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Dedication

I would like to dedicate this research project to my entire family who continuously extend their loving hand and have been of great influence to my studies. I ask the Almighty Lord to bless and protect them.

Acknowledgements

First and foremost, profound gratitude goes to the Almighty Lord for guiding me throughout the production of this paper. **May your name be magnified.**

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Abstract

The study is about an analysis of e-insurance as a cost cutting method at RM Insurance in Harare. The study made an examination into the effectiveness of this model as employed by RMI. The research made use of a case study design and henceforth interviews and questionnaires were used to gather data. The results showed that e-insurance was not reducing underwriting costs as anticipated due to various factors. However, it was noted that the model yielded some positives in the operations of RMI. Recommendations made to the company include its needs to extend its costs focus by using the model in its entirety to reduce other costs like advertising through e-marketing, developing a Shared multichannel for policy distribution, continuous training of employees, developing sound published security policy and establishing a steering committee to be in charge of training.

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EDI:	Electronic Data Interchange
ACCA:	Association of Certified Charttered Accountants
R&D:	Research and Development
ICT:	Information Communication Technology
SCM:	Supply Chain Management
ERP:	Enterprise Resource Planning
CRM:	Customer Relationship Management
HRM:	Human Resource Management
RMI:	Royal Mutual Insurance Company
IPEC:	Insurance and Pensions Commission

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter looked at the background of the study, statement of the problem, objectives for conducting the research, main research question, sub-research questions, research objectives, limitations, assumptions and definition of terms.

1.1 Background of the study

E-commerce is defined by Rayport and Jaworski (2011) as the technology-mediated interactions amongst parties as well as electronically built intra-or-interorganisational undertakings to enable those exchanges. Yao (2004) states that the benefits from electronic commerce accrue to an organisation as a result of the use of high level of online access technologies, internet and supportive websites. Electronic insurance (e-insurance) is a confluence of insurance operations with electronic and network technologies. In its simplicity, it is the incorporation of e-commerce into the insurance services. According to Kalakota (1997), the prime objective for e-commerce is to manage this fundamental formula

Profit = Revenue-Costs.

The above formula according to Kalakota (1997) implies that e-insurance increases revenue base due to the discovery new markets through going outside geographical restrictions. Costs reduction comes in the form of cutting on operating costs (commissions and other underwriting costs). Kalakota (1997) summaries it as attractive because it can raise profits by increasing revenue and while decreasing costs.

The accepted efficiency effect of e-insurance according to Banan (2009) is dual that is, first e-insurance reduces internal administration and management costs by automating business processes, allowing online interaction of departments and refining management data. Secondly, it cuts commissions compensated to intermediaries as policies will be sold straight to clients.

It is management requirement to ensure that costs are controlled to maximize shareholder wealthy, (Gitman and Zutter 2012) and thus RM Insurance Pvt Ltd Company (RMI) officially introduced e-insurance concept in October 2011 to curb the increasing costs of issuing an insurance policy. This was indicated in the minutes of the business meeting held on 5th of October 2011.

In 2009 business grew remarkably and it was expected that profits were supposed to be increasing proportionately however it was noticed that they were declining due to increasing costs as shown by the table below.

<u>Table 1.1: A breakdown of specific costs incurred by the company from 2009 to mid 2011 as a % of revenue.</u>

YEAR	UNDERWRITING COSTS	OTHER COSTS	TOTAL COSTS.
2009	30	35	65
2010	33.17	36.83	70
2011-1st half	35.03	40.97	40.97

Source: RMI financial highlights 2009-2011.

The table above indicates that RMI was experiencing increasing costs of underwriting. During the above periods, the company only used the traditional ways of selling and distributing insurance policies to clients that is the use of agents and brokers as intermediaries. Following the increases in these costs, the Senior Business Development Manager officially announced the adoption of e-insurance for operations in issuing policies to curb the ever-increasing costs. However following the adoption of e-insurance that is from mid-2011 to 2013 the costs continuously increased as evidenced below and thus the researcher was propelled to carry out an investigation.

<u>Table 1.2: A breakdown of the specific costs incurred by the company as a % of revenue for respective years since adoption of e-insurance.</u>

YEAR:	UNDERWRITING COSTS	OTHER COSTS	TOTAL COSTS
2011-2nd Half	36.75	38.55	75.30
2012	42.89	37.11	80
2013	45.64	36.47	82.11

Source: RMI financial highlights 2011-2013

The table indicates a continuous increase in the costs of underwriting regardless of the adoption of e-insurance and thus the researcher was propelled to carry out an assessment. Other costs represent those expenses that are not related to business underwritten for example claims, management fees, shared services & group costs. The focus of this study was therefore to appraise the effectiveness of e-insurance facility as the cost saving technique at RMI.

1.2 Statement of the problem

RMI introduced the e-insurance facility in 2011 to solve the problem of increasing costs of underwriting. However, regardless of this effort the underwriting costs continued to increase from mid-2011 to 2013. Thus, the researcher was impelled to scrutinize the effectiveness of this facility.

1.3 The main research question

To what extent has the e-insurance concept achieved the management's fundamental goal of reducing cost and maximizing profits?

1.3.1The sub-research questions

- What is the motive behind e-commerce and why it was adopted in insurance?
- What are the advantages of e-insurance?
- What are the challenges of the adoption of e-insurance and how they affected the proper functioning of the model?
- How can the challenges of e-insurance be eradicated to enable maximum utility from model in its operations?
- What is critical to the success of e-insurance model at RMI?

1.4Research objectives

- To establish the idea behind e-commerce and the analogous adoption motive in insurance.
- To identify the advantages of e-insurance and establish how RMI have benefited thus far.
- To establish the challenges associated with e-insurance and determine how these have affected the efficient operation of the model with regard to RMI.
- To find measures that can be used to counter the challenges of e-insurance to ensure the maximum and efficient operation of the model to achieve the objectives of RMI.
- To establish factors critical to the success of the e-insurance model which RMI should focus on to achieve its objectives.

1.5Significance of study

To the Student

- The research was carried out in partial fulfillment of the requirements of the Bachelor of Commerce Accounting Honours Degree at the Midlands State University.
- It also helps in the improvement of research skills, tackling research problems and finding suitable solutions.

To The University

- It provides a source of literature to other students who may want to carryout studies in the area of cost control in insurance.

To RM Insurance

- Recommendations from the research facilitate RM Insurance to enhance efficiency and gain a huge competitive edge.

1.6 Delimitations of the study

- The proposal is limited to RMI head office-Harare
- The study will specifically focus on the model of e-insurance as a cost saving tool
- Time: the study will cover the period between mid-July to 2011-December 2013
- The focus will be on employees and management of RMI

1.7 Assumptions

The writer assumes that:

- All RMI respondents have an understanding of e-insurance
- Maximum alliance, communication and dedication from the sample population.

1.8 Limitations of the study

The research is expected to have challenges amongst which are

- **Time constraints**

The time available to survey various areas of the research was minimal however the researcher took advantage of the vacation and mid semester break to gather more information.

- **Financial constraints**

  The research involved some costs like transport and other research expenses in the gathering of information however, the researcher forego some of the needs inorder to finance the project.

- **Strategic information**

  Old Mutual restrict the release of information to outsiders as most of it is considered confidential and thus RMI employees were expected to hold on some information that was important for the research. However, the writer was part of the organization for one year and used minutes and circulars to circumvent this limitation.

1.9 Definition of terms and abbreviations.

- **E-insurance**

  The exchange of digital information which occurs between individuals and organizations with regard to Insurance services and is technology-based.

- **Old Mutual**

  Parent company to RMI

- **Underwriting costs**

  Are acquisition costs that an insurer incurs to sell, underwrite and initiate new insurance contracts.

- **RMI**

  RM Insurance Pvt Ltd Company

- **ICT**

  Information and Communication Technology

- **Underwriting**

  The process of evaluating the risks of insuring a particular person or asset and using the information obtained to set premium pricing for insurance policies.

- **Insurer**

  A person or company that underwrites an insurance risk; the party in an insurance contract undertaking to undertaking to pay compensation in event of loss.

- **Insurance services**

Are those services that expose the insurer to identified risks of loss from events or circumstances occurring or discovered within a specified period and in this study it is short term non-life insurance.

- **Shared services costs**

Are those costs incurred when receiving services from Old Mutual Shared Services Pvt Ltd

1.10 Summary

This chapter covered the background to the problem, statement of the problem, research questions and research objectives. Delimitations of the study, assumptions, definition of terms and abbreviations and significance of the study were also discussed. The next chapter will look at the literature of other authorities with regard to e-commerce in insurance.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter analysed the literature related to e-insurance as a cost saving tool. It also highlights the impact of e-insurance on the selling and distribution of insurance, the challenges that are associated with the implementation of e-insurance, the key success factors, advantages and disadvantages of e-insurance and measures that can be put in place to counter the challenges associated with e-insurance. It contains the theoretical together with empirical evidence.

2.1 Overview of e-commerce and its adoption in insurance

Banan (2009) defines e-insurance as the application of Internet and related information technologies in the production and distribution of insurance services.

According to Laudon and Traver (2009) e-commerce is a very recent phenomenon of the late 1990s which started as technologically driven and then in early 2000 became business oriented. Laudon and Traver (2009) said this development was with the hope that middlemen -the distributors wholesalers who are intermediaries each demanding commissions could be removed and also as an addition of EDI of the early 1980s which was developed by traditional organizations to diminish costs, delays and errors innate to manual exchange of documents. Odoyo and Nyangosi (2011) define e-commerce as the involvement of electronic and computation devices in providing business services for time saving and cost lowering purposes.

The concept of e-insurance is an insurance specific e-commerce business model. According to Dasgupta and Sengupta (2002), a typical transaction of e-commerce can be divided into five parts, which are search, valuation, logistics, transaction and after-sales services. And Bromideh and Aarabi (2006) castigates that these phases directly loan themselves to analogous phases for purchases of insurance product online with the exception of the after-sales service phases which in insurance only comes when there is an insurance claim.

The adoption of e-commerce in insurance began in early 2000, Jarvinen, Salonen and Kivisto-Rahnasto, (2010) said that the adoption of electronic services in insurance was to better respond to customer needs. In addition Hanzaee and Karimiam (2011) argues that e-commerce provided insurance companies with a enormous base for an effective, direct and inexpensive supply of data, products and services to their clients.

Many organizations adopted the model as a cost saving technique together with other advantages of e-commerce as follows.

2.2 Advantages of e-insurance

Benefits associated with the concept of e-insurance are: expanding the market reach, round the clock operation, easy to build an extended entity, reduction in acquisition/cost of an insurance policy and increase in speed and accuracy as explained below.

Expanding the market reach

The net being intrinsically worldwide, e-insurance allows the reaching of global customers relatively easy thereby saving on costs on attempting to go global, (Banan 2009). According to Turban at al (2012) e-commerce results in elimination of physical boundaries resulting in companies increasing their revenue base, that is locating customers worldwide at reasonable costs and at a fast rate.

The significant and utmost challenging facet of entering a foreign market is securing distribution channel however Internet presents an international supply potential, though there are still a number of barriers such as tax regimes, regulatory requirements, brand and cultural issues, (Pollasis and Vozikis 2007). It can be concluded that the belief of global reach must not be treated as an axiom as most countries also require companies to have local licenses to offer servives, (Banan 2009).

Round the clock operation

Operating 24/7 is a desirable but very costly move a business entity can undertake. Round the clock operation is an expensive proposition in the brick-and-motor world, while it comes natural in the click-and-conquer world, (Joseph 2004). Turban et al (2012) describes it as business always-open 24/7/365 and that coming up without overtime and other costs of operating business. This development results in time zones being irrelevant and results in staff being reduced while providing current and potential clients with extended hours of support and service at a decreasing cost of operating.

An extended enterprise is easy to build

In today's world, every enterprise is part of the linked economy and thus a company needs to extend the enterprise all the way to the suppliers and business partners like distributors and alternately end-customers, (Joseph 2004). Joseph (2004) continues to say that internet provides an effective (often-cheap) system to come up with an extended enterprise. He says tools like Enterprise Resource Planning (ERP), Supply Chain Management (SCM) and Customer Relationship Management (CRM) can simply be installed over the net sanctioning amazing efficiency in time needed to market, customer loyalty, on-line delivery and eventually profitability. Turban et al (2012) supports this fact that e-commerce results in enhanced customer service and relationship that is through a direct interaction with customers and a better CRM.

According to Borman (2010), an ERP system is deliberated as elementary for cost savings. Banan (2009) says efficiency benefit comes in the mode of reducing the internal administration and management costs by automating business processes, permitting real-time networking of company departments, and improving management information.

Reduction in acquisition costs of obtaining an insurance policy.

By far the major benefit of e-commerce in insurance is to save costs of production of insurance costs. Various authors talk of e-commerce in insurance as a move to reduce underwriting costs of issuing an insurance policy. A broad variety of insurance business models using the Internet as a distribution channel has already emerged, (Pollasis and Vozikis 2007). Banan (2009) states that through use of internet as a distributing channel, it decreases commissions paid to mediators as policies will be sold directly to clients. He gave an example of insurance sold by agents who receive a commission of 10 to 15 per cent for non-life policy sales and renewals and from 35 to 100 per cent for life insurance policies in the first policy year, but much less on renewal.

According to Hanzaee and Karimiam (2011), using the internet can help an entity have a direct approach to clients thus eliminating a number of levels required to complete a transaction and in the process cutting down of costs. As the company will be having a direct approach there is need for an alternative way to provide information to clients in a costs effective way through upgrading their web sites to include information using given by agency through gradually increasing the amount of information widened in scope to cover insurance brochures, terms and guidelines on how to protect life and property, (Jarvinen, Salonen and Kivisto-Rahnasto

2010). Turban et al (2012) summarises the cost reduction of e-commerce in general as they said it lowers cost of information, processing , storage and distribution and also went on to say that online delivery can be 90% cheaper. However, Banan (2009) said that the agency coordination is profoundly ingrained in the insurance industry thus, very few insurers would want to isolate their agents thus distribution cost are not guaranteed to be reduced.

Increase in speed and accuracy

The advent of e-commerce in insurance services has resulted in considerable improvements in how businesses offer their services. Hiwarkar and Khot (2013) said that e-insurance increases the speed and accuracy in the issuing and processing an insurance policy. Speed is brought about by the elimination of costly and time-consuming stages such as the issuing a letter of introduction and inquiries from centres. The result is that there will be better client service to the client and thus a higher customer satisfaction and more sales, (Joseph 2004). The use of e-commerce and its necessary technologies, because of speed and accuracy results in increase of sales volumes and low costs, (Odoyo and Nyangosi 2011). Turban et al (2012) supports the idea that e-commerce increases speed by saying it enables expediting of processes and thus improving productivity.

The adoption of e-commerce in insurance is a double edged sword and thus it comes with disadvantages as well.

Disadvantages of e-insurance

The adoption of e-commerce in insurance is not without its disadvantages which are brought about by adopting the model and these are:

Potential R&D costs.

According to Joseph (2004) technological changes is a routine character of the modern world. He says costs are a function of technology and thus they can change dramatically for the worse even during the short-lived e-commerce implementation projects. This means there is need for continuous research in e-commerce developments to keep up with the standards. However Raghunath and Panga (2013) support the fact of continuous research but with regard to customer satisfaction. He states that inorder to increase customer acceptance of e-services, the sources of consumer confusion, apprehension and risk need to identified, understood and alleviated This means that there is need to incur extra costs of R&D. Banan (2009) however suggests also that related marketing costs of global focus has deterred financially unsound operators from establishing a significant web present.

Potential redundancy costs

The use of internet technologies involves the automation of other business functions. It is natural that the automation of business functions comes with a move to do away with man power to certain extent, (Bajaj and Nag 2005). They castigated that data is not re-entered at each step in the process of offering a service and thus labor costs can be reduced. Turban and King (2010) also said adoption of e-commerce is by no question capable of rendering other workers redundant as it removes much paper work and duplication of activities.

Although e-commerce can lead to reduced labour costs in the long term, the organisation may incur massive labour costs in the form of terminal employee benefits, (Accenture 2010). Accenture (2010) however gives an example of US and European job markets putting a point that rigid labor markets make it even more costly to cut staff as the companies therein will have to pay more on average for every year of service if an employee is made redundant so the issue with redundancy costs depends on the labor market.

Huge initial outlay

There is no major innovation that comes cheap. According to Machogu (2012) use or innovation of new technology often involves huge upfront costs in form of necessary infrastructure and training of workers. Kurnia (2007) says the reason of rather disappointing acceptance of EDI concerns with the high costs of hardware, software and value-added network subscriptions. Turban et al (2012) said that the major problem with adopting internet as a distribution channel lies in the expensive and complicated technologies of e-commerce.

According to Machogu et al (2012) for traditional insurers, the need to adapt to the new e-commerce prospects does not only entails direct costs, in the form of substantial investments in the new information and communication technologies, but also the indirect costs of having to change their current business model. Internet distribution is far more costly than foreseen as companies face considerable costs of transferring to online delivery Laudon and Traver (2008). Machogu et al (2012) thus said supposed cost can be seen from two sides that is cost of acquiring the technology and cost savings achieved through the use technology.

As indicated by Turban and King (2010), e-commerce involves expensive technologies and which need massive funds of purchasing and installation by contracted companies. And to add to that, Turban et al (2012) said it is difficult to obtain venture capital due to the failure of many dot-coms.On top of those disadvantages come the challenges which can impede the efficient operation of e-insurance and are explained herein.

2.3 Challenges associated with the implementation of e-insurance

Challenges are factors that hinder the effectiveness of e-insurance as a cost deduction method. Most of these are fear of job losses, security issues, difficulty in retaining and traininig staff, distribution channel conflict and lack of regulations.

Retaining staff with necessary skills

Lack of skill and training within a company and lack of management skill are the factors impeding the implementation of internet in business, (Banan 2009) and Joseph (2004) said that these contribute a 28% failure rate to implement the programme.

According to Turban et al (2012), the major challenge of adoption of e-commerce in insurance is scarcity of skilled staff. In addition, PricewaterhouseCoopers (2012) said in its study that two-thirds of managers interviewed lack sufficient leadership capabilities for success of e-insurance. It is then the requirement of HRM to train its employees to have them the necessary skills. Skills are indispensable for the execution of tasks with speed and effectiveness. However, retaining workers with those skills may be a challenge. According to ACCA report (2011), after experiencing a massive outflow in training workers, retention of such employees may present a challenge to the entity. However according to Sharma (2005) retaining such workers is no much big deal in Africa where there is no much need for e-commerce skills.

Security issues

According to Zhang, Prybutok and Huang (2009) the fundamental difference between e-commerce and traditional business is the concern of security. According to Reddy (2012) internet software was generally planned with security as a postscript. Kashora (2006) document handling on the computers is prone to misuse and also that cryptography techiniques and digital signatures can be difficult to understand where there is poor IT knowledge, (Reddy 2012).

The establishement of an insurance contract involves the interchange of large amounts of data often of a personal nature. According to Banan (2009) while the electronic medium is perfect for data transfer, clients often worry about the security of their information. He said on the other side that while submitting documents to agents, clients accept that agent assumes obligation and will seek permissible action if secrecy is transgressed while at the same time the anonymous nature of a website may provoke the contrary supposition that behind the computer is nobody to hold responsible.

Fear of job losses across the corporate ladder

E-commerce offers a cunning position that can be implemented for business development, but according to Paton and McCalman (2008) regardless of how friendly a development is by an organisation, the organisation always encounter a certain degree of employee resistance with the fear of losing their jobs.

It is the nature of any IT transformation that it is disruptive, changing roles, responsibilities, long standing processes and control of resourses, KPMG (2012). According to their report KPMG said this will instil distress for job losses and control and thus employees and some management may come up with ways to sabotage and derail the e-insurance initiative.Several companies adopt the automation of operations to even minimise staff costs and Borman (2010) suggested that automation of processes can increase chances of job losses.

Distribution channel conflict

The success of e-insurance as a means of manufacturing and distribution of insurance policies is by far a result of its perceived impact on the traditional channel of distribution.According to Banan (2009) the shy growth in e-insurance, in advanced countries, likened to e-banking can be explained by the fact that insurance companies consider the use of e-commerce and its disintermediating consequence as a risky business approach. He also said that Internet threatens present distribution channel crafting a thorny channel conflict.

Laudon and Traver (2009) defined disintermediation as the displacement of the market distributors through having a direct relationship between service provider and clients through internet to cut on commissions (acquisition costs). This is so since expert literatures have enthusiastically denigrated the independent agency system as extremely costly method for distributing insurance policies, (Garven 2010).

Laudon and Traver (2009) considers e-commerce as a typical case of disruptive development because it destroys a old business model on physical distribution. However, to the middlemen this move is regarded as cannibalistic in style, Sharma and Gassenheimer (2008) who also said the purported cannibalism (gradual attrition of sales agents) is described as annoying and demotivating. Most companies are prejudiced by the panorama of channel conflict which prevents them from fully intergrating the direct distribution of policies.

Lack of regulatory frameworks

The establishment of Internet-based insurance supervisory tools may increase efficiency by streamlining and speeding up the reporting from insurance entities. However according to Joseph (2004) government have not kept up pace with technologies. This means that the operations are much unregulated.

Turban and King (2010) suggested lack of appropriate legislation and regulation as one of major obstacles of adopting e-commerce. According to the work done by Worku (2010) he gave an example of Ethopia whose current laws do not accommodate electronic contracts and signatures (e-commerce). Taddesse and Kidan (2005), most African countries lack proper legal and regulatory framework for electronic commerce.

According to OECD (2009) economic outlook report, e-commerce begs a number of questions about taxation and tax policy and concerns have been that e-commerce could result in erosion of tax bases. This impedes e-commerce adoption by many companies due to fear of and requirement not to infringe the tax requirements.

These challenges need to be curbed and thus the following section presents the measures that can be put into place to minimise the above challenges.

2.4 Actions that may be taken to counter the challenges associated with the implementation of e-insurance

In order to ensure that e-insurance is an effective model of cost saving, management need to come up with measures to deal the above challenges to the best of their abilities and these are explained here.

Adoption of change management strategy and communication

Communication is very important in every organisation and also it is very important to establish a change management strategy.

Bramante (2008) said that for the change process to be effective, management have to ensure workers are associated with clear vision and mission, there is top management team working mutually to endure the new business processes. In their report, KPMG (2012) said that failure to garner backing and pledge from key stakeholders can thwart a best anticipated IT improvement and thus urgued that a sustainable change agenda produces a sense of determination and fosters esprit de corps in an organization.

Accenture (2010) suggested that substantial time need to be dedicated by the executive on strategic decisions and key research functions for e-commerce to formulate policies and processes across main support activities. This can bring significant efficiency advantages and thus reduction costs.A strategy that is reinforced by communication makes the e-commerce adoption easy. Graetz and Smith (2005) said enhanced communication in times of new business models is essential. They said a common, shared language will greatly enhance the communication process and thus making the process of acceptance and engagement easy.

Financial support and fundraising strategies

E-commerce involves the allocation of huge outlays to fully implement and intergrate the business processes. According to Chan et al (2003) finance or accounting department need to investigate various alternatives for funding e-commerce projects. Management need to spear-head the backing system and Sminia and Nistelrooij (2006) supports the idea when they said executive must support their change agents in their endeavours and it can come in the form of financial support.

Accenture (2010) suggested that organizations could borrow from a financial institution using techniques such as investment risk analysis, return on investment and cost-benefit analysis to manage the financial commitment. However, KPMG (2012) reported that funders because of underestimates often shun IT transformation for insurers and suggested that an honest assessment of the hard dollar costs and resources needed to be executed; full consideration of inherent challenges and appropriate accommodation of contingences will enable funds to be secured easily.

Implementation of systems to retain skilled staff

Trained workers need to be retained for the success of e-commerce. According to Pitts and Lei (2006), HRM must have schemes of attracting and rewarding personnel. They further said that HRM, during new developments, is key in helping firm learn and build new types of skills which are competitive and marketable which can only be retained by improved incentives. Turban et al (2012) suggested that the personel department should design effective forms of compensation schemes such as options and to provide up to date training of employees, as there is a worldwide shortage of people with technical expertise in specifying, architecturing, designing and implementing e-commerce systems.

Borman (2010) suggested that determination is essential to master employee doubts about reformation and loss of control by creating new opportunities through training.

Developing security measures

E-commerce brings threats to privacy, computer files and software, Kashora (2006). This calls for management to come up with electronic security measures, which are policies, procedures and technical measures, used to prevent unauthorized access, alteration of information systems, networks and data, (Laudon and Traver 2009). They also said that to ease security terrorization, e-commerce firms must come-up with a sound company policy that considers the nature of the risks, the information assets that should be protected and the procedures and technologies essential to protect the risk as well as implementation and auditing mechanism.

According to Turban et al (2012), technological changes are routine and the way systems and internet is attacked changes. They also argued that though passwords and limited access to a system is a security measure, they are insufficient to prevent attacks from modern sophisticated hackers and thus this underlines the need to monitor and improve electronic security. KPMG (2012) said there is need for published ICT policy for an entity to enable clients build trust. Zhang et al (2006) also said e-commerce businesses must put prominence on contracting state-of-art security technology to increase customer fulfillment.

Developing a proper channel conflict management plan

Channel conflicts are a subject of litigation and negotiation, (Laudon and Traver 2009). They also said that service providers via the internet must be very careful about pricing and value to avoid destroying their existing distribution channels. According to Sharma and Gassenheimer (2009), understanding a sales agents' perceived cannibalization can help managers in developing strategies to keep the sales agents stirred when adopting numerous rival channels to reach customers.

Legal and Regulatory framework

Laws, rules and other regulations are important requirements for the successful implementation of e-commerce, (Kumanga 2010). It is the requirement of management to engage their supervisory bodies in their respective industries to promulgate the enactement of laws to govern e-commerce in which they are to undertake, Laudon and Traver (2008) also suggested that voluntary and private efforts have played a great role in the past in assisting law enforcement. The virtual nature of e-commerce brings legal questions about applicable laws and thus management need to seek legal expertise in order to be able to apply related rules, (Taddesse and Kidan 2005).

After looking at the benefits of e-commerce in insurance, its disadvantages, challenges and measures it becomes imperative to look at key success factors neccassary for e-insurance to realize its full potential of costs saving.

2.5 The critical/key success factors of e-insurance

In order to achieve the goal of costs reduction from e-insurance, the there are various factors which are critical to success. There are potentially three critical factors and these are strategic implementation, decisive and committed leadership team, and IT and infrastructural development. These are explained below

Strategic implementation

The success of any business development lies in its proper implementation.KPMG (2012) said that in a transformation initiative, managers must develop a proactive strategy and plan while aggressively managing and adjusting to issues and risks as they inevitably occur and implementing powerful governance practices to mitigate risks. This is supported by Hill and Jones (2009) who said having set a business model to achieve competitive advantage and cost cutting, managers have to put strategies necessary in place, They said senior managers need to put a governance system in place to make sure that the manner in which a strategy is not only consistence with reducing costs but also legal and ethical. This is especially important considering that the legal environment in which e-commerce is conducted is full of unclear and conflicting laws together with the fact that government regulators have not kept up with trends in technological developments.

Decisive and committed leadership.

According to Hill and Jones (2009) resilient management prove their vow to the vision and business model by action and words and they often lead by example. They gave an example of Nucor Steel Company CEO whose focus was on cost minimization who demonstrated the commitment of being cost-conscious as eveidenced by being ranked lowest in Fortune 500 CEOs salaries and resulted in Nucor employees being much motivated in working towards the goal.

The involvement of management is enough demonstration of their solemnity about the new development. KPMG (2012) said that the leadership must be fully on board with and personally commited to the new program, directing, quelling concerns and maintaining a stay on the course mentality. They said executive grouping, led by the chief executive must support their transformation agents in their endevours to achieve their goals.

IT development and other infrastructure

Technology is needed in roughly each value adding activity in a firm. According to Pitts and Lei (2006), considering rapid technological changes that are present in almost every industry (new form of communication and internet) this support activity has assumed enormous importance in every firm.

According to SwissRe (2000) insurers that offer premium quotes or conduct business online need to implement strong security measures. Aarabi and Bromideh (2006) say that hardware and software systems are available to prevent unauthorized access to portions of a website and to protect both the insurers' systems and the confidential information consumers submit.

Turban et al (2012) among others summerised the necessary infrastructures as Hardware and Network (Computers, Internet and Modem), software (public or specialized packages), IT experts and skilled staff (in e-commerce).

The key success factors are useful for facilitating e-insurance as a cost saving model as well as enhancing service delivery. With all these factors in place, it becomes inherent that the service delivery becomes effecienct (cost saving), convenient and much improved which collectively make e-insurance attractive thus this has a significant impact on the traditional distribution channel.

In summary the authors and schlolars seem to suggest that e-insurance is introduced with an ultimate goal for cost efficiency and accompanied by automation of other business processes and proper implementation to make it a success.

2.6 Summary

Literature review outlined comparison and assessment of what other reputable authorities say about e-commerce and its application in business and insurance (e-insurance). An assessment of the writings of various schools of thought was conducted. The next chapter is chapter three which looks at the research methodology and research design.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter addresses the manner in which the study was carried out. It highlights data collection methods, instruments and procedures used in collecting the relevant data for this research. Effort is made to clarify the validity and reliability of the instruments and procedures utilized, while also highlighting their relevance and applicability to the precise context of the research.

3.1 Research design

This is a plan that shows how the project was carried out. Lee and Lings (2008) defined it as a general plan of how the research is going to be conducted and primarily focuses on providing answers to research questions. Cooper and Schinder (2013) said there are three major types of research, which are descriptive, exploratory and causal, and in this research; a descriptive research design was used as it gives either qualitative or quantitative feedback from the target population

3.1.1 Descriptive Research Design

Remenyi et al (2009) said descriptive research design supports a study of direct experience taken at face value. Cooper and Schinder (2013) said it looks at the rate with which something happens and it aids learning the who, what, when and how of the topic.

Justification for using a descriptive research design

The major push factor for using this design is that it gave the researcher verbal and written communication with representative sample of the population under study. Moreover, it was easy express the data obtained in a statistical form. Although it took considerable time to organise findings, it proved to be a better method that identified the attitudes and opinions of the sample population as supported by (Remenyi et al 2009 and Cooper & Schinder 2013).

There are three basic types of descriptive research design and these are observation method, case study and survey method. The researcher carried a case study type of research at RM Insurance (RMI) in Harare. A case study is a meaningful assessment of facets of real-life events.

Justification of using a case study

A case study was chosen to draw an in-depth understanding of the effectiveness of e-commerce as a cost-cutting tool at RM Insurance. A case study was chosen as it attested its quickness and convenience in carrying out the study. Furthermore, it permitted the development of questioning and problem solving skills and thus enabled the narration of the situation under study, (Remenyi et al 2009). Although it is generally considered only explanatory, it turned out to be a good source of ideas about behaviour in the organisation concerning e-commerce.

3.2 Sampling strategy

3.2.1 Research population

Remenyi et al (2009) defines population as the universe of elements from which sample elements are drawn. In simple terms, it is the group of elements to which data is gathered to generalise. The population of 28 employees inclusive of Executive management.

Target population

Target population is the set of individuals, cases or objects with some visible distinctiveness, to which a researcher wants to generalize the results of the study. The target of this research consisted of 28 employees from the following costs centres; Underwriting, Claims department, Credit control/Accounts, Executive management and IT.

3.3 Sampling techniques

3.3.1 Stratified random sampling

This research used a stratified random sampling as its technique. Lucey (2004) states that a stratified random sampling is whereby a population is divided into segments and random samples are taken from within each group in proportions that each group bears to the population. Lucey (2004) also said that each stratum is relatively homogenous.

Justification for stratified random sampling

The stratified random sampling was used to administer questionnaires and conduct interviews for this research as it helped reduce the chance of human prejudice in the selection of cases to be incorporated in the sample. This , regardless of the fact that population has to be available and complete for it to be carried, resulted in the sample being highly representative of the population being generalised, as is supported by (Wegner 2010).

3.3.2 Sample size

Remenyi et al (2009) defined a sample as a subject of the population for whom we have gotten observations. This is a subset of all observations representative of the population. The sample comprised of 22 employees chosen from 5 departments. The table below shows the population and the sample size.

Table 3.1 Population and the Sample Size

Department	**Population**	**Sample size**	**Percentage to population**
Credit control	6	3	50%
Claims	6	3	50%
Underwriting	12	12	100%
Executive management	2	2	100%
IT	2	2	100%
Total	**28**	**22**	**71.43%**

According to Wegner (2010), a sample of at 50% is representative of the population and thus it can be concluded that a sample of 22, which is above 50%, is thus representative of all the employees of RMI.

3.4 Data sources

3.4.1 Secondary Data

This is data from published sources. Wegner (2010) states secondary data is that which is collected and administered by others for a purpose other than the problem at hand and is available within or without an organisation. In this research, the use of internet and textbooks were useful in producing literature review. Internet provided recent development of e-commerce in insurance industry and that together with data from textbooks were used to support data from interview and questionnaires. In addition, financial statements and commissions statements were used.

Justification for secondary data source

Secondary data was used as it was obtained from reputable sources in the form of RMI financial reports and Credit control commission statements. Moreso, secondary data was used, as it was already available as these statements are historic.

3.4.2 Primary Data

Primary data is that which is captured at the point where it is generated that is that which is obtained after carrying out research of the matter for the first time, (Wegner 2010). This data is not organised or analysed. In this research, personal interviews and self-administered questionnaires to gather information were used as primary sources. Self-administered questionnaires were a support method to interviews to widen the scope of data collection for the research.

Justification for primary data

This was collected directly from the respondents mostly using questionnaires. As this research is confidential, primary data was judged the appropriate research source. Moreover, although is requires considerable time to conclude a questionnaire, data accuracy was controlled by the researcher, this was pin pointed by Wegner (2010).

3.5 Research Instruments

3.5.1 Self-administered questionnaires

According to Cooper and Schinder (2013), a questionnaire is a set of questions designed to plead for information appropriate for analysis and have become ubiquitous in modern living.

Questionnaires were used to support interview obtained data to widen the scope of data collection. In this research majority of data was collected via self-administered questionnaires.

Closed questions were used in the study, which need short answers easy to respond, and for time management. Opened ended questions were to allow explanatory views. All the questions were designed in a way that ensured that the respondent would be kept informed of the subject being researched as indicated in Appendix B (list of questionnaires)

Justification for questionnaires

The cardinal benefit of using them was that responses were gathered in a standardised way and making questionnaire more objective in nature. It was relatively quick collecting information using questionnaires regardless of the low response rate from some departments. The researcher structured the questionnaires appropriately and ensured that they were not invading privacy and were less offending than interviews. Although the setback was lack of personal touch to explain questions, this non-involvement by the researcher resulted in minimum bias towards certain goal.

3.5.2 Closed-ended questions

Closed ended questions were used where possible answers were known. Remenyi et al (2009) said these are used typically in quantitative studies and the assumption is that a detailed knowledge is available on the attitudes of interests and therefore pre-specifying the categories is made easy.

3.5.3 Open-ended questions

Open-ended questions are free response questions without any choices supplied. They are typically used in explanatory studies where the researcher is not able to pre-specify the response categories, (Remenyi 2009). Likewise, open-ended questions were used in this research where possible answers are not known.

3.5.4 Likert scale

According to Remenyi et al (2009) the Likert Scale also called the summarised ratings is a method of attitude-scale construction developed by Rensis Likert is 1932 as a measure of attitudes. According to Cooper and Schinder (2013), the respondent is asked to agree or disagree with each statement, each respond is given a numerical score to reflect its degree of attitude favourableness, and scores may be added to measure the respondent’s attitude. In this research, questionnaires were designed using the Likert Scale format and specifically the odd numbered scale as follows:

Table 3.2: The odd numbered likert scale

Item	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree
Points	1	2	3	4	5

Source: Remenyi et al (2009)

Justification for Likert scale

The intention of making questionnaires easy to attend to for respondents resulted in the use of a Likert scale to present them. They enabled a straight and reliable appraisal of attitudes. Although the attitude statements took time to construct as indicated by Remenyi et al (2009), they were quick and easy to manage and score.

3.5.5 Personal Interviews

According to Cooper and Schinder (2013), an interview is a face-to-face conversation initiated by the interviewer to obtain information from the respondent. This method offsets the weakness in a questionnaire. The researcher used the structured interviews in which questions are predetermined as indicated in Appendix C (interview guide)

Justification for personal interviews

In order to offset weaknesses in the questionnaire, interviews were used to probe and explain the interviewees to ensure understanding and appropriate answer. They enabled direct control of data to facilitate rightful generalisation of the population. However, the biggest case against interviews as realised is that some employees were delicate in response and that resulted in less revelation of some confidential information.

3.6 Reliability and validity

Reliability

Remenyi et al (2009) said that reliability is the level of consistence confirmed by the method employed in research to give reliable information. The distinguishing feature here is that different scholars must come up with similar observations on different occasions and the concern is with how replicable the study is. To ensure reliability the instruments used were adjusted. In order to determine reliability in this research from questionnaires and interviews, the respondent were asked same questions that appeared in both.

Validity

Remenyi et al (2009) said validity is with concern as to whether the researcher has gained access to knowledge and meaning of the respondents and that data gathered is relevant to the field of study. In order to ensure validity of data collected, the researcher analysed the data and equated it to the research objectives. To ensure that validity is incorporated in this research, the researcher made sure that questions were related to the problem under study and objectives to be achieved.

3.7 Data presentation

The findings of this paper were presented in tabular form, charts, graphs, model results and in qualitative form. Tables were used to group and organize data for it to be manageable and easy to interpret. The use of tables makes the displaying of summarized information more precise and concisely effective. Effective presentation of visually stimulating information is done through the use of graphs.

3.8 Data analysis

Data analysis is the explaination of research findings systematically, (Myers 2009). A narrative description was employed in data interpretation and analysis. The researcher made sure that questionnaire screening was conducted inorder to discard those had irrelevant data and only to analyse that which was relevant.

3.9 Summary

This chapter gave a detailed description of the research design used to give the general strategy for responding to the research questions for this research. It highlighted the tools and techniques used in both primary and secondary data collection. The next chapter builds up on the forms and results of data collection by analyzing and presenting, in a systematic form, the findings of this research. The answers to the research questions and attainment of the stipulated objectives are expected to be derived from these findings.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.0 Introduction

This chapter presents the findings of this research and the analysis thereof. The presentations and analysis are done in the form of graphs, tables, descriptive summaries and pie charts. These findings were the base in which conclusions were drawn as to the extent to which e-commerce has affected the underwriting costs of RM Insurance and necessary recommendations therewith.

4.1 Response rate

According to Saunders, Silverstone and Thornhill (2009), response rate is the total number of responses divided by the sample after ineligible and unreachable respondents have been excluded. The higher the response rate, the more reliable the findings become.

4.1.1 Questionnaires response rate

Questionnaires were used to gather much data for this research and also the interviews were based on them. A total of 22 questionnaires were distributed to the respondents. Of these, 16 were completed and returned and the other 6 were not successful and thus a response rate of 72.73% was realised. This is summarised in the following table.

Table 4.1: Questionnaire response rate

Category of respondents	Administered	Successful	Response rate (%)
Credit control	3	2	66.66
Claims	3	2	66.66
Underwriting	10	9	90
Executive management	2	1	50
IT	2	2	100
Total	22	16	72.73

Source: Primary Data

Remenyi et al (2009) and Cooper and Schinder (2012) concluded that a response rate of 50% is good, 60% better and 70% is much dependable therefore considering that the questionnaires produced an 72.73% in this research, it means that this warranty a high degree of reliability and validity.

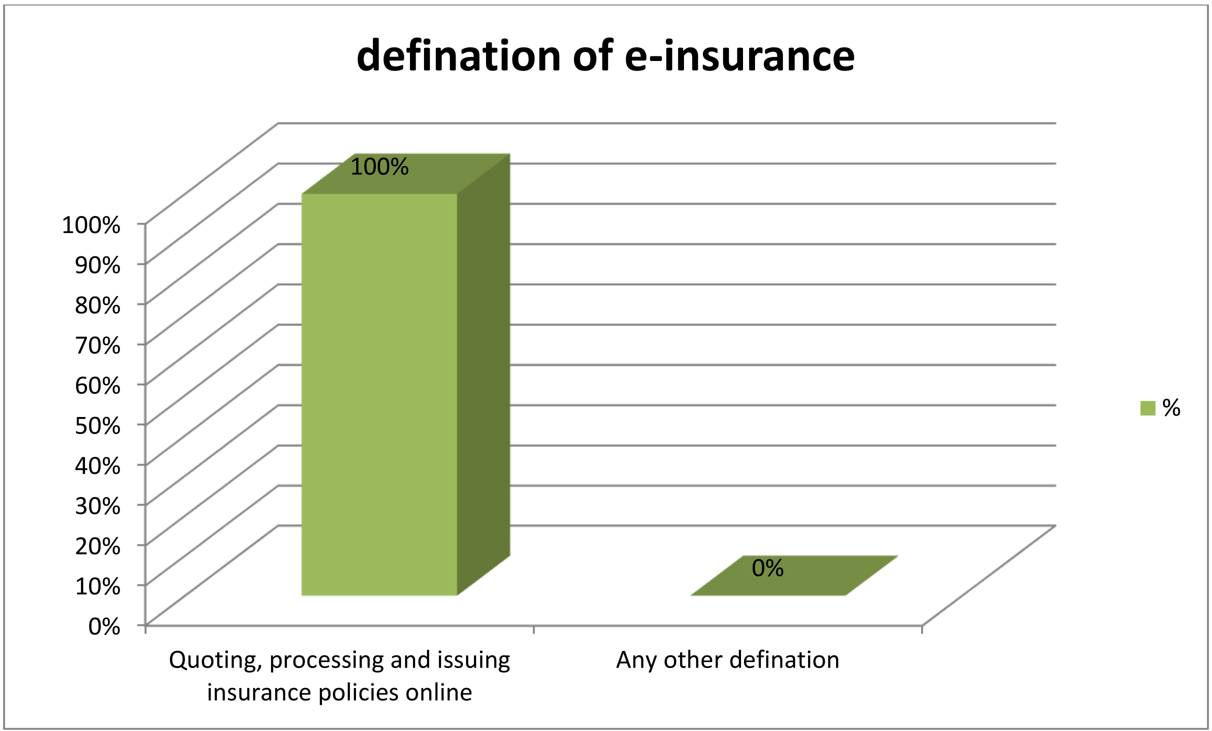
4.2 Data presentation and analysis

4.2.1 Questionnaires

Question 1: What is e-insurance?

The purpose of this question was to ascertain whether there is a common knowledge on what e-insurance is all about

Fig 4.1: Understanding of e-insurance



Source: Primary Data

From the study findings in fig 4.1 above, all respondents (100%) indicated that e-insurance is the processing of an insurance policy over the web. This was in agreement with Odoyo and Nyangosi (2011) who also highlighted the online infrastructural need of the model. This overally meant that (to the researcher) it is clear to every respondent of the subject matter.

Question 2: Why was e-insurance adopted?

The purpose of the question was to determine the objective of adopting e-commerce at RM insurance

Table 4.2: Views on reasons for adopting e-commerce

Reason	Reducing underwriting costs	Technological advancement	Other	Total
No. of respondents	10	6	0	16
%	62.50	37.50	0	100

Source: Primary Data

From the findings in table above, 62.50 % (10/16) of the respondents indicated that e-commerce was introduced to reduce underwriting costs whereas 37.50 % (6/16) indicated that it was for technological improvement and nobody (0%) thought otherwise. Respondents indicated that online sale is done without the help of agents and brokers resulting in less costs in the form of commissions and stationery costs. The respondent supported the view of Laudon and Traver (2009) who said that e-commerce developments are meant to reduce costs. It can be concluded that (based on 62.50% who agreed) e-commerce was introduced at RMI to do away with underwriting costs as a prime goal.

Question 3: Has the adoption achieved the objective?

The question sort to assess whether the adoption of e-commerce achieved its objective.

Table 4.3: Assessing whether e-insurance achieved its objective

Response	Yes	No	Total
No. of respondents	3	13	16
%	18.75	81.25	100

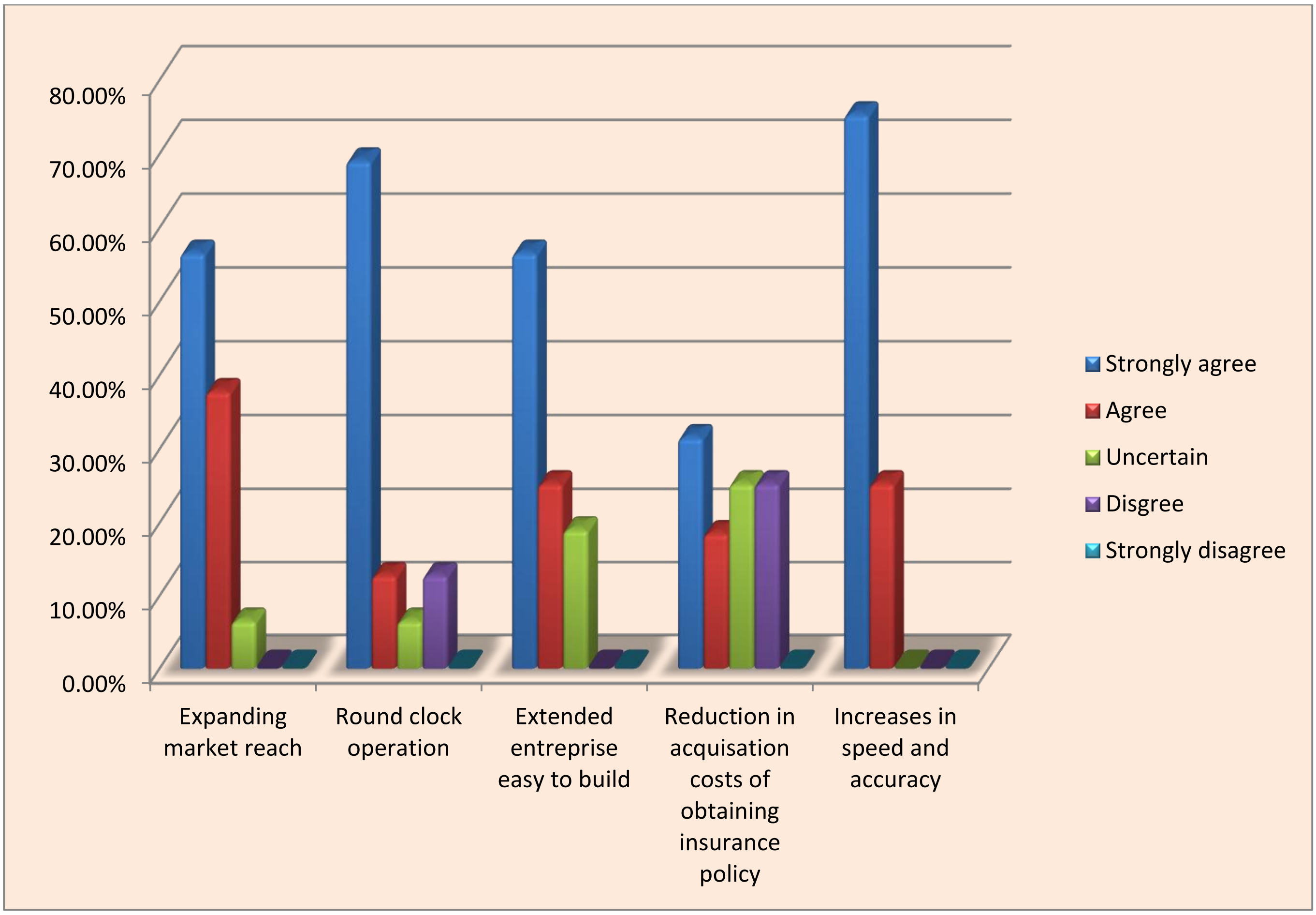
Source: Primary Data

From the findings above, 81.25% (13/16) indicated that e-insurance hasn’t achieved its objective whereas 18.75% (3/16) thought it did. The main problem as indicated by the respondents is that RMI does not have enough infrastructures to support the initiative. Those that indicated it as a success stated that all new business or clients, though little, acquired online required less stationery to process and that no commissions were paid to agents. However all respondents were in harmony with regard to the fact that e-commerce has the potential to reduce underwriting costs as per goal in the long run as the company is yet to incorporate a supportive model called micro insurance(mobile insurance). The 81.25% respondents who said that e-insurance did not achieve its goal of costs reduction.

Question 4: E-insurance is associated with the following advantages

The question sort to address the advantages of using e-insurance at RMI as shown by fig 4.1 below.

Fig 4.2: Advantages of e-insurance



Source: Primary Data

According to fig 4.1, 56.25% (9/16) strongly agreed and 37.5% (6/16) agreed that e-insurance results in expanding the market reach in areas where the company is not physically present.

Only one (6.25%) opposed the notion. Respondents who agreed indicated that all what clients will need is internet access and access company website and get the services. This was consistent with Turban et al (2012) who indicated that there is no restriction in terms of market. The one who disagreed state had a global insight and indicated that it takes substantial investment to be able to issue insurance policies in other countries and that deters global expansion using the internet as supported by Banan (2009) who said that the company will still need to adhere to new rules of new markets. It can nevertheless be concluded that e-commerce results in market expansion. It can be concluded that 93.75% (15/16) of respondents agreed that e-commerce results in market expansion.

Round clock operation

Fig 4.2 shows that 68.75% (11/16) strongly agreed, 12.5% (2/16) agreed, 6.25% (1/16) uncertain and 12.50% (2/16) disagreed that e-insurance in a 24/7 operation. Those who agreed indicated that clients do not need to be confined within business hours to get services they desire as internet sales are available anytime. This was in line with Turban et al (2012) who described e-commerce as business-always open 27/7/365. The ones that disagreed indicated that most cases the processing is done in batches and some still are done manually and thus full details of the transaction may still have to be obtained during business hours against the real time belief. Overally 81.25% (13/16) of the respondents stated that some processes of obtaining insurance policies can be done anytime of the day.

Extended enterprise easy to construct

As indicated in fig 4.2, 56.25% (9/16) strongly agreed, 25% (4/16) agreed and 18.75% (3/16) were uncertain that e-commerce results in an extended entreprise building. Those who agreed stated that e-commerce results in improved insurer-insured relationship, creating loyalty and eventual profitability as supported by Joseph (2004). Therefore since 81.25% (13/16) were in agreement that e-insurance results in the adoption of an extended enterprise it can be concluded in that regard.

Reduction of acquisition costs of obtaining an insurance policy

Fig 4.2 shows that 31.25% (5/16) strongly agreed, 18.75% (3/16) agreed, 25% (4/16) were uncertain and 25% (4/16) disagreed that e-insurance results in reduction of acquisition costs of obtaining an insurance policy. This was in agreement with Banan (2009) states who said e-insurance reduces costs as there will be direct interaction with clients. Those that agreed (50%) indicated that e-insurance has reduced stationery, postage and handling costs significantly though commissions are still high. Those that disagreed (50%) expressed concerns over increasing commissions yet e-insurance targets the displacement of middlemen. Overally all respondents (100%) indicated that e-insurance has a challenge to reduce commissions. They indicated that it may be due to the fact that e-insurance hasn't been fully abreast.

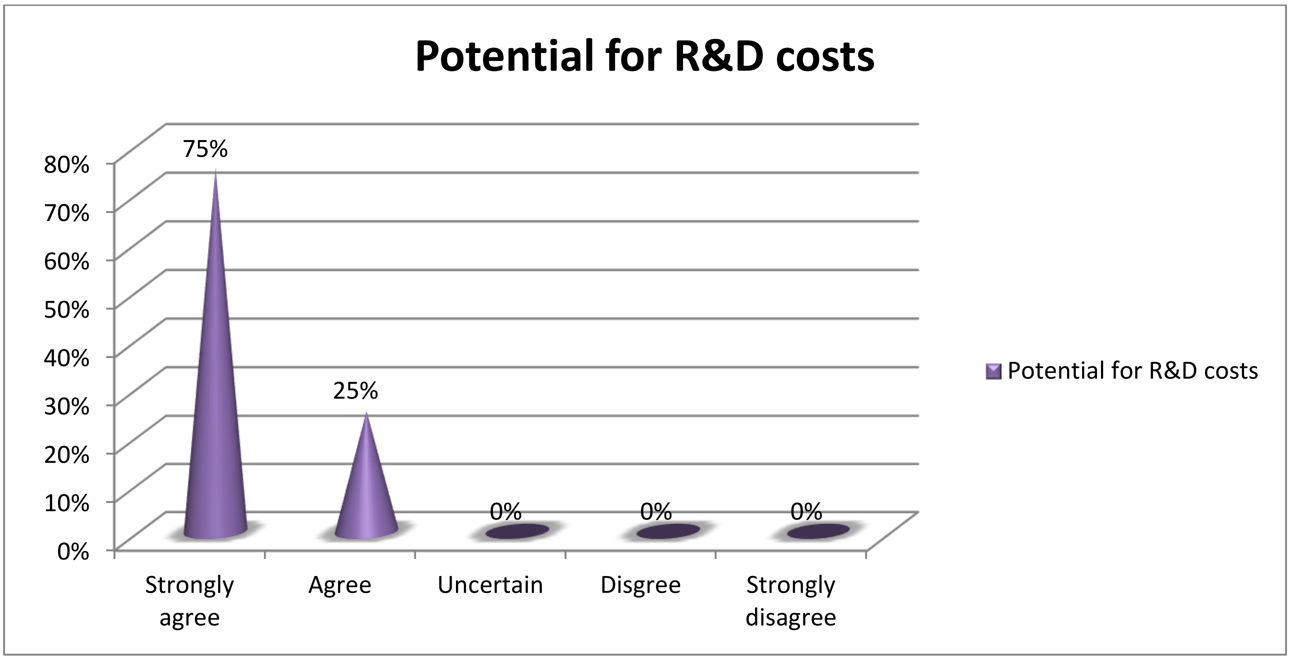
Increase in speed & accuracy

According to fig 4.2, 75% (12/16) strongly agreed and 25% (4/16) agreed that e-insurance results in increased speed and accuracy in processing and distribution. Respondents indicated that automation of functions (in place of manual) removes some unnecessary stages or processes. They also indicated that data accuracy is increased by data validation electronically during processing. This was in agreement with the findings of Hiwarkar (2013) who said that e-insurance increases the speed and accuracy in the issuing and processing an insurance policy. Overally everyone 100% (75%+25%) agreed that e-insurance resulted in increased speed and accuracy.

Question 5: E-insurance has the following disadvantages

The aim of the question was to assess the disadvantages of e-insurance at RMI as indicated in the following fig 4.3

Fig 4.3: Potential for R&D costs

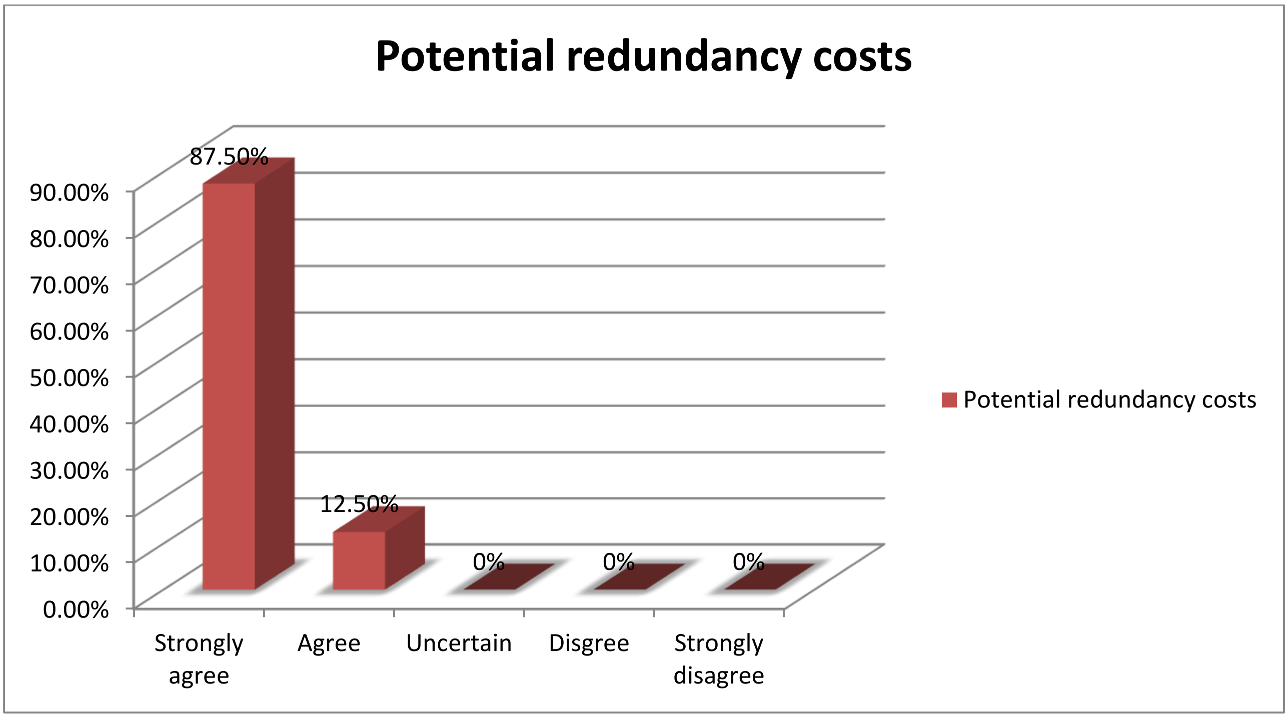


Source: Primary Data

As shown above 75% (12/16) of the respondents strongly agree with 25% (4/16) agree that e-insurance has the potential for research and development costs while none (0%) were uncertain, neither disagree nor strongly disagreed. Those who agreed pointed out that there is still need to know the culture and levels of income and types of insurance to sell in some areas where the company is not physically present and thus research need to be carried out. This agreed with Raghunath and Panga (2013) who said that with expansion of business research is an absolute essential. So overally 100% (25%+75%) respondents agreed that e-insurance results in further costs in the form of research and development costs.

Potential redundancy costs.

Fig 4.4: Potential redundancy costs.



Source: Primary Data

As indicated in fig 4.4 above, 87.50% (14/16) strongly agreed that e-commerce results in potential redundancy costs and 12.50% (2/16) agreed to the same, while those uncertain, disagree and strongly disagreed constituted none(0%). Those who agreed think that since e-commerce results in automation of activities it thus renders most employees unnecessary (especially underwriters). This was also highlighted in Turban and King (2010) that e-commerce reduces labour need due to automation. The respondents said that any laying off of employees which eventually becomes necessary, comes without redundancy costs in the form of retrenchment packages as happened in 2009 where there was massive costs incurred due to retrenchment as a result of an automated function called shared services. It can thus be concluded that e-insurance results in potential redundancy costs as everyone (100%) agreed.

Table 4.4 Huge initial outlay

	Strongly agree	Agree	Uncertain	Disagree	Strongly Disagree	Total
No. of respondents	11	5	0	0	0	16
Responserate	68.75%	31.25%	0%	0%	0%	100%

Source: Primary Data

Table 4.4 above shows that 68.75% (11/16) strongly agree, 31.25% (5/16) agree while no one (0%) disagreed that e-insurance requires huge initial outlay for it to be established. The respondents supported their view by saying a huge capital was invested towards the model and that more is still needed for full implementation for it to be success. This agreed with Kurnia (2007) who said the reason of rather disappointing acceptance of EDI concerns with the high costs of hardware, software and value-added network subscriptions. Based on the fact that 100% (68.75%+31.25%) agreed, it can be concluded that e-insurance requires a huge investment for it to be implemented.

Question 6: E-commerce is associated with the following challenges.

The question sought to address the challenges associated with e-commerce in insurance as indicated in the following table

Table 4.5 Challenges of e-insurance

Challenge	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree	Total
Retaining staffwith skills	7	9	0	0	0	16
Percentage	**43.75%**	**56.25%**	**0%**	**0%**	**0%**	**100%**
Security issues	13	3	0	0	0	16
Percentage	**81.25%**	**18.75%**	**0%**	**0%**	**0%**	**100%**
Fear of job losses	10	6	0	0	0	16
Percentage	**62.50%**	**37.50%**	**0%**	**0%**	**0%**	**100%**
Distribution channel conflict	9	7	0	0	0	16
Percentage	**56.25%**	**43.75%**	**0%**	**0%**	**0%**	**100%**
Lack of regulations	8	6	2	0	0	16
Percentage	**50%**	**37.50%**	**12.50%**	**0%**	**0%**	**100%**

Source: Primary Data

Retaining staff with skills

As indicated in table 4.5, 43.75% (7/16) strongly agreed, 56.25% (9/16) agreed and 0% were uncertain, neither disagreed nor strongly disagreed that withholding of staff with skills is a challenge in e-commerce circumstances. They said that if employees are trained, it is likely that they will look for greener pastures as their skills will be on demand considering the burgeoning of e-commerce as a business model hence worker retention becomes a mammoth task. This was in line with findings by ACCA (2011) in which it was found that e-commerce requires massive expenditure towards employees. All in all 100% (43.75%+56.25%) of respondents agreed that skill retention is a challenge to e-commerce.

Security issues

From table 4.5, 81.25% (13/16) strongly agreed, 18.75% (3/16) agreed while none (0%) were uncertain, neither disagreed nor strongly disagreed that security is a challenge in the use of e-commerce in insurance. Respondents indicated that worldwide issues of internet security breaches results in clients being hostile to buying insurance online in fear of the misdemeanour of their privacy. This was also concurred to Kashora (2006) document processing on the computers is susceptible to abuse. It can thus be concluded that 100% (16/16) agreed on this that security issue is a challenge to e-insurance.

Fear of job losses

Table 4.5 indicates that, 62.50% (10/16) strongly agree, 37.50% (6/16) agreed none (0%) were uncertain, neither disagreed nor strongly disagreed that fear of job losses is a challenge that hinders the success of e-commerce at RMI. They said that as activities are automated, it becomes certain that manual workers are going to be laid off and thus e-commerce faces resistance due to fear of perceived job losses. The challenge was also indicated by Paton and McCalman (2008) who said certain development is by the organisation always face a certain degree of employee resistance with the fear of losing their jobs. It can thus be concluded that fear of job losses is a challenge as 100% (62.50%+37.50%) respondents agreed that fear for loss of jobs is a challenge to e-insurance.

Distribution channel conflict

As indicated in table 4.5, 56.25 % (9/16) strongly agreed, 43.75% (7/16) agreed that distribution channel conflict is a challenge faced by insurers in adopting e-insurance. They said that agents (middlemen) expressed their concern over the development of e-commerce as they considered the move as aimed at taking away their clients that come through them and getting commissions for that. This agreed with Banan (2009) who said that Internet threatens existing distribution channel creating a thorny channel conflict. The table also shows that none (0%) is in disagreement or uncertain of the fact that distribution channel conflict is a challenge and that it can be concluded that distribution channel conflict is challenge that hinders success of e-commerce as 100% (16/16) of the respondents agreed.

Lack of regulations

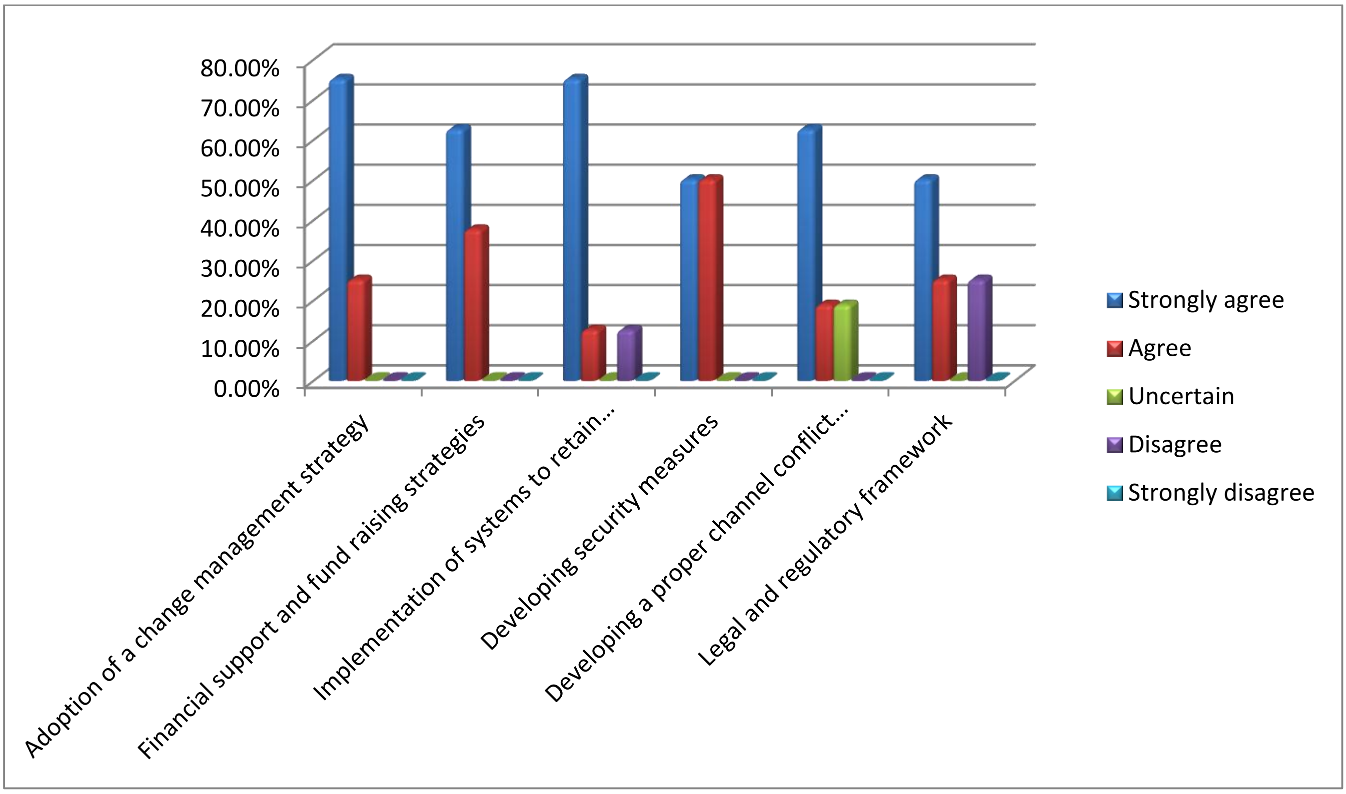
The table 4.5 shows that 50% (8/16) strongly agree, 37.50% (6/16) agreed to the fact that lack of regulation is a challenge associated with e-commerce. They indicated that online transactions are not regulated by national laws as the National ITC policy does not include e-commerce and thus this poses challenges on online dealings. This was also castigated by Turban and King (2010) suggested lack of appropriate legislation and regulations as one of major obstacles of adopting e-commerce. However, 12.50% (2/16) were uncertain as they indicated that they are not sure as to whether online and traditional business models should be treated differently in terms of laws. It nevertheless be concluded that lack of regulatory framework is a challenge to e-insurance at RMI.

Overally it was indicated by respondents that lack of e-commerce laws (87.50%) and distribution channel conflict (100%) were of major concern as far as the success of e-commerce is concerned. Although the above results were indicative that almost all factors were equally contributing, these two seemed so extreme with regard to e-commerce failure.

Question 7: The following are measures that can be used to counter challenges of e-commerce.

The question wanted to indicate the measures that can be taken to counter challenges associated with e-commerce as indicated in the following **Fig 4.5**

Fig 4.5: Measures to counter e-commerce challenges



Source: Primary Data

Adoption of a change management strategy

As shown in fig 4.5, 75% (12/16) strongly agreed, 25% (4/16) agreed that e-commerce requires the management of a change process and effective communication for it to be effective. 0% of the respondents were uncertain, disagreed nor strong disagreed. Those who agreed stated that a strategy that is backed by proper communication will make e-commerce a success at RMI. This was also suggested by Graetz and Smith (2005) who said enhanced communication in times of new business models is essential. It can thus be concluded that a change strategy has to be in place to counter challenges as supported by 100% (75%+25%) of the respondents.

Financial support and fund raising

Results in fig 4.5 show that 62.50% (10/16) strongly agreed, 37.50% (6/16) agreed while none were uncertain, neither disagreed nor strongly disagreed to the notion that e-commerce needs a robust financial back-up. This concurred with Sminia and Nistelrooij (2006) who said executive must support even financial is vital. Respondents said that this can be done through proper budgeting and coming up with fund raising methods to support deficits. Since every respondent 100% (16/16) agreed it can be concluded that e-insurance needs financial support to be successful.

Implementation of a system to retain skilled staff

Fig 4.5 indicates that 75% (12/16) of the respondents strongly agreed that to the fact that systems of retaining of skilled employees guard against loss of skilled labour. 12.50% (2/16) also agreed stating that improved incentives will withhold employees leaving for greener pastures. This agreed with Pitts and Lei (2006) who said HRM of e-service firms must have schemes of luring and compensating employees. However 12.50% (2/16) disagreed stating that very few companies in Zimbabwe are offering e-services and thus demand for e-commerce skills is low. Nevertheless it can be concluded that necessary systems should be in place since 87.50% (75%+12.50%) agreed to that.

Developing security measures

As indicated in fig 4.5, 100% (16/16) respondents agreed that developing security measures serve as a technique to counter against security threats. Nobody thought otherwise. Respondents stated that a sound company policy serve a critical component of security in this regard. They said that the company security policy must be regularly be updated to match technological advancement and that it must be made accessible to clients. This was also indicated by Zhang et al (2006) who said e-commerce businesses need security technology to improve customer satisfaction. Therefore it can be concluded that security is essential to counter security breaches as supported by all respondents (100%).

Developing a proper channels conflict management plan

The statistics in fig 4.5 show that 62.50%(10/16) strongly agreed, 18.75%(3/16) agreed and 18.75%(3/16) were uncertain to the fact that developing a proper channel management plan can be used to counter channels conflicts between agents and insurers as a result of e-insurance. They emphasised that management need to make sure that e-commerce must only be used as a supportive model to the traditional model and make new clients that target and to develop strategies necessary. This was in agreement with Sharma and Gassenheimer (2008) said managers to develop strategies to keep the sales agents stirred when adopting numerous rival channels to reach customers. Overally 81.25% (13/16) agreed that this measure is necessary to curb channel conflicts.

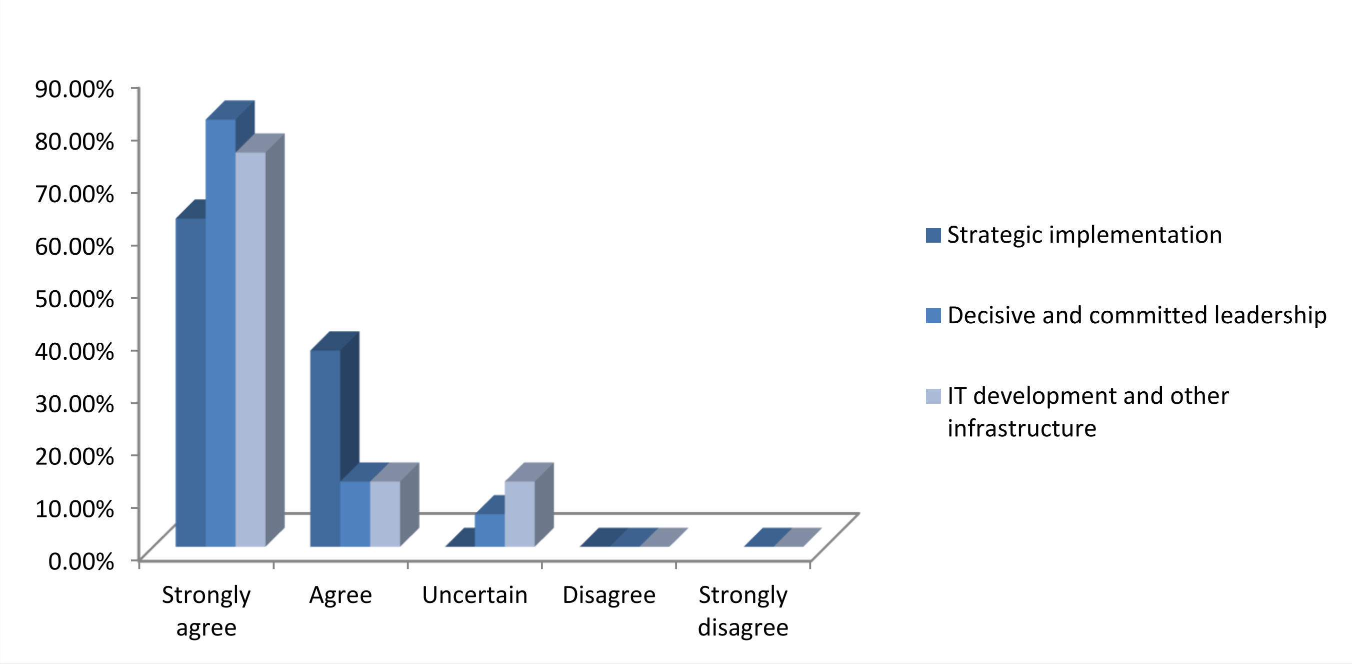
Legal and regulatory framework

According to fig 4.5, 50% (8/16) strongly agreed, while 25% (4/16) agreed that the presence of legal and regulatory framework serves to counter challenges of e-commerce. Another 25%(4/16) disagreed to that saying all laws are a responsibility of government which one respondent stated that it is 10years behind technologically (2014 National Budget) making it difficult for management to engage government in this regard. Those who agreed indicated that without laws it is difficult to operate on online basis and also stressed that management can engage IPEC for industrial regulations. This agreed with Kumanga (2010) who castigated that e-commerce law are required for the effective employment of e-commerce. It can therefore be concluded that e-commerce requires laws as supported by 75% (12/16) respondents.

Question 8: The following are key success factors when employing e-commerce in insurance.

The purpose of the question was to clarify that factors that are generally considered critical to the success of e-commerce in insurance.

Fig 4.6 Key success factors



Source: Primary Data

Strategic implementation

As indicated above, 62.50% (10/16) strongly agreed, 37.50% (6/16) agreed to the fact that strategic implementation of e-commerce is key to its success. None disagreed to that. Respondents stated that there is need for a proactive strategy and/or plan which have to be consistence with the goal of e-commerce to reduce costs. This was also supported by Hill and Jones (2009) who said that managers need to lay strategies required in place to make e-commerce a success. Overally 100% (62.50%+37.50%) agreed that strategic implementation is key to success of e-commerce.

Decisive and committed leadership

Fig 4.6 shows that 81.25% (13/16) strongly agreed, 12.50% (2/16) agreed while 6.25% (1/16) were uncertain that e-commerce requires a decisive and committed leadership to succeed. This was in line with Hill and Jones (2009) who said strong leadership should exhibit their pledge or support by regular involvement. Nobody disagreed to that notion. It can thus be concluded that e-commerce requires this key factor to success as 83.75% (15/16) agreed that e-commerce requires decisive leadership who are also committed to new developments.

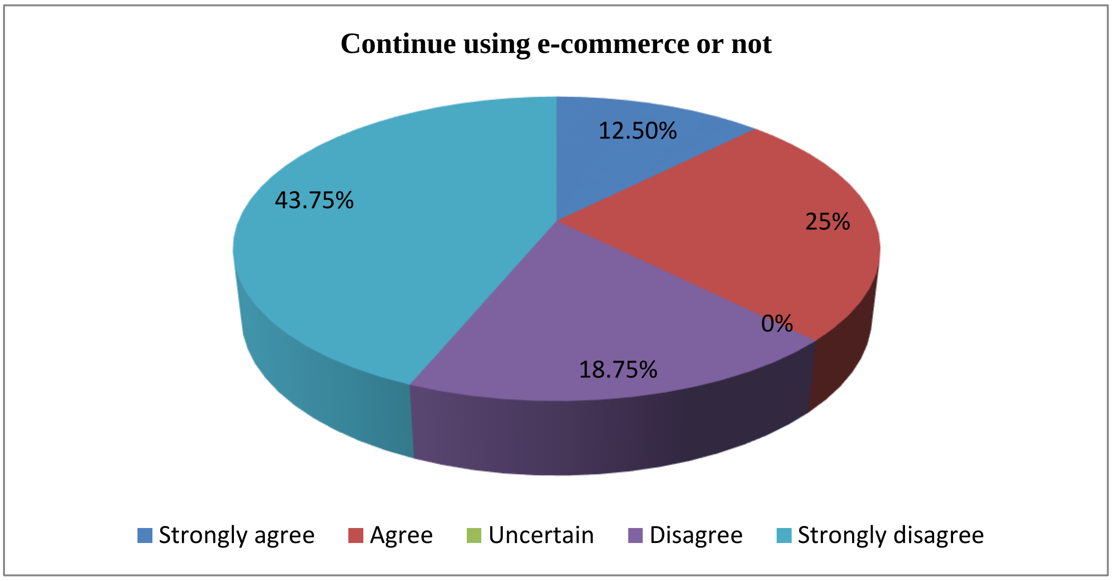
IT development and other infrastructure

Fig 4.6, shows that 12/16(75%) respondents strongly agreed, 12.50% (2/16) agreed and 12.50% (2/16) were uncertain that IT development and other infrastructure is important to ensuring the efficiency of e-insurance and none of them disagreed. Respondents stated that without necessary IT and infrastructure, investment in e-insurance can undoubtedly go down the drains. This concurred with Pitts and Lee (2006) who said that this support activity has anticipated massive prominence in almost all organisations. It can be concluded overally that since 87.50% (15/16) agreed that IT is key to the success of e-commerce it has to be in place.

Question 9: RMI should continue to use e-commerce to sell their insurance policies

The question served to establish whether RMI should continue using e-commerce or not as follows:

Fig4.7: Whether RMI should continue using e-commerce.



Source: Primary Data

Fig4.7, shows that 12.50% (2/16) strongly agreed, 25% (4/16) agreed, 0% were not certain, 18.75 % (3/16) disagreed and 43.75% (7/16) strongly disagreed that RMI should continue using e-commerce. Those who agreed indicated that all the insurance processes must be done online so as to make clients appreciate it and adopt it fully. Those who disagreed indicated that e-commerce generally in Zimbabwe is in its infancy let alone in insurance and hence RMI may risk its reputation posed by online threats due to lack of government support and this reputational risk is even more costly than paying agents' commissions and also fear of losing jobs. It can thus be concluded, according to statistics in Fig 4.8, that e-commerce should not continue being employed as 62.50% (18.75%+43.75%) disagreed with continuous use of the model.

4.2.2 Interview responses

4.2.2.1 Interview response rate

Five interviews were conducted as shown in the following table

Table 4.6: Interviews response rate

Respondents category	Targeted interviews	Interviews conducted	Response rate (%)
Underwriters	2	2	100
Executive management	1	1	100
IT	2	2	100
Total	5	5	100

Source:Primary Data

A 100% response rate was achieved

All 5/5 (100%) interviews were successfully conducted

4.2.2.2 Summary and Analysis of Interview Responses.

Question 1: What is e-insurance?

All respondents mentioned that e-insurance is the issuing and processing of insurance services over the web. This was in agreement with responses in a questionnaire where respondents had the same knowledge of e-insurance as with interviewees. This was in agreement with Odoyo and Nyangosi (2011) who defined e-insurance in the same line that is using the internet. It can thus be concluded that e-insurance is the processing, selling and delivery of insurance policies over internet.

Question 2: Why was e-insurance adopted?

All respondents (100%) mentioned that e-insurance was adopted to reduce underwriting costs (acquisition costs). Two (40%) respondents further cited the need to keep pace with technology as the other reason. This linked to responses from the questionnaire in which majority of respondents indicated that e-insurance was introduced to reduce commissions paid to agents for their intermediation. This was also supported by Laudon and Traver (2009) who said that e-commerce is generally introduced to automate business functions reducing costs. It can be concluded therefore that e-commerce was meant to reduce costs.

Question 3: Was the objective achieved?

Respondents all (100%: 5/5) cited that e-commerce resulted in the reduction of costs of stationery and administration costs (postage and call costs). However they brought to light that e-insurance is struggling to reduce commissions paid as per expectations though they are expecting the objective to be achieved in the long run. Regardless of the fact that underwriting costs are high, respondents cited that other benefits are accruing to RMI. From these findings. This was in agreement with questionnaire responses and it can be concluded that underwriting costs are still increasing.

Question 4: What are the advantages associated with e-commerce?

Respondents cited increase in speed and accuracy of processing, expansion of market reach and round clock operation as advantages of e-commerce. Extended entreprise building was also stated as accruing to RMI. This presents a favourable comparison with the majority respondents from questionnaires. 60% (3/5) cited that underwriting costs are still high and thus questioned the effectiveness of e-insurance to reduce these costs. 40% (2/5) of the respondents however expressed assurance that since this e-commerce development is undergoing improvements, it will yield costs benefits to RMI.

Question 5: What are the disadvantages of e-commerce?

All respondents cited that huge initial investment required implementing e-commerce and potential redundancy costs are chief drawbacks at RMI. Potential research and development costs were also cited in conformity with responses from questionnaires. 80% (4/5) of the respondents mentioned that e-commerce reduces labour and thus chances of retrenchment are high and related costs. The responses were in line with questionnaires.

Question 6: What are the challenges faced in adopting e-commerce?

All respondents (100%: 5/5) cited that fear for job losses, security issues, distribution channel conflicts and lack of relevant laws as major challenges against e-commerce. One (20%)

respondent stressed that fear for job losses resulted to internal resistance as it was clear to every that e-commerce through automation of processes cuts the labour force required. The other challenge cited was that of retaining skilled staff though at the moment it is still an expectation considering how infancy e-commerce is in Zimbabwe. This concurred with issues raised in questionnaires and it can thus be concluded that the above challenges are encountered in adopting e-commerce.

Question 7: What measures can be put in place to counter these challenges?

All respondents (100%: 5/5) cited that development of security measures is vital for e-commerce to be effective. They castigated that this will allow clients to develop trust towards RMI. Respondents further cited that adoption of a change management strategy, financial aid through proper budgeting, improved incentive schemes for e-commerce skills, and a proper channel management plan as measures put against e-commerce challenges. This linked with those measures stated in questionnaires. 40% (2/5) of the respondents cited that development of relevant laws of e-commerce as an additional measure but stressed the level of difficulty that measure presents to management considering that government has to be consulted.

Question 8: What are the critical success factors when adopting e-commerce?

All respondents (100%:5/5) cited that a committed leadership team is critical to the success of e-commerce. They also cited that IT development is also key. They said in an effort to have a sound IT environment, the company have recruited a team of IT technicians to support organisational developments. Respondents further cited that having developed the necessary environment, there is need for strategic implementation of e-commerce so as to do away with employee resistance and this also serve as key to the success of e-commerce at RMI. These responses were in line with what the researcher got from questionnaires thus it can be concluded that IT infrastructure, committed leadership and strategic implementation are all critical to the success of e-commerce.

4.2.3 Secondary Data

Data was also gathered from financial statements and other credit control reports which showed that e-insurance managed to reduce stationery and policy administration costs. This was presented as follows: (figures are rounded off to the nearest 100 for confidentiality)

Table 4.7: Extracts from RMI costs 2012 and 2013

	December 2011	Total costs	% to total costs	December 2012	Total costs	% to total costs	December 2013	Total costs	% to total costs
Stationery and policy administration costs	**$758 100**	$5.7mil	13.30%	**$684 000**	$7.6mil	9%	**$504 000**	$9mil	5.6%

Source: December 2013 and December 2011-RMI reports

As shown in the above, Table 4.7, e-insurance reduced stationery and policy administration costs by 9.77% from $758 100 in 2011 to $684 000 in 2012 and by 26.32% from $684 000 in 2012 to $504 000. However, overall underwriting costs seem to be on the rise as shown I the table below

Table 4.8: Extracts from RMI commission reports 2012 and 2013

Year	2011	2012	2013
Underwriting costs (Commissions)	**$1 336 650**	**$2 423 640**	**$3 423 600**

Source: RMI year on year commissions reports 2012 and 2013

As shown in Table 4.8, underwritings costs increased by 81.32% between 2011 and 2012 and a further 41.26% between 2012 and 2013. It can thus be concluded that, according to this secondary data, underwriting costs have been increasing from 2011 to 2013.

4.3 Chapter Summary

Chapter four dealt with the findings, data presentation and analysis. The findings were presented in tables, column graphs and pie charts. The proceeding chapter sought to present a summary of the study's research findings and subsequently draw conclusions from the said findings. Furthermore, recommendations were put forward.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter squared up the research by presenting conclusions of the findings and recommendations. Conclusions from the study are drawn from the research data with the intention of providing answers to the stated research problems. Recommendations focussed on demonstrating the answer to the problem even as revealing further avenues of research in the area of study that can probably help to solve some of the limitations of this research. In addition, an attempt was done to draw parallels between the researcher's findings and those of other authors.

5.1 Executive summaries

Chapter one focused on the background of the study where the research was driven by the increase in underwriting costs during the period 2011 to 2013 at RM Insurance (Pvt) Ltd Company. The research was then developed to examine the success of e-insurance as a tool for cost reduction. The chapter also covered the background to the problem, statement of the problem, research questions and research objectives, delimitations of the study, assumptions, definition of terms and abbreviations and significance of the study.

In chapter two the research wanted to examine the helpfulness of e-insurance as a cost reduction tool. In this chapter literature review was carried out to summarise the evaluation and assessment of what other reputable authorities say about e-commerce. An analysis of the works of numerous schools of thought was carried out and literature by diverse scholars and authors was reviewed to get an in-depth acquaintance and understanding of the efficacy of e-commerce as a cost reduction technique. The chapter presented the advantages and disadvantages of e-commerce, challenges faced in implementing the concept, measures that can be used to counter the challenges associated and the critical success factors of e-commerce.

Chapter three gave the methodology used to collect data. The sample was selected from RM Insurance Company's staff. In addition to primary data, secondary data was also gathered as the research explored the swelling costs between the periods in question. In an effort to lobby this information, the research used questionnaires, conducted selected interviews, and analysed the company's financial statements and reports.

Lastly, in chapter four the research findings from chapter three were presented and analysed. The questionnaires administered scored an 80% success rate meaning 20% were unsuccessful while interviews were 100% successful. The findings were presented with respect to research questions basis in which the expansive headings in the sub research questions were given. Graphs, tables and pie charts were used to present research findings.

5.2 Conclusions

The research focused on the analysis of e-insurance as a cost cutting method at RM Insurance Company. The aim of this research was to come up with practical recommendations that would enable the company to reduce underwriting costs.

The research was directed by the following main research question

- To what extent has, the e-insurance concept achieved the management's fundamental goal of cost reduction and profit maximization?

The findings showed that RM Insurance Pvt Ltd Company was not able to reduce underwriting costs as summarised in the next section.

5.3 Major findings

In a bid to find out whether e-insurance has achieved its goal at RMI, the researcher broke down the research into five parts that were the motive for its adoption, its merits and demerits, the challenges and measures and lastly the key critical factors.

The research found out that e-commerce was adopted at RMI to curb the increasing underwriting costs. The main target was the commissions paid to brokers and agents who bring insurance clients. In an effort to reduce these costs, the company managed to increase speed and accuracy, built a connected enterprise and to operate round the clock operation which in themselves result in lower costs and minimal duplication. However, the researcher found out that this only resulted in reduction in stationery costs and policy administration costs whereas commissions were ever rising.

It was discovered that these increasing costs were due to various challenges chief among them being lack of relevant laws, security threats, distribution channel conflict and fear for job losses. These were considered the most impeding forces of e-insurance failure to curb these underwriting costs. Inorder to counter these challenges, the researcher found out that company should be be involved in a way to establish laws with government through IPEC (a representing board), developing sound security measures and having a proper channel conflict management plan and shared compensatory programs for those in danger of losing their. These were considered to increase the chances of e-insurance success.

The researcher finally found out the factors that were considered key to the success of e-insurance were strategic implementation of the model, decisive and committed leadership and IT development and other infrastructure as also indicated in the literature.

With all these findings on the fore, the researcher came up with the following recommendations.

5.4 Recommendations

After carrying this research and have come up with the above (5.3) findings the following recommendations can be made:

- The researcher recommends that the company needs to adopt e-commerce in its entirety beyond online policy issuing, processing and delivery to incorporate claims processing and other e-business techniques like e-marketing to extend costs reduction in the form of advertising and marketing costs and e-banking as the manual RTGSs are more costly than online transfers. This is in line with the opinion of Turban et al (2012) who stated that fully incorporated e-business strategy will offer substantial costs savings across all business functions of an entity.
- The researcher also recommends that the company needs to adopt a Shared Multichannel Insurance Supply Scheme. This enables the company to get rid of the perceived cannibalization of agents and thus avoiding distribution channel conflict. This is in line with the findings of Cognizant (2013) who said in the long run, after e-commerce has well established itself , the company will need to recruit and retain only those agencies that can leverage technologies and appreciate various channels.
- Considering the continuous growth in technologies and changes there with, the company should also continuously train its staff in that regard to keep up to date with the developments. This is also necessary to make the workers relevant to new changes and will not operate with fear for their jobs. Training warrants that personnel obtain the much desirable skill to competitively perform their obligations. This is consistence with Turban et al (2012) who suggested that to fully operationalize e-commerce there is need to train employees.

- The researcher also recommends that the company need to develop sound mechanisms in place to do away with security challenges as online transaction are much exposed to hackers and cyber criminals. This was also supported by Banan (2009) who said increased connectivity that is connection of company internal networks to the internet presents new exposures that need the disposition of more cutting-edge and effective security tools.
- The Insurance Company should have a committee to be in charge of training personnel to clarify to them the paybacks which are brought by e-commerce to the whole entity. Jennex *et al*, (2009) suggested practical training by means of seminars is vital in developing e-commerce applications, website security, online transactions and e-commerce system administration.

5.4 Areas of further study

A further study is recommended in this area to evaluate the other benefits of e-insurance, than underwriting costs, to the Zimbabwean Insurance Industry. The researcher proposed that attention by future researchers be focused on the impact of e-insurance on the claims processing and reduction in the Insurance Industry.

5.5 Conclusion

The findings of the research showed that RM Insurance Pvt Ltd Company was not able to reduce underwriting costs using e-commerce due to distribution channel conflict, fear of job losses, lack regulatory framework and security threats.

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Appendices

Appendix A: Cover letter

Midlands State University

Faculty of Commerce

Department of Accounting

P O Box 9055

Gweru

31 March 2014

The Business Development Executive

RM Insurance Pvt Ltd

P O Box 3599

Harare Zimbabwe

Dear Mr B Mabhuto

RE: APPLICATION FOR PERMISSION TO CARRY OUT A RESEARCH AT YOUR COMPANY

My name is Claudius Musindo. I do hereby apply for permission to carry out a research on a topic "**An analysis of e-insurance of e-insurance as a cost cutting method: A case of RM Insurance Pvt Ltd."** The research is a requirement in fulfilling a Bachelor of Commerce Honours Degree in Accounting that I am currently undertaking at Midlands State University.

I promise that information obtained in the research will be kept confidential and used only for academic purposes.

Hopefully you will consider my application.

Yours faithfully

Claudius Musindo (R103920G)

Appendix B: List of questionnaires

Questionnaires for RMI employees and Management

Dear respondent

My name is Claudius Musindo, a final year student doing B.Com Hons Degree at the Midlands State University. Am carrying out a research titled **"An analysis of e-insurance as a cost cutting method: A case of RM Insurance Pvt Ltd."** May you kindly assist me by answering the questions that follow. You are kindly advised of honesty when answering them. The information will be treated as confidential and for academic use only.

1. What is e-insurance?

----

2. Why was e-insurance adopted?

Reason	Reducing underwriting costs	Technological advancement	Other
Tick where necessary			

Explain above (optional)

----

3. Has the adoption of e-commerce achieved its objective?

Yes ☐ No ☐

Explain the above if not

----

4. E-insurance/electronic commerce is associated with the following advantages

Advantage	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree
Expanding the market reach					
Round the clock operation					
An extended enterprise becomes easy to build					
Reduction in acquisition costs of obtaining an insurance policy					
Increases in speed and accuracy					

Explain your answer to the above

----

5. The e-insurance concept has the following disadvantages

Disadvantage	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree
Potential R& D costs					
Potential redundancy costs					
Huge initial outlay					

Explain your answer to the above

----

6. E-commerce is associated with the following challenges

Challenge	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree
Retaining staff with skills					
Security issues					
Fear of job losses					
Distribution channel conflict					
Lack of regulatory framework					

Explain your answer the above

----

7. The following are measures that can be used to counter the challenges in of e-commerce as in **(6)**

Measure	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree
Adoption of a change management strategy					
Financial support and fund raising strategies					
Implementation of systems to retain skilled staff					
Developing security measures					

Developing a proper channel conflict management plan					
Legal and regulatory framework					

Explain your answer to the above

----

8. The following are key success factors when adopting e-commerce

Key success factor	Strongly agree	Agree	Uncertain	Disagree	Strongly disagree
Strategic implementation					
Decisive and committed leadership					
IT development and other infrastructure					

Explain your answer to the above

----

9. RMI should continue using e-commerce?

Strong agree ☐ Agree ☐ Uncertain ☐ Disagree ☐ Strongly disagree ☐

Explain your answer to above

End of Questions

Thank you for your Cooperation

Claudius Musindo (R103920G)

Appendix C: Interview Guide

Interview Guide

1. What is e-insurance?
2. Why was e-insurance adopted?
3. Was the objective achieved?
4. What are the advantages associated with e-commerce?
5. What are the disadvantages associated with the implementation of e-insurance?
6. What are the challenges faced in adopting e-commerce?
7. What are the measures that can be put in place to counter the associated challenges?
8. What are the critical success factors when adopting e-insurance?

End of Questions

Thank you for your Cooperation

Claudius Musindo (R103920G)