THE DEVELOPMENT OF A COMPETENCY-BASED TRAINING PROGRAM TO DEVELOP PROFESSIONAL COMPETENCY OF NON-LIFE INSURANCE AGENTS

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Abstract: This research aims to develop a competency – based training Program to promote the professional competency of non-life insurance agents. The basis theory of this research was Generic Competency Based Model, applied to prepare personal in insurance companies to perform the agents work efficiently and to develop their self-directed learning skills to enhance continuous learning in this dynamic world.

Keywords: Competency-Based Training Program, Professional Competency, Non-life Insurance Agents, Self-directed Learning

Background and Significance of the Issue

Developing lifelong learning of people of all ages in every organization and industry is very essential to social and economic development of a country. Accordingly, the learning is also vital to insurance industry which presently has a greater role in the nation's development than that in the past. According to the Bank of Thailand, insurance industry has affected the nation's growth greatly: the direct premiums in 2010 increased approximately 14%, representing a premium of 419,643 million baht. In recent years, the ratio of premiums to the nation's GDP has been growing continuously; it started from 3.5 in 2004 and has risen to 4.4 percent this year.

Non-life insurance agents, or middle persons between insurance companies and clients, have played very significant roles in insurance companies; however, their performance affects the operation of insurance industry. Not only can they create but also destroy the image of the insurance business. The agents who are knowledgeable about insurance coverage, premium rates, exclusion, legal requirements and have the characteristics of service mind and positive attitudes to their career, honesty and integrity, will strengthen and create public acceptance for the insurance industry.

The current government is now seeking ways to optimize the work efficiency of insurance agents and enhance their professional competencies by setting up new regulations for both new life and non-life insurance agents and those who want to renew their licenses. Namely, from January 1, 2009 they have to attend a training class annually for the first three years of license. The training is usually related to insurance knowledge, skills and attitude creating for the agents.

Regarding the concern with the development of the non-life agents' qualifications and the solution mentioned above, it was found that learning to be a competent, skilled agent with a positive attitude toward the job in the classroom or on the theory book was not adequate. Non-life insurance agents must be able to apply the knowledge, skills and attitude in real work situations. Simply put, a non-life insurance policy is an intangible product aimed at protecting clients from unexpected loss or damage. Each type contains its individual definition, different types of coverage as well as some difficult terms which are hard to understand and need to be interpreted; therefore, to be able to perform the task efficiently, an agent needs to understand the policies or products thoroughly.

To solve the shortage problem of professional non-life insurance agents who have sound knowledge, skills and positive attitudes toward work, including self-directed learning skills, which enable them to study and promote their work performance well in the changing world, non-life insurance agents should be motivated to learn continuously by themselves. Even though they can perform the task in every aspect but lack the capacity to learn new things by themselves, they will not be able to develop and compete with others in the future world where the environment, economics, and technologies are changing rapidly. Thus the researcher has studied the Competency Based-Training Program by Blank (1982) and self-directed learning by Knowles (1970) that aim to promote the insurance personnel's competencies needed for their work and to enable them to apply the knowledge and skills they gained from the training in real situations.

From the concept and principles of the program mentioned above, the researcher was motivated to develop the Competency Based-Training Program to help improve the non-life insurance agents' performance. The researcher believes that not only can the program enhance career development of non-life insurance agents but also benefit other people who work in insurance industry and people who get the insurance services, which eventually boost the social and economic development of the nation.

Objectives

1. To study professional competencies of Non-Life insurance agents.
2. To develop a Competency – Based Training Program to Develop Professional Competency of Non-Life Insurance Agents.
3. To examine the results of the implementation of the Competency – Based Training Program by comparing the professional achievements of the experimental group and the control group.

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4. To identify the relevant factors essential for the development of a Competency – Based Training Program.

Research Hypothesis

The research hypotheses are

1. The participants of a Competency – Based Training Program increase their professional competencies in terms of knowledge, skills and attitudes.

2. The participants of a Competency – Based Training Program gain a higher level of self-directed learning after the training.

Variables of the Study

Independent variables: Competency – Based Training Program

- Two patterns of training: Competency –Based Training and Class-based training

Dependent variables: Professional competencies of non-life insurance agents

- Level of knowledge before and after the training
- Level of skills before and after the training
- Level of attitude before and after the training
- Level of self-directed learning before and after the training

Literature Review

For the research on "The Development of a competency-Based Training Program to Develop Professional Competency of Non-Life Insurance Agents", the researcher studied documents, concepts and theories and relevant research studies as follows.

A Competency–Based Training Program according to Blank (1982) is a generic competency model which aims to prepare personnel to be equipped with the competencies needed to perform the work in an organization. The content of the curriculum in the training process of Blank (1982) will be determined by the needs of the organization. The competencies mainly include standard knowledge, skills and attitudes. There are 12 stages to develop a competency base-training model.

Stage 1. Identify and Describe Specific Occupation; This stage shows the researcher how to identify several specific occupations or job within researcher's overall training program and also how to write a job description for non-life insurance agents to offer training within the program.

Stage 2. Identify Essential Student Prerequisites; this stage will show researcher how to identify essential student prerequisites for entry into the training program that will enhance each student's chances for success.

Stage 3. .Identify and Verify Job Tasks; This stage will identify and verify job tasks of non-life insurance agents and compile them on a task listing upon which to build in the program.

Stage 4. Analyze Job Tasks and add Necessary Knowledge Tasks; This stage helps researcher to ensure that the students will learn the job tasks listed on the task listing as they are performed in the non-life insurance agents.

Stage 5. Write Terminal Performance Objectives; this stage is a very brief statement describing exactly what the trainee must do to show that the task has been mastered.

Stage 6. Sequence Tasks and Terminal Performance Objectives; this stage is the the goal in sequencing the tasks and terminal performance objective for a training program is to avoid imposing a rigid sequence on students unless absolutely necessary.

Stage7. Develop Performance Tests; this stage helped researcher to evaluate their performance for mastery.

Stage 8. Develop Written Tests; this stage can be used to evaluate the student's mastery of knowledge ranging from recall of basic terms and facts to evaluation of complex situations.

Stage 9. Develop Draft of learning guides; this stage develops a learning guide for each task.

Stage 10. Try Out, Revise Learning Guides and Implement the developed training program; this stage helps us to see any problems found can be corrected before bring this program to real training in organization. This step also implements the developed program by researcher.

Stage 11. Develop System of Manage Learning; this stage describes some strategies and instruments that have been used successfully in competency-based program.

Stage 12. Implement and Evaluate Training Programs; this stage develops detailed plans to implement competency-based training program and evaluate effective of the training program.

Self-directed learning (SDL) is the learning process provided for non-life insurance agents through the activities of a learning group by cooperation of the learners and teachers during the training program. The training process uses a learning contract to set up a lesson plan together. There are 7 steps of Self-directed learning by Knowles (1970). Step 1 setting a learning climate for learner. Step 2 creating the learning mutual planning. Step 3 arranging for a diagnosis of learner needs and interest. Step 4 enabling the formulation of learning objectives with learner. Step 5 designing the situation learning methods for learner. Step 6 engaging in learning activities for achieving the objective. Step 7 evaluating the quality

of the learning with learner.

After the training process is completed, the learners' level of self-directed readiness is expected to be higher. This readiness will be measured by the self-directed learning readiness scale (SDLRS) in form of a 5 scale rating behavior questionnaire, consisted of 58 questions. The questionnaire respondents will report their level of agreement to the questions. The questionnaire consists of negative and positive questions which cover 8 sides of self-directed learning readiness (Guglielmino, 1977).

The professional competency includes the levels of knowledge, skills, attitude and self-directed learning skills of non-life insurance agents. Each level is measured by non-life insurance competency, which is derived from interviews and the review of competencies of agents and insurance employees. A questionnaire is used to find out the background information about the agents while a test of the standard knowledge of an insurance agent, developed from the professional competencies. This is administered before attending the training. It consisted of the following issues.

1. Insurance laws and regulations for non-life insurance agents.
2. The overview of insurance business and insurance policies.
3. The practice of selling, knowing the customers and giving advice about the insurance.
4. The ethical guidelines and the good of practices in insurance services.

Research Methodology

For the research on "The development of a competency-Based training program to develop professional competency of non-life insurance agents", the researcher uses the quasi-experimental research along with quantitative techniques and content analysis, in the non-randomized control group-posttest research design. The subjects were non-life insurance agents who have received the license from Office of Insurance Commission. They were all adult learners aged 20 up and affiliated to insurance companies in Thailand.

Research Implementation

The research had 4 phases, as summarized below:

Phase 1: To study professional competency of non-life insurance agents regarding knowledge, skills and attitude; the findings were used to design and develop the competency based-training program. There were 2 stages in this phase.

Stage 1 Selected populations and samples.

Stage 2 Developed the tools (an interview form, a questionnaire, the test of the standard knowledge of an insurance agent test about professional competency of non-life insurance agents)

Phase 2: To design and develop competency based – training program to promote the professional competency of non-life insurance agents. This training program was developed based on the conceptual model of Blank (1982).

The researcher implemented stages 1- 12 of the development of competency based-training program as follows:

Stage 1. Identified and described specific occupation

Stage 2. Identified essential student prerequisites

Stage 3. Identified and verified job tasks

Stage 4. Analyzed a job task and necessary knowledge tasks

Stage 5. Wrote terminal performance objectives

Stage 6. Sequenced tasks and terminal performance objectives

Stage 7. Developed performance tests

Stage 8. Developed written tests Developed a draft of learning guides

Stage 9. Develop Draft of learning guides; This stage develop a learning guide for each task

Stage 10. Tried out, revised learning guides and implement the developed training program

Stage 11. Develop System of Manage Learning

Stage 12. Implement and Evaluate Training Programs and the learning process of Self-directed at

Phase 3: To examine the efficiency of developed competency based-training program promoting professional competency of non-life insurance agents and self-directed learning. In this phase, seven steps of self-directed learning and learning group activities were conducted as described below:

Step 1. Set a learning climate for learner; designed and created an atmosphere of Learning. Provided a physical climate showing that the learner was accepted, respected and supported.

Step 2. Create learning mutual planning; designed the training process, as planned by cooperation of trainers and trainees.

Step 3. Arrange for a diagnosis of learner needs and interest; took attention on self-diagnosis of needs for learning.

Step 4. Enable the formulation of learning objectives with learner; set the goal of training according to learners' needs and negotiated by trainers and trainees, based on their knowledge and experience.

Step 5. Designing the situation learning methods for learner; Set the goal of training, methods, education techniques, and learning sources, with use of a learning contract (LC) for both trainers and trainees.

Step 6. Engaging in learning activities for achieving the objective; Conducted the training process, as planned by cooperation of trainers and trainees.

Step 7. Evaluate the quality of the learning with learner; Evaluate the outcome, learners' achievement and learning approaches, by both trainers and trainees according to

learning contract performance, and written tests.

Phase 4: To identify the relevant factors, problems and suggestions essential to the development of a Competency – Based Training Program. The information in Phase 4 was used to improve the quality of the training program. In this phase, the researcher got the data from a group discussion and the interviews with the experimental group.

Methods of data analysis

Descriptive statistics was used to explain the general information of the sample and professional competency level of the experimental group. The data were analyzed to compare the levels of the professional competency and self-directed learning of the experimental group before and after the training by using dependent t-test. One way MANOVA was used to find out the differences between the levels of professional competency and self-directed learning of the 2 groups both before and after the training.

Research Finding

1. Based on the data results from 12 steps of Competency-Based Training Programs by Blank (1982) found five professional competencies of Non-Life insurance agents as follows (1) Insurance Law and regulations related to the non-life insurance agents (2) an overview of the insurance industry and summary the essentials of insurance (3) skill in the practice of selling (4) a good attitude and ethics of service mind (5) Self-Directed learning readiness competency.

2. A Competency – Based Training Program to Develop Professional Competency of Non-Life Insurance Agents has 9 elements, there are goal, objectives, target group, curriculum and contents, learning materials, learning group activities, learning resources, environment, measurement and environment.

3. The experiment results of a Competency – Based Training Program showed that after the training scored significantly higher than before the training scored at the confidence level 0.05 in the five aspects of professional competency of non-life insurance agents in the part of knowledge, skills, attitude and self-directed readiness learning competency.

4. The relevant factors affecting the developed program are (1) the supportive factors are target group who need develop professional competency, curriculum and contents, learning group activities (2) the obstacle factors were target group, learning materials, learning group activities, learning resources and environment.

Acknowledgement

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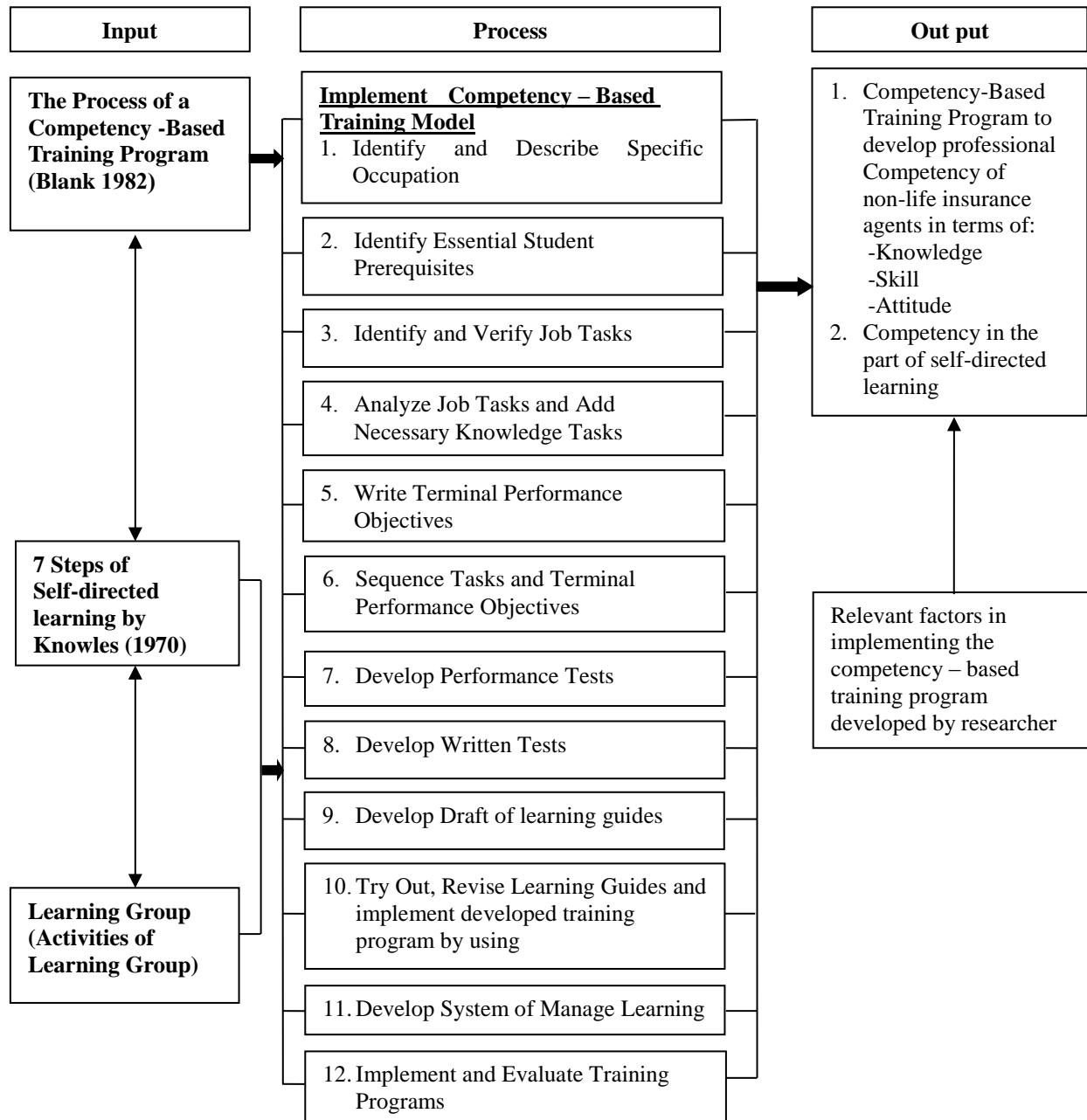Woolfolk, E. (1998). *Educational psychology*. 7th Ed. Massachusetts: Allyn & Bacon.

Input	Process	Out put

The Process of a Competency -Based Training Program (Blank 1982)

Implement   Competency – Based Training Model
1. Identify and Describe Specific Occupation

2. Identify Essential Student Prerequisites

3. Identify and Verify Job Tasks

4. Analyze Job Tasks and Add Necessary Knowledge Tasks

5. Write Terminal Performance Objectives

6. Sequence Tasks and Terminal Performance Objectives

7. Develop Performance Tests

8. Develop Written Tests

9. Develop Draft of learning guides

10. Try Out, Revise Learning Guides and implement developed training program by using

11. Develop System of Manage Learning

12. Implement and Evaluate Training Programs

7 Steps of Self-directed learning by Knowles (1970)

Learning Group (Activities of Learning Group)

1. Competency-Based Training Program to develop professional Competency of non-life insurance agents in terms of:
   -Knowledge
   -Skill
   -Attitude
2. Competency in the part of self-directed learning

Relevant factors in implementing the competency – based training program developed by researcher

Figure 1: The Conceptual Framework for Research
(To develop a competency-based training program to develop professional competency of non-life insurance agents)