative learning, mainly discussion, was able to improve not only understanding by being more critical but also communication skills, oral and written.

However, findings of this study relied too much on observation and semi-formal survey. The study would be more reliable if it is supported with comparisons between different natures of subject, as this subject is centred on personal based analysis. It is also suggested that comparisons are made between different groups to see the effectiveness of collaborative learning in negotiation.

In conclusion, the research also prompts trainers to be more sensitive in understanding agents' need. The understandings between agents-trainers also contributed to agents' level of comfort in a sharing session which enabled relaxed learning session. By this, collaborative learning can be fully beneficial to agents in order to achieve training effectiveness in CPD program.

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