

The Relationship between Learning Style and Training Effectiveness Using Communication Technology for General Insurance Agents

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Abstract

Attaining training effectiveness will be beneficial for General Insurance Agents in performing their daily activities. The training expenditure for General Insurance Agents, which is accounted in the company's book under the Agency Related Expenses (ARE), 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 set by the Central Bank of Malaysia (BNM) 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 customers complaints in 2015, 660 in 2014 and 742 in 2013 for General Insurance products. This report shows that the people who introduces the insurance products to the public are not well versed with the products thus the knowledge imparted were different from what it is all about. In the insurance industry, the people who plays the role as link between insurance companies and customers are widely known as agents. This research was conducted in two training session where agents were evaluated to find the best way to improve their basic understanding of product knowledge thus connection to the higher-level knowledge is possible. Results indicate that agents are more comfortable, open-minded and less stressful while learning with their peers compares to instructors. The approach using learning style was developed and had resulted a more relax and conducive learning environment and the training effectiveness achieved served as evidence of improved agents' performance.

Keywords: Learning style; Training; Training effectiveness; Human resource management; Communication technology.



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1. Introduction

Recently, researchers have shown an increased interest in Training Effectiveness. In the Malaysian Insurance sector, the training program for General Insurance Agents, outlined by the Central Bank of Malaysia (BNM), 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. Agents need to comply only with the basic and minimum requirements as stated in the training program. They are strongly encouraged to better educate themselves and pursue higher and more advanced training programmes in accordance to their own training and development needs.

In this case, the fact that there is very little achievement in training effectiveness was clearly spelt in the report by the Ombudsman of Financial Service (OFS), which was established under the Financial Services Act 2013 and Islamic Financial Services Act 2013. It shows that there is needs for some improvement of product knowledge and it implies that more training should be organised for all General Insurance companies throughout the training program.

The objective of the training program is to raise the standard of competency and professionalism of the general insurance agency force. The training will serve as a guide 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 development and demands of the financial services industry.

The training program requires strong fundamental knowledge in General Insurance, as it is actually the continuation of module potential agents need to go thorough before sitting for the Pre-Contract Examination (PCE).

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Agents need to pass PCE before they are allowed to practice as an insurance agent and to attain continuity in understanding product knowledge. This program demands agents to be able to relate 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 grasp of fundamental understanding.

As stipulated in the training literature, supervisor support is one of the critical factors for training effectiveness. The capability of supervisors, in this context, the unit managers who are in charge of overseeing the whole activities of General Agents, actually plays effective roles in training program which allow 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.

Therefore, in terms of evaluating the effectiveness of training programs, we adapt Kirkpatrick's measurement categories for evaluating the effectiveness of training programs which includes:

- reactions,
- learning,
- behavior,
- 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 other studies. The second category in the 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 sales quotas met, cost reductions, increased employee retention or satisfaction, and any number of communication system outcomes.

When the reviews of training such as, ([Burke and Day, 1986](#)) ([Bass, 1990](#)); [Lee and Steers \(2017\)](#) are analysed, it becomes more apparent that little is known about successful managerial training that will boost organizational performance. 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, 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 are discussed.

This paper is organized as follows. In section 2, the literature review are discussed. In section 3, the methodology is presented. The results are discussed in section 4. Finally, the paper is concluded in section 5.

2. Literature Review

Learning style is the mind that stems the capability to achieve performance in accordance to a dedicated project. From the concept of social learning theory, learning takes place when a learner observes a behaviour and becomes knowledgeable ([Bandura, 1986;2018](#)). Grounded on this, it makes it clear that learning style drives an agent's capability to execute chores. In situations where individuals take part in training and development, learning style determines the impact of the final result in achieving the expected goal ([Bandura, 1997](#)).

Training effectiveness is dependent on training delivery method [Anderson et al. \(1996\)](#); ([Doherty-Sneddon et al., 1997](#); [Hale, 1998](#); [Kłopotek, 2017](#); [Meline, 1976](#); [Raphael and Wagner, 1974](#); [Veinott et al., 1999](#)). Thus, the technique used via learning style determines the key factors to achieve training effectiveness.

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](#); [Hartati et al., 2017](#); [Latham and Saari, 1979](#); [Wexley and Latham, 1991](#)). In any training program, interactive activities are often used to engage trainees and enable real-time feedback for the trainees and trainer. These activities are considered critical for 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 training 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, a participant who teaches others is the one who learn most as found by most researchers.

Figure-1. Theoretical Framework

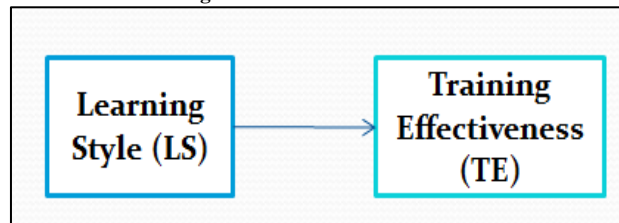


Figure 1 depicts the theoretical framework of the present study adapted from Carbery and Garavan (2011). The framework is relevant to the present study as it traces the relationship among the variables that are being looked into. The model is highly sufficient and adequate to guide the underpinning assumptions of the present study, because the model was applied to detect the effectiveness of a training program. Nevertheless, the model has been slightly modified to soothe the context of the present study by re-conceptualizing some of the latent factors. The learning style as an independent variables represent perceived behavioural norms where this factor are predicted to have direct as well as indirect influence on training. These above mentioned variable form a foundation of the theory of planned behaviour.

3. Methodology

The training program for General Insurance Agents applies to all the practitioners in the general insurance agency force with their contract with their respective companies.

During the training program the agents were introduced to a product knowledge module. Each group consists of agents who have both strong and weak preliminary knowledge of General Insurance with a different entry qualification, race and gender. The aim of the grouping is to ensure that all groups are homogenous. By the second segment of the second day, the participants were given information to conclude in 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 on their arguments. The presentations, which commenced in the first session of the second day, allowed them to compare answers obtained for the task. Just before lunch, the agents were given a topic to check their level of understanding.

Later, the group assignment took one hour to complete and it must be handed over by tea break. One of the conditions of the project was to have minimum of one discussion sessions with instructors to guide, argue and solve problems encountered in order to complete the assignment. However, most groups demand for more consultation meetings. And the outcome of this task is assessed through written report which was then presented in the sharing session by every group.

4. Findings

This segment highlights the data analysis process and results of the study. Our findings revealed that the analysis was done to prove that the independent variable, that is the adaptation of belief, and depended variable as stipulated in this research's framework. Firstly, it describes the response rate and the demographic profile of the respondents that includes gender, age, education level, and job tenure. It then follows with the data analysis on the goodness of measures to test the validity and the reliability of the variables and statistics of the study variables. Further, the results of the study, particularly in the relationship between all the variables involved are reported. Finally, the results of the hypothesis testing are presented under the main analysis.

The method of analysis is through Smart PLS, with the first stage to validate the measurement model, and the second stage to test structural model to confirm the hypotheses.

4.1. Response Rate

A total of 500 questionnaires were distributed to General Insurance companies nationwide which were randomly selected following the cluster sampling technique discussed.

4.2. Descriptive Analysis

Descriptive analysis was carried out with SPSS. The analysis provides some information regarding the distribution of scores on continuous variables. The score implies that the General Insurance Agents perceived their job as meaningful and important since the mean score on Training Effectiveness and Self Efficacy, the component of psychological empowerment, are 3.91 and 3.83 respectively.

Table-1. Descriptive statistics for the studied variables

Construct	N	Minimum	Maximum	Mean	Std. Deviation
TEQ1	380	1	5	3.86	0.632
TEQ2	380	1	5	3.91	0.662
TEQ3	380	1	5	4.12	0.562
TEQ4	380	1	5	3.99	0.572
TEQ5	380	1	5	3.86	0.7
TEQ6	380	1	5	3.76	0.693
TOTAL TE	380	1	5	3.91	0.637
LSQ1	380	1	5	4.1	0.572
LSQ2	380	1	5	3.8	0.845
LSQ3	380	1	5	4.07	0.582
LSQ4	380	1	5	4.09	0.591
LSQ5	380	1	5	4.08	0.585
LSQ6	380	1	5	3.93	0.582
LSQ7	380	1	5	3.87	0.687
LSQ8	380	1	5	3.93	0.629
TOTAL LS	380	1	5	3.98	0.634

Table-2. Result Summary for Reliability and Validity Constructs

	Cronbach's Alpha	Rho_A	Composite Reliability	Average Variance Extracted (AVE)
Learning Style	0.588	0.592	0.785	0.549
Training Effectiveness	0.751	0.764	0.835	0.505

Table-3. Fornell-Larcker Criterion Analysis for Checking Discriminant Validity

	Learning Style
Learning Style	0.741
Training Effectiveness	0.518

The reliability of each item/construct is assessed by examining the loadings of the respective items on their respective latent construct (Hulland, 1999) or internal composite reliability. Meanwhile, the construct validity can be measured through convergent (AVE) and discriminant validity (cross loadings). Convergent validity refers to the degree where multiple items used in the research to measure the same concept are in agreement. Convergent validity of the measures used in this research is examined through outer loadings, the value of the average variance extracted (AVE). AVE value of 0.5 and higher should be achieved to prove that the latent variable explains more than half of its indicators' variance. Discriminant validity can be defined as a situation when two or more distinctively different concepts are not correlated to one another. The two methods that have been put forward to determine the construct discriminant validity are the cross loadings and Fornell-Larcker criterion. In the cross loading method, the loadings and cross loadings were examined by running the PLS algorithm analysis.

Discriminant validity was ascertained when an indicators loading pertaining to its associated latent construct was higher than all the remaining constructs. Please refer to the above Table loadings and cross loadings of the constructs. Recommended that indicators with a very low loading of 0.4 should always be eliminated from further consideration. If the study has two types of construct; reflective and formative, they would be examined separately.

Comparing PLS-SEM with regression, PLS-SEM has the ability to test mediating variables as part of a comprehensive model. It is noteworthy that the test of inner model estimates, in terms of values and significance, is not limited to direct relation. Whereas, researchers can study total effects i.e. by considering direct and indirect effects together. Interpretation of total effects is particularly useful in studies with the objective of examining the differential impact of different driver constructs on a criterion construct via several mediating variables.

5. Results and Discussions

As was observed during the course, agents enjoyed "informal" learning through sharing sessions. In addition, writing report together helps weaker agents to articulate their understanding better. During consultations, the trainer was able to ask why and who construct a particular argument for a case study. One group member was explaining the answer orally and sometimes it was interrupted and led to further discussion by others, mostly confirming their understanding of the issues.

These findings show that training effectiveness was attained as a results of test and the final presentation was improved through the application of self efficacy. Agents who neglect the importance of prior knowledge were unable 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 training session. By understanding the concept, agents focused more in enhancing their knowledge through critical thinking rather than remembering facts for the purpose of meeting with clients. The learning process helps agents to

develop their critical thinking through fulfilling the needs of finding solutions (Badlishah and Majid, 2016a). Thus the usage of communication system through the internet is vital in achieving training effectiveness where agents will have the chance to respond interactively with their superior.

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 other studies to enhance their correspondence ability through dynamic realizing, which requires talking, exhibiting and report composition. Modest agents were obliged to talk instead of floating away and turn out to be free riders. Among agents with fears of theoretical subjects, they turn 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.

6. Conclusion

This study proves that self-efficacy is beneficial in achieving training effectiveness. The approach is two-branched and allows formal and informal objectives being targeted simultaneously. In this case, training via 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 whether training effectiveness was attained, especially in the Malaysian market.

In conclusion, the research also prompts trainers to be more sensitive in understanding agents' need. The understandings between agents-trainers also contributes to agents' level of comfort in a sharing session which enable relax learning session (Badlishah and Majid, 2016b). By this, learning style can be fully benefitted to agents in order to achieve training. Although Malaysian economy is progressing well given its growth and development targets, but it needs persistent contribution from corporate sector for maintaining its competitive position as well as to counter global environmental challenges (Hilman, 2015). In this context, the General Insurance Agents need the representing company's support in order to attain the standard at par with the global standard in order to sustain any challenges they might encounter in future through communication system.

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