An Empirical Study on the effectiveness of Risk management & Insurance (RMI) education for university students in Korea

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Chapter 1 Introduction

1. Background
2. Purpose of the study
1. Background

- Insurance industry has been playing an important role of economics development in Korea, in volume (Gross written premium) 8th, in insurance penetration 5th in the world (CY2013).

- Even though insurance industry contribution for the economic and financial industrial development is very large, negative image has been sustained.

- Improved insurance literacy can bring proper utilization of insurance and policyholders’ satisfaction.

- In order to strike a balance between qualitative development and quantitative growth in the insurance industry, we need to develop and grow RMI education.

- As Tennyson (2011) notes, insurance literacy has attracted less attention from researchers than financial literacy, remaining much to study across countries.

- By the way, although we believe that qualified training program is required, there is no relevant program in University and Graduate school in Korea, also there have been few or no researches to prove the effectiveness of these programs.
2. Purpose of the study

- Main purpose of this paper is to explore educational effects of Risk management & insurance education for university students in Korea (to see how those students change after taking the RMI courses)

- To analyze a causal relation among factors, We test a structural equation model consisting of four latent variables: learner characteristics (self efficacy, achievement motivation, risk tolerance, favorable image), teaching competency (professionalism, enthusiasm, interaction) environment (education system, physical), learning flow and RMI competency (knowledge, attitude, behavior).

- 1. SEM model: Learner characteristics, teaching competency, environment and learning flow and educational effect factors.

- 2. Analysis of RMI competency between before and after RMI education

- 3. Analysis of educational effect for group
  - by grade
  - by gender
  - by regional (Seoul & other cities)
Chapter 2 Literature Review

1. Status of RMI education in university
2. Related factors for educational effects
3. Educational effect
1. Status of RMI education in Korean university

- Risk management & insurance majors are established in other cities except Seoul (Jeonju, Mokpo, Sangmyung, Daegu, Kyungnam, Hongik, Changwon, Soonchunhyang, Dongseo, Mokwon, Hyupsung, Seowon, Dongeui).

- It offered just fundamental subject of RMI major in the business school in Seoul (Sungkyunkwan, Hongik, Yonsei, etc.,).

- RMI majors have been established in the some graduate school.

- As the importance of Risk Management is getting emphasized, companies are managing their risk more spontaneously.

- Accordingly we are expecting the higher demand for the specialized manpower for risk management area.
2. Related factors for educational effects

2. 1. Learner characteristics

2.1-1. Self-efficacy

• Self-efficacy is the extent or strength of one's belief in one's own ability to complete tasks and reach goals.

• Bandura(1986) : Self-efficacy as the belief one has in being able to execute a specific task successfully in order to obtain a certain outcome.

2.1-2. Achievement motivation

• Achievement motivation is regarded as the need to perform well or the striving for success.

• Collins(2004) : the relationship of achievement motivation to entrepreneurial behavior. Achievement motivation was significantly correlated with both choice of an entrepreneurial career and entrepreneurial performance.

• Wilke(2000) : the effects active learning strategies had on college students’ achievement motivation, and self-efficacy.

2.1-3. Favorable image of insurance industry

• Favorable image is a subjective judgments, the degree of positive or negative with respect the subject.

• Jeong & Kim(2002) insisted on the need and importance of insurance education through the analysis of insurance image, product preference and sales channel preference.
2. Related factors for educational effects

2.2. Teaching competency – clarify, passion, communication, professionalism, attitude, etc.,

- Teaching and learning activity is important between professor and students in school education. The objective of teaching and learning is educational achievement of students.
- CHOI(2013) : professionalism, collaboration, sustained participation
- Kwon(2006) : Knowledge(specialty, clarity, relevance, organization, disclosure), skill(interaction, speech, leadership, sense of humor), attitude(enthusiasm, rapport, learning centered, flexibility, pacing)

2.2-1. Professionalism : a wide knowledge, skills etc.
2.2-2. Enthusiasm : attitude, voice, gesture, speed control etc.
2.2-3. Interaction with students: reflect idea, group discussion, effort to expression opinion

2.3. Environment

2.3-1. Education system – organization of textbook etc.
2.3-2. Physical - facility, size of class.

2.4. Learning flow

- Webster & Hackley(1997) emphasized the importance of learning flow, that is education can be achieved the best results through learning flow with active participation
- Lim(2008) find that learning flow directly affects the participation outcome
3. Educational effect

3.1. Concept and evaluation of the effectiveness education

• Educational effect, the concept refers to achieve the educational purpose, the degree of improvement of change and development of student by educational treatment and resources (Ahn, 2011)

• Previous studies regarded that educational effect is simply the improvement of knowledge and intellectual ability educational effect. On the other hands, education effect should considered non-cognitive areas such as personality, attitudes, emotional.

• There are many studies to determine that the educational effect is limited to the cognitive area, this is because it can be measured easily and maintain objectivity.

3.2. Educational effect (RMI competency)

• As we have seen the previous studies, educational effects include knowledge, attitude and behavior factors.
Chapter 3. Methods

1. Research model
2. Research design
1. Research model: Structural Equation Model

- Self efficacy
- Achievement Motivation
- Favorable image
- Professionalism
- Enthusiasm
- Interaction
- Education system
- Physical

Learner characteristics

Teaching competency

Learning Flow

Environment

RMI educational effect

Attitude
Knowledge
Behavior
2. Research design

2.1. Participant
- University students who are taking the class of RMI in 2014 autumn semester, were selected.
- A total of 960 Questionnaires were sent out for the survey, and returned 760 in the first survey, followed by about the same number of the second round survey.

2.2. Data collection
- Self-administered questionnaire survey method is adopted, and distributed directly.
- Questionnaire survey was conducted in the beginning of and the end of the semester with the same questionnaire (Before and After comparison).

2.3. Methods
- SPSS12.0, AMOS 18.0
- Descriptive analysis, Frequency analysis
- Reliability and validity of measurement (Crombach’s alpha, factor analysis, correlation analysis)
- Mediating effect
- Paired T-test
References


References


References


