

EVALUATING THE SERVICE QUALITY OF “MI” INSURANCE COMPANY (MELLAT IRAN) FROM PERSPECTIVE OF CUSTOMERS AND EMPLOYEES THROUGH SERVQUAL MODEL (CASE STUDY ON “MI” INSURANCE, GUILAN)

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Abstract

Today regarding the vital importance of insurance industry roles in economical development of countries, the need to it is inevitable. Yet the indicator of insurance development including insurance precipitate, Gross Domestic Product (GDP), etc. In Iran which suggests progress in this industry not only are not comparable with the developed countries but also are lower than the developing countries. One of the reasons as proposed by the theorist in the field suggests that insurance coverage in Iran is not compatible with that is expected by the insurers. In the present research the quality of the services offered by the largest organization of MA insurance in Iran, Social Security organization (SSO), is evaluated. Among the models applied in evaluating service quality in various service sections, in this study, SERVQUAL model is used. So research is to consider and evaluate the extent of the gap in the five dimensions of service quality in SSO. In theoretical frame work of the research concepts related to quality, service, service quality, different component of service quality and in the end the review of literature are discussed. The present research is based on the methods and the nature of descriptive- survey research and the populations under question include all the active insurers and clerks of branches 1 and 2 of SSO in Guilan Province in Iran. The questionnaire used to access the extent at the gap of service quality is the standard one used in SERVQUAL model and Cronbach's Coefficient alpha for the questionnaire under question is calculated as 90% for insurers and 91% for clerks. In results of testing the hypothesis of the research through Paired Students t-test, Independent Students t-test, Wilcoxon Nipper Tests and Mann-Whitney Nipper Tests show that: At the point of view of insurers and clerks, services offered by SSO have not fulfilled the expectation of the insurers. Also expectations of the insurers and clerks about quality of services offered by SSO are equal but their understanding is different. The smallest gap between the expectations of the insurers and their understanding and opinions is related to tangible factors and assurance components, and the biggest one is related to responsiveness component. The smallest gap between the expectations of the clerks and their understanding and opinions is related to assurance component, and the biggest one is related to responsiveness component. The results of Friedman test to set the priority at components indicate that at the point view of the insurers of SSO, the component at empathy has the

highest and tangible factors have the lowest priority. Also at the pointview of the clerks of SSO, the component at assurance has the highest and tangible factorshave the lowest priority.

Keywords: Satisfaction, Insurance, Insurers, Service Quality Gap, SERVQUAL Model.

1. Introduction

First step to understand the service quality should be a clear perception about the concept of quality. (Mir Kamali, 2008) Meanwhile, the definition of quality is not only important semantically but also, directing employee's efforts to achieve high service quality are more important. (Ling, 2004)

- Quality has no meaning but what the customer really wants. In other words, a product is high quality when it is compatible with customer needs. Quality should be defined as conformance to customer requirements (Crosby; 1984).
- "International Standards Organization" has defined quality as: integrity of features and characteristics of a product or service that has ability to meet customer requirements.
- The quality is a collection of activities, processes, functions and interactions which are provided to customers to overcome their problems (Vargo and Losh; 2004).
- Definitions of services

Before discussing about definition of service quality, it is necessary that we know what service is. This word includes different meanings, and involves a range of personal services to serving as a product. Although there is no general definition about service, some of presented definitions are mentioned as follow:

- Service provides a fundamentally intangible benefit, or an individual product, or an important element of a tangible product, which meet recognized requirements by a form of exchange (Palmer and Cole; 1995)
- Service is a result that customers demand it (Harvey; 1998)
- Service is an activity or benefits that one party offer to the other one, which is essentially impalpable and does not involve ownership of things. The result may be a physical or intangible product (Kotler and Armstrong; 2000).
- Service is a process that includes a series of more or less intangible activities, which normally, but not necessarily always, occurs in interactions between customers and employees, the physical interests, commodities or service providers systems, to find a solution to customers' problems (Groenroos; 2001).

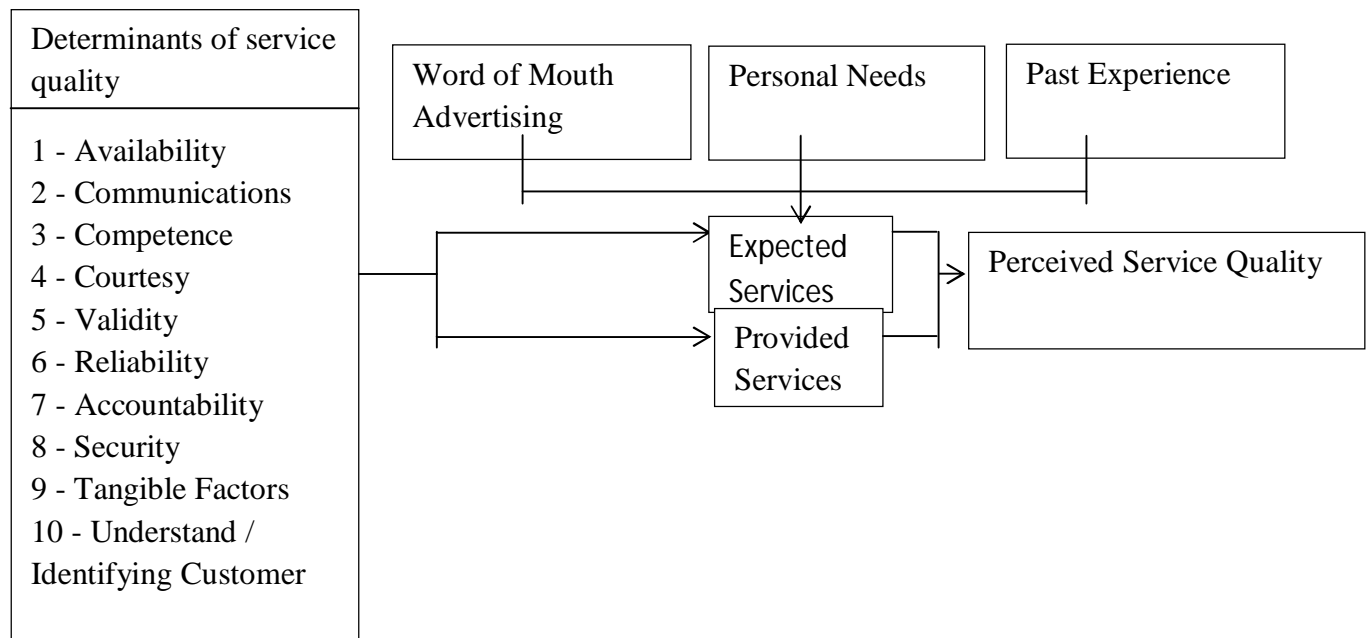


FIG.1. Conceptual model of research

2.Hypothesizes

1. From perspective of insured in “MI” insurance company (Mellat Iran), the quality of provided services and expected service are equal.
2. From perspective of employees in “MI” insurance company (Mellat Iran), the quality of provided services to insured and the quality of expected service are equal.
3. From perspective of employees and insured in “MI” insurance company (Mellat Iran), the quality of expected service (expectations) are equal.
4. From perspective of employees and insured in “MI” insurance company (Mellat Iran), the quality of provided services (perceptions) are equal.

3-Results of Hypothesis Testing

The Results of First Hypothesis

First hypothesis of this research is according to the amount of insured expectations and perceptions about five dimensions of provided service quality to them by “MI” insurance company (Mellat Iran). The results of analyzing the first main hypothesis indicates that “MI” insurance services (Mellat Iran) has failed to meet insured expectations.

The Results of Second Hypothesis

Second hypothesis of research is according to the amount of employee expectations and perceptions about five dimensions of provided service quality to them by "MI" insurance company (Mellat Iran). The results of analyzing the second main hypothesis indicate that from employee's point of view, "MI" insurance services (Mellat Iran) has failed to meet insured expectations. Results of this survey are corresponded to results of "Almasi" (2007) and "Henning" (2004).

The Results of Third Hypotheses

Third hypothesis of this study is according to the amount of employee and insured expectations about five dimensions of provided service quality to them by MI insurance company (Mellat Iran). The results of analyzing the third main hypothesis indicate that from insured and employee's point of view the ideal insurance services of MI insurance (Mellat Iran) to the insured are equal.

The Results of Fourth Hypotheses

The fourth hypothesis of this study is according to the amount of employee and insured perceptions about five dimensions of provided service quality to insured by the social security organization. The results of analyzing the fourth main hypothesis indicate that from insured and employee's point of view provided insurance services to insured by "MI" insurance (Mellat Iran) are different.

4. Conclusions

The results of analyzing data in fourth chapter show that factors that are most important from perspective of insured (empathy and responsiveness) has the highest gap; and the factor that is less important according to insured, has the lowest gap (Bazaz, 2007). In other words, it can be said "MI" insurance (Mellat Iran) has paid more attention to aspects which are not important from the insured point of view, and has tried to improve them; whereas, they pay no attention to fundamental and more important needs of their insured, which includes better responsiveness and better understanding customers' needs, and this could be alarm of poor performance in organization which is main responsible of Iran social insurance. Another Results of Hypothesis Testing in the fourth chapter is that there is a gap between insured expectations and perceptions about "MI insurance" (Mellat Iran) service quality, which means that promised service to the insured are not provided by the organization. This result can be obtained through employees' perspective about presented services to the insured.

Resources

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