RESEARCH TITLE

AN EVALUATION OF THE ROLE AND EFFECTIVENES OF MOTOR VEHICLE CLAIM ASSESSORS IN CLAIMS ASSESSMENTS IN THE ZIMBABWE SHORT TERM INSURANCE SECTOR.

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DEDICATIONS

I dedicate this work to my mother.

ACKNOWLEDGEMENTS

This research was achieved with the guidance of my supervisor, to whom I am grateful. Many thanks to the business professionals and colleagues who took their time to enable me to carry out the research and offered valuable insights into the research area.

ABSTRACT

Loss assessment is a central part of claims settlement. The study examines the role of motor claim assessors, its contribution to accurate assessment of losses and fair pricing of loss costs, including an assessment of what value addition motor assessors bring to the motor claims settlement equation. The research is based on the value chain model and the insurance value chain framework. Research data was collected using semi-structured research questionnaire, quantitative data is analyzed using SPSS version 23.0. Descriptive statistics and Pearson correlational analysis is used to verify effectiveness of the current insurance claim assessment procedures. Qualitative data was presented thematically. The research survey engaged assessors, claims processors, managers, repairers and underwriters. The findings of the research show that the roles of motor claims assessors are to assess the damage caused by accidents to determine the details and magnitude of the damage, the repair costs of the damage that is covered by insurance, manage motor claims costs and advise the insurer of the ideal repairer for effecting competitive repairs The research concluded that the roles of assessors are effective to a lesser extent in managing fraud. The research also concluded that roles of assessors are effective to a lesser extent in promoting fair pricing. The researcher recommends that IPEC and the ZRP enforce and ensure good corporate governance practices in the whole insurance claims assessment process. The researcher recommends that the whole insurance claims assessment process should be automated and modern technologies of artificial intelligence should be used in the whole insurance claims assessment process. Future researchers are recommended to use interactive research approaches such as focus group discussion (FGDs) to have an in-depth understanding of the issues in the motor insurance claim processing in Zimbabwe.

Key words/phrases: short term motor insurance, fraud management, fair pricing, claims assessment processing

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CHAPTER I: INTRODUCTION

1.1 Background of the Study

Risk is an inevitable element of life that is inherent in every activity that one carries out on their day to day errands. (Holton, 2004). Gitau (2015) describes insurance as an arrangement by which a company or government agency provides a guarantee of compensation for specified loss, damage, illness, or death in return for payment of a premium. The function of insurance is to spread losses over a large number of persons participating in one insurance pool, with the loss burden of a few being distributed among the many through payment of premiums, calculated on probability of loss (Mishra, 2001).

According to UNCTAD (2019) motor vehicle insurance is an important branch of insurance in terms of premium volume in many developing countries, representing more than one third of non-life premiums. It is also a sensitive class of business, since it is compulsory in most countries and therefore affects and concerns a very large portion of the general population.

Globally, there has been a general increase in human population, income levels and economic growth over the last decades (Geiss and Geiss, 2015), resulting in influx of motor vehicles. Countries like the US, Germany, Britain, Japan and China have managed to produce and sell motor vehicles on a global scale, with the help of globalisation and liberalisation of world economies (Ackah and Owusu, 2012). In Africa, countries like Ghana and South Africa have experienced similar phenomena of high motor vehicle numbers. (Matul, Datal, DeBock and Gelade, 2013).

The influx of motor vehicles has inevitably resulted in increased associated risks related to motor vehicles such as theft, accidents and fire. To manage the risks, insurers put in place terms and conditions upon which these risks can be insured, and ways of evaluating the extent of damages suffered by the policyholders in order to determine the fair costs of compensation. (Rejda, 2004).

Claims costs constitute the biggest cost for insurance companies, hence management of claims becomes a key issue in the general administration of motor insurance companies (OECD, 2004). For insurance companies to protect policyholders' funds and their own balance sheets, and to demonstrate fairness and professionalism, they must manage expenses and costs prudently and pay claims timely. Given the need to ensure that only claims of merit are paid, it is unavoidable that the claims process involves checks and controls (Butler & Francis, 2010). Without appropriate controls, motor insurance premiums could increase significantly and become unaffordable for segments of the population. As motor insurance is compulsory in most countries, this in turn could have broader implications for society and public safety (Bazuka, 2017). Any method of claims settlement should be clear, reasonable and coherent to allow transparency in assessing (OCED, 2004).

In the event of losses occurring, insurers are expected to compensate their clients, for those losses that fall within the policy contracts. In order to do this accurately, there is need to correctly evaluate the losses to enable insurers to indemnify policyholders. (Rejda, 2004). Many insurers attempt to continuously improve their claims processing methods in order to both control claims costs and provide efficient service to their clients (Ackah and Owusu, 2012). This is usually done through improving the skills and performance of the personnel, or engaging specialist claim assessors in claims processing (OECD, 2004).

Claim assessors work as agents of insurance companies and if they commit errors within the framework of their work, insurance companies are expected to take responsibility (OECD, 2004). In view of this, only competent assessors are engaged. However, claims personnel, relying on assessor's reports make final decisions on whether or not claims qualify for compensation (Yusuf ET (2017). The effectiveness of claims assessors depends much on their integrity and professionalism relating to, among other matters, the possibility fraudulent practices and subjectivity on the part of the assessors (Kozak, 2011). In addition, some insurers have specific training programmes for assessors while still respecting the latter's' independence (Chatterjee, 2018). This would be in both parties' mutual advantage and would also benefit insurance consumers.

Zimbabwe has a vibrant short term insurance industry spanning decades with motor insurance business as the dominant class of business for several years (Angima and Mwangi, 2017). Currently, because of the challenging economic situation in Zimbabwe in the last few years, members of the insuring public are finding it difficult to buy insurance in general resulting in cases were insurance companies try to retain business by reducing insurance periods from the normal annual duration, to monthly or termly (four months) policies in order to assist the insured with cash flow management (Mangudhla, 2014). In spite of these difficulties, motor insurance continues to be bought ahead of other types of insurance classes due in part to legislation that makes it compulsory to insure motor vehicles for at least the Road Traffic Act (RTA) 2000 level of cover. That is, the country has made it mandatory that all motor vehicles be insured for minimum of third party risks.

While motor insurance comprises the majority business of short term insurance companies in the country, contributing significantly to the overall insurance companies' business (IPEC 2019), it is also a loss making book which until recently, was traditionally taken up as accommodation business (Gumbo, 2016). The biggest cost driver in the motor book, is the claims cost of repairs, on partial losses (IPEC, 2019), significantly eating into the companies technical underwriting results. In view of the class of business's dominance in Zimbabwe and indeed globally, there is a compelling need to manage the motor book prudently to maintain viability for the insurance companies and relevance, at affordable, fair cost, for the insuring public (Butler & Francis, 2010).

Insurance companies in Zimbabwe, as in other jurisdictions, also engage claims assessors to assist in assessing losses and determining the fair costs to be paid by the insurers for motor insurance claims. However, according to Munyanyi (2018) reports suggest that notwithstanding the engagement of claims assessors, motor insurance companies generally feel that they do not pay fair prices in settling motor insurance claims. The actual role and effectiveness of the claims assessors in Zimbabwe therefore remains unclear. This study sought to evaluate the role of claims assessors in motor claims assessments in Zimbabwe.

1.2 Statement of the Problem

The average position of the motor insurance book in Zimbabwe is that it is a perennial loss making book and generally treated as accommodation business by most short-term insurance companies. While it is next to impossible to selectively insure clients' other properties or legal liabilities by specifically excluding motor, it is not a viable option as most clients with other insurable businesses own vehicles and in practice require insurance, both in terms of legislation and for self-protection against the loss of assets and third party liability. Motor insurance companies regard their claims costs to be generally high, notwithstanding the engagement of the claims assessors. In addition, no literature has been found in Zimbabwe to have empirically evaluated the role and effectiveness of these claims assessors in the motor insurance industry, which presents a research gap.

The study examined the role of motor claim assessors is, including how it contributes to accurate assessment of losses and fair pricing of loss costs, including an assessment of what value addition motor assessors bring to the motor claims settlement equation. In addition, the study examined the effectiveness of the current assessment model, identify any gaps, and proffer improvements or alternatives if necessary.

1.3 Research Objectives

This section presents the objectives of the research. They are presented starting with the primary objective followed by the secondary objectives that augment the primary intention of the research.

1.3.1 Primary Objective

The primary objective was to evaluate the role of motor vehicle assessors in claim assessments in the Zimbabwean short term insurance sector.

1.3.2 Secondary objectives

The following are the secondary objectives of the study:

a) To determine the role of motor claims assessors in the Zimbabwean short term insurance sector.
b) To evaluate the effectiveness of current claim assessment method being used by claim assessors in Zimbabwe
c) To assess the effectiveness of claims assessors in in promoting fair pricing.
d) To propose possible strategies to improve or replace the current assessment model.

1.4 Research Questions

1.4.1 Primary Research Questions

The main research question was that: Are motor vehicle assessors effective in their claim assessment in the Zimbabwean short term insurance sector? This main research question is augmented by the following secondary research questions:

1.4.2 Secondary Research Questions

The following were the secondary research questions:

a) What is the role of motor claims assessors in Zimbabwe?
b) How effective are the claim assessors in promoting fair pricing of losses in the insurance sector?
c) What claim assessment methodology is being used in the insurance industry?
d) What improvements if any can be made to the current assessment procedures?

1.5 Significance of the Study

The study assists Zimbabwean short term insurance companies to use effective assessments methods and better manage the motor insurance book, contain costs and reduce financial leakages. The study is significant to the body of knowledge as this research help in filling or reducing the identified research gap. It also enables the short term insurance industry to properly refine and model the role of motor claims assessor to effectively deal with and control the research questions and gaps raised in the study, ultimately gaining more value from motor claim assessments. The study helps the researcher in improving her research skills and general knowledge of the motor claims assessment field. In addition, no literature has been found in Zimbabwe to have

empirically evaluated the role and effectiveness of motor claims assessors in the motor insurance industry in Zimbabwe, which presents a research gap.

1.6 Research Assumptions

1. It was assumed that all respondents are professionals, knowledgeable about the business of insurance, motor vehicle repairs, motor vehicle loss assessments, motor insurance litigation as the case may be and would be able to give informed, answers to questions with the necessary detail.
2. It was assumed that all respondents would be truthful in their responses.

1.7 Limitations of the Study

1. Time and health safety (due to the Covid-19 pandemic) constraints to travel the length and breadth of Harare Metropolitan province where the head offices of stakeholders are located, during business hours. This would be managed by doing e-interviews and virtual meetings.
2. Most respondents have no time to complete and return questionnaires. The questionnaires would be personally administered as far as is possible to increase the response rate.
3. Data from IPEC, the insurance regulator, and other insurance bodies may not show enough detail to allow detailed statistical analysis as the subject matter of this study has not been adequately focused on to date at industry level. Individual companies however have detailed statistics and these would be sought and used without compromising the confidentiality of the companies.
4. Obtaining official data from short term insurance companies may be difficult because the sector is generally secretive. The researcher managed this limitation by informally discussing with peers and industry leaders to get a statistical sense of the size of the problem, again, without compromising the confidentiality of data from individual organizations.

1.8 Delimitation of the Study

The study was limited to short term insurance companies that have headquarters situated in Harare. The research participants were delimited to motor insurance assessors, motor

claims processors, short term insurance managers, motor vehicle repairers and short term insurance underwriters. Research instruments were delimited to semi-structured questionnaires. The study was delimited to using mainly quantitative methods and some qualitative methods. Descriptive statistics and correlation analysis were used. Statistical packages were delimited to SPSS version 23.0. The research stretched from November 2020 to May 2021.

1.9 Organisation of the Study

Chapter 1 lays the introductory aspects of the study. It looks at the background of the study. The background forms the basis for the problem statement. The research objectives are outlined together with the research questions. The significance of the study to the various stakeholders is shown. Research delimitations, limitations, assumptions, definition of terms and the structure of the whole dissertation are also given.

Chapter 2 reviews related literature and it helps relate the problem under study to the works of various other researchers and authors.

Chapter 3 gives the research methodology on how the researcher went about conducting the research. It specifically looks at the research philosophy, research approach, research design, study population, sampling and sample sizes, data collection procedures, research instruments, data validity and reliability, data and analysis and presentation and the observed research ethics.

Chapter 4 dwells on data presentation and analysis, where the researcher shows the findings from the data collected. Analysis of data is done with particular reference to the research objectives. The researcher compares the findings of this research with the findings of other scholars to determine concurrences or conflicts of findings.

Chapter 5 summarizes the findings, gives conclusions to the research objectives and questions, make recommendations and suggested areas for further research.

CHAPTER II: LITERATURE REVIEW

2.1 Introduction

Literature review chapter was meant to look at the theoretical aspects and empirical aspects of the research. It covers the opinions, beliefs and evidence from past researchers and authors who looked at similar research. The researcher reviewed literature to enable herself to clearly understand the research phenomena and determine the best methodology for the current study. Literature review also helps in establishing the research gap where the current research rightfully fits. Therefore, the sections to be covered by the research are mainly theoretical literature review, conceptual framework, empirical literature review and research gap before a conclusion is made.

2.2 Theoretical Literature Review

This section reviews the models and frameworks that underlie the research study.

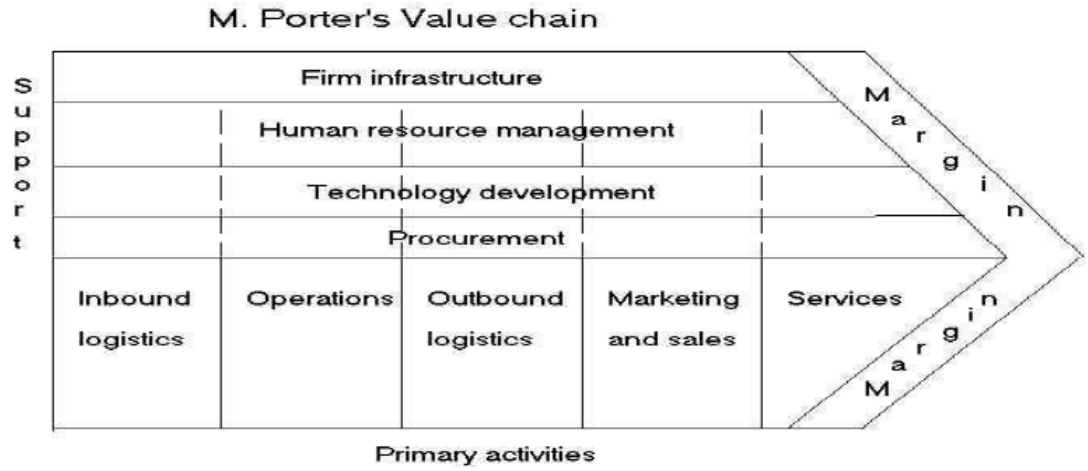
2.2.1 The Value Chain

Value chain is one of the fundamental approaches to conducting internal analysis (Massey, 2005). Value chain describes activities within and around the firm which together create a product or a service (Paefgen, Fleisch, Ackermann, Staake, Best and Egli, 2013). The cost of these value activities and the value that they deliver determines whether or not best value products or services are developed. The theory is therefore helpful in understanding how value is created or lost. Due to this strength, value chain is one of the most systematic approaches to examining the development of competitive advantage (Paefgen et al, 2013). To better understand the activities through which a firm develops a competitive advantage and creates both customer and shareholder value, it is useful to separate the business system into a series of value-generating activities (Naujoks and Sherer, 2016).

Ambuko (2016) defines a value chain as a systematic approach to examining and analyzing the specific activities or functions through which a firm can create value and develop competitive advantage. Value chain is a key tool a firm can use to understand

and capitalize on sources of competitive advantage internally. The value chain is a series of activities, a product or service must pass through until it serves its final purpose of solving a customer need (Massey, 2005). In each phase of the value chain the product/service gains some value. If a phase is malfunctioning the chain break down and the mission of generating value for the customer is not accomplished (Capon, 2018). A value chain is “a string of units working together to satisfy market demands.” The value chain typically consists of one or a few primary value (product or service) that add on to the value that is ultimately presented to the buying public. Interlinked value-adding activities convert inputs into outputs which, in turn, add to the bottom line and help create competitive advantage (Juma, 2019). Figure 2.1 below depicts a generic value chain by Porter (1985).

Figure 2. 1: Generic value chain



Source: Porter (1985)

The chain consists of value activities and the margin. Porter (1998) explains value activities to be the physical and technologically distinct activities a firm performs, which are the building blocks by which it can create a product valuable to its buyers. These value activities are categorized into two sets, the primary activities and the support activities (Chau, Khin & Teng, 2013). The activities culminate in the total value delivered by a firm. The margin is the difference between the total value and the collective cost of performing the value activities. Simply put, the margin is the added value (Gatwiri, 2019).

Put together, value activities and margin define total value of a firm. According to Porter (1985), value is the amount buyers are willing to pay for what a firm offers them, and is measured by total revenue. A firm is considered profitable when the value it commands exceeds the costs involved in creating the product or service. (Mwania, 2011).

Porter (1998), in his value chain theory, details the five generic primary activities in a typical firm, which are involved in competing in any industry. Primary activities include inbound logistics, operations (production), outbound logistics, marketing and sales and services (maintenance) (Dommisse and Oosthuizen, 2017).

Inbound logistics are mainly activities relating to receiving, storing and disseminating inputs to the product, such as material handling, warehousing, inventory control, vehicle scheduling and returns to suppliers**.** **Outbound logistics** involving delivery of products to the consumer, including storage.

Operations consist of value creating activities meant to transform inputs into the final product or service. Distinct activities here include machining, packaging, assembly, equipment maintenance, testing, printing and facility operations. (Gachara, 2019). Bartol (2011) observes that unlike firms involved in production of tangible products, service firms cannot use idle capacity to produce stored inventory, and they often must operate in geographically dispersed locations where the customers are.

Marketing and Sales activities are geared towards informing buyers about products or services, inducing buyers to purchase a firm's product or service and facilitating their purchase (Juma, 2019). According to Capon (2018) it is all about promotion and advertising being closely tied into well-defined market segments and having a well-trained and knowledgeable sales force. Distinct activities here include: channel selection, channel relations, advertising, promotion, selling, pricing/quoting and retail management (Koigi, 2017).

Service activities maintain and enhance the products' or services' value and/or performance after being sold. Distinct activities here include customer support, installation, repair, training, spare parts supply and management, complaints handling and product upgrading (Koigi, 2017).

Primary activities are supported by secondary or support activities. The “support activities” include, procurement, research and development (including technology), human resources management and administrative infrastructure management. The costs and value drivers are identified for each value activity. They hinge on how resources are acquired for the business itself (Mwania, 2011). Porter (1998) similarly gives us the four generic support activities involved in competing in any industry, which are procurement, technology development, human resource development and firm infrastructure.

Procurement is the process of acquiring and purchasing all goods, services and materials used in all areas of the business. The underlying objective of every firm is to secure the lowest possible price for purchases of the highest possible quality for the simple reason that procurement costs if not well managed, may account for a significant portion of the total cost of production (Njuguna, 2019). Porter (1998) asserts that improved purchasing practices can strongly and positively affect the cost and quality of purchased inputs.

According to Capon (1998) **technology development** is basically the optimal use of technology to improve products, services and their delivery to customers. Distinct activities here include research and development, process automation, design and redesign, production technology, internet marketing activities, customer relationship management and many other technologies to support value creating activities (Ndungu, 2019). If well managed, technology can be a powerful source of sustainable competitive advantage in both goods and services industries (Ndungu, 2019). Winter (1990) argues that well managed technology can simultaneously deliver both low cost and act as a basis for differentiation to a firm.

Human resource management is a critical activity that transcends all primary activities. Capon (2018) argues that the function is concerned with recruiting managing, training, developing and rewarding staff in a manner that helps the firm achieve competitive advantage. The identified human resource activities impact on motivation, attitude and staff turnover, aspects that are critical to any firm. If these activities are effectively executed, human resource can be a key basis of competitive advantage (Wairegi. 2017). Bartol (2011) asserts that human resource can comprise a source of distinct competence

that forms a basis for strategy formulation and implementation. A firm may pursue the differentiation strategy based on innovativeness of its human resource capital.

Firm infrastructure includes the structure, culture and systems. Contrary to popular belief that infrastructure is basically an overhead, Porter (1998) asserts that it can as well be a powerful source of competitive advantage especially in service sectors where image and business relationships cannot be wished away. Issues of the firm's culture, quality control, legal issues and the extent to which the top management is in touch with the customer, are in fact, strategic issues. Capon (2018) explains that a firm operating in a turbulent environment require a flexible structure to facilitate development of a value chain nimble enough to continually provide a strategic match between the organization and its environment.

It is important to note that value chains are relatively unique to the process of the company and are a tool to help management understand their business as much as it is to help their business (Kossom, 2011). Although the main analysis undertaken on each component independently, it is important to remember the inter-connectivity of the components (i.e. the activity of one component impact one or more other components) and the fact that the value chain under investigation itself form part of a larger value chain system. No matter the contents of the chain, the items to consider in this sort of analysis include asking whether or not the activity could be better / more cheaply performed outside the organization, for example, outsourcing IT or claim assessments (Ambuko, 2013).

2.2.2 The value system

The industry within which companies operate is termed the 'value system' (Porter, 1985:35). The value system is thus the combination of the value chains of companies comprising an industry. A firm's value chain is part of a larger system that includes value chains of upstream suppliers, downstream channels and customers. Capon (2018) defines a value system as a set of inter-organizational links between the value chains of an organization and its suppliers, distributors and customers. It appears that the term 'value system' has not found the general acceptance of the 'value chain'. Later authors

such as Evans and Wurster (1997:72) and Thompson and Strickland (2001:129) use the term ‘industry value chain’ when they refer to what Porter defined as the ‘value system’.

According to Porter (1985), the value system depicts specialization of roles and any one firm is part of the wider system. Specialization often underpins excellence in creating best value products and services. While a firm exhibiting a high degree of vertical integration is poised to better co-ordinate upstream and downstream activities, a firm having a lesser degree of vertical integration nonetheless can forge agreements with suppliers and channel partners to achieve better co-ordination (Gwatiri, 2019). Johnson and Scholes (2017) asserts that as firms gain improved knowledge about this wider system and understand better where costs and value are created, they are able to make more informed choices on issues such as; whether to undertake or outsource a particular activity; who might be the best partners in the various parts of the value system; what kind of relationship to develop with each partner in the value system e.g. supplier or strategic alliance partner.

The linkages are transactional in nature between the firm and the supplier, distributor or consumer (Wairegi. 2017). An example would be when a firm decides to outsource a given activity like distribution or deliveries in the value chain. The concept of value system stems from the understanding that a firm may not undertake all activities in its value chain right from design through to delivery to the final customer (Wairegi. 2017). These relationships between the firm and its suppliers, distributors and customers are illustrated through the value system. Therefore, the strength of the degree of coordination between the interdependent value chains in an industry can be source of competitive advantage or disadvantage.

2.2.3 Insurance value chain

The primary activities of an insurance value chain are to protect policyholders against loss or damage to insured property and where applicable, to compensate the insured party and indemnify them (Crompton and MacKay, 2017). The secondary activities include authenticating, verifying of accident occurrence, checking consistency between

loss circumstances and reported damage, assessing the cost of motor vehicles spare parts and cost of labor for motor vehicle repairs.

Motor claim assessors play a critical role in claim evaluation and the degree of coordination between insurance companies and the claim assessors affect the overall value created by the insurance firm for its customers or stakeholders (Odero, 2016). Where there is smooth coordination, for example, when claims are assessed quickly and fairly, enabling swift and fair settlement, customer satisfaction is achieved, which then implies improved competitive advantage on respective insurance companies. Figure 2.2, below, depicts a typical insurance value chain, showing where the roles of the claims assessors fit in when it comes to insurance value chains or value systems. The roles of claims assessors are covered in the claims handling activities as specified by Ambuko (2013).

Figure 2. 2: The Insurance Value Chain

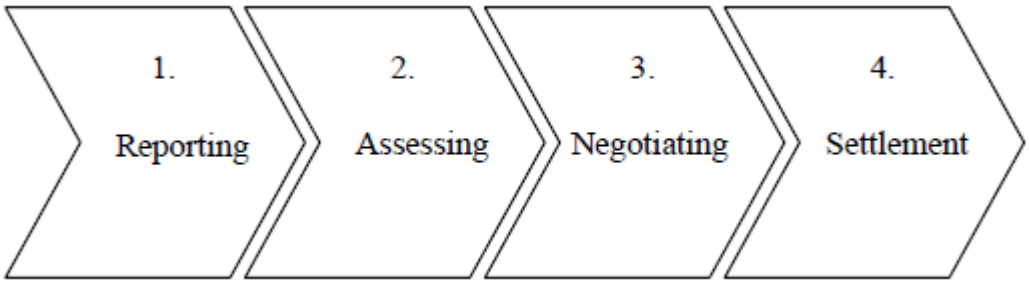
Source: Massey (2005)

Figure 2.2 shows that the primary activities in an insurance company are product development, marketing and sales, policy administration, claims or benefits management and asset management and the secondary activities are risk management, data analytics, reinsurance and human resources management. These activities are important regardless of the strategic intention of an organization, be it cost leadership, differentiation or the focus strategies.

As insurance value chain analysis is a strategy tool used to improve competitiveness of organizations seeking to gain the company a competitive advantage in the industry, by focusing on specific activities and resources. One of the main goals of analyzing the value-chain is to reduce overall costs for the firm, where cost leadership strategy is used (Odero, 2016). Claims assessments by assessors can be outsourced at a lower cost allowing an insurance company to focus on its core business activities such as attracting customers, thereby reducing costs associated with non-core activities (Ndungu, 2019).

Further, where the differentiation strategy is being used by the company, the company seeks to offer more appealing services to the customers than its competitors. This is also when the services of the more experienced and more focused specialists like claim assessors can be outsourced to assess loss claims by insurance companies 'clients. These outside assessors are independent entities that focus on assessing claims to help arrive at a position that is fair for both the insurance company and the claimant, and should be having the necessary experience, resources and technologies to do their job as it is their core business (Njuguma, 2019). By so doing they offer better or best services to the clients for the insurance company, thereby helping the company pursue its differentiation strategy. Below is a typical insurance sub-chain for a motor insurance company.

Figure 2. 3: Claims handling sub-chain for a typical motor insurance company



Source: Ambuko (2013)

2.3 The Role of a Motor Claims Assessor

According to Gitau (2015) a claims assessor is someone who is at the core of the entire claim settlement process. An insurance assessor works on behalf of both the insurer and

the claimant and is an independent party. An insurer (and in some markets, a claimant) approaches an insurance assessor to evaluate the accident that has affected the insured property where necessary (Crompton and MacKay, 2017). These claim assessors are independent from both the insurer and the insured. The role of a motor claims assessor is to focus on the claim situation (what happened, where, when, how) and determine whether it fits within the scope of cover and what the repair or replacement cost is. It is the duty of a claims assessor to comply with the insurance company's rules and also ensure, by correctly quantifying the loss, that the customer is fairly compensated for the suffered loss (EY, 2010). Claim assessors help in quantifying various variables (Cheng and Weiss, 2015) that may include:

(a) Authentication, verification of accident occurrence
(b) Consistency between loss circumstances and reported damage
(c) Cost of motor vehicles spare parts
(d) Cost of labor for motor vehicle repairs

However, it is reiterated that motor insurance assessors must be independent and impartial (Jothi, 2016). Information they receive is confidential, coming from parties whose interests are often conflicting. It is therefore the case for the assessors to be faced with the combined pressure of their clients, the owner of the vehicle, the manufacturer and its subcontractors, insurance companies and possibly members of arbitration boards or colleagues, hence, the necessity for them to comply with the obligation of confidentiality and professional secrecy (Kelly, 2018). In addition, the ability to provide motoring insurance appraisal services of high quality is a key factor in the fight against fraud, including that directed against insurers. Compliance with ethical rules is, therefore, crucial for the credibility of the profession.

In Zimbabwe and some developing countries, the claim assessment procedures are largely manual and conventional unlike in developed countries where claims processing has been largely automated (Munyanyi, 2018). The assessment of the damage is manual and subjective. There is no strict and objective measure to the damage/accident. This has resulted in a less than a hundred percent effectiveness of the assessor's role. When it comes to repairs and spare parts insured parties often resort to makeshift shops which

have less genuine but cheaper parts, which are also generally faster than officially approved garages (Mangudhla, 2014). These parts are likely to be of inferior quality, and increase chances of possible future accidents. The variable cost and quality of repairs and spare parts introduce an arbitrary element that complicates both a correct assessment of the claim and the appropriate establishment of the cost of indemnification (Holton, 2014).

2.4 Motor Insurance Claims Processing Procedure

In Zimbabwe, in the event that a motor vehicle is involved in an accident, the Road Traffic Act stipulates that the driver involved is required by the Road Traffic Act 1988 (RTA, 1988) to stop and if required by any person on reasonable grounds, to give their name and address (and also the name and address of the owner of the vehicle) and the registration number of the vehicle (Munyanyi, 2018). If any person involved in the RTA has been injured, the driver must also present his certificate of insurance at the time of the accident to (a) any person who has required the driver to produce it on reasonable grounds, or (b) a police officer. If the driver does not produce his certificate of insurance (this would be the case, for instance, where the other driver is injured and not in a position to exchange certificates of insurance), he must report the accident to the police as soon as is reasonably practicable and in any case, within 24 hours of the occurrence of the accident.

As soon as is practicable after the accident, but in any event within agreed timelines in terms of the insurance policy contract, the policyholder is expected to submit a claim to the insurer for consideration (IPEC, 2019). This is usually in the form of a structured, completed claim form detailing the circumstances of the accident, together with relevant supporting documents such as police report or report number, copy of the driver's license of the driver at the time of the accident, quotations for repairs/replacement and any other relevant documentation.

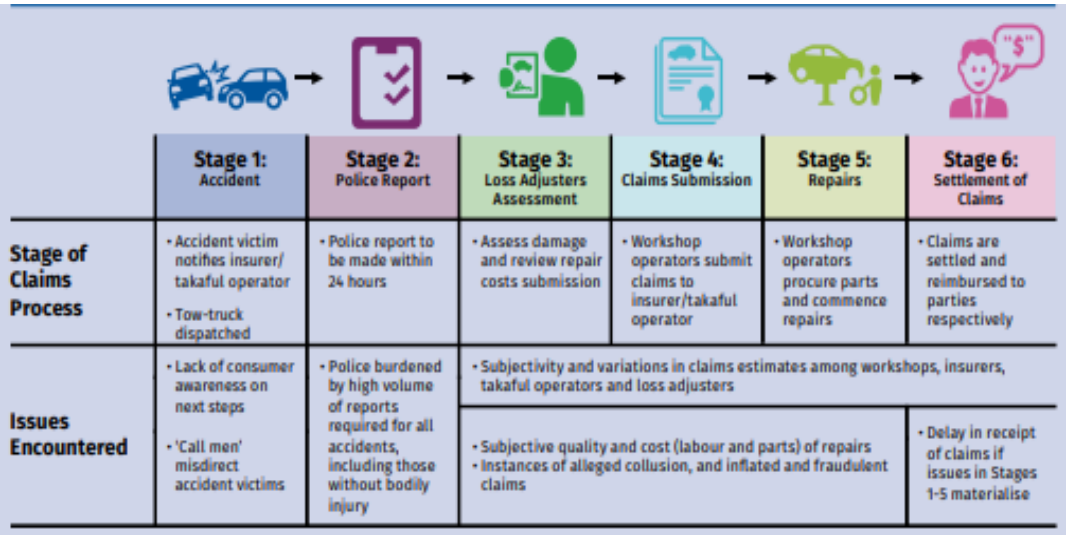
The claims handler at the insurer or the broker seek to make an immediate assessment of whether its customer is the fault or non-fault driver (IPEC, 2019). In order to establish facts, claims handlers ask customers relevant questions based on typical accident scenarios, types of accident damage, the accident scene and the Highway Code. Straight

forward claims, like windscreens damaged by “flying objects” are usually “fast tracked” and settled without much interrogation through the insurer pre-approved suppliers.

For claims that require more investigations, a formal assessment of the claim is put into motion through passing it on to specialist and independent claims assessors for further investigation, which may include gathering witness statements or other evidence from the scene of the accident and liaison with motor vehicle repairers and other interested parties (Bazuka, 2016). The claims assessors then submit their collected data and recommendations in the form of a report for further claim processing. In cases where the applicable terms and conditions of the insurance contract have been met, a quantum of benefits calculated is paid to the insured (Cheng and Weiss, 2015).

Figure 2.4 below presents some stages of motor insurance claims procedure by typical motor insurance companies.

Figure 2. 4: The motor claims process



Source: Gessese, 2018

This claims process entails a number of checks and controls to ensure that only claims of merit are paid (Gessese, 2018). Figure 2.4 shows the typical methodologies employed by motor insurance companies, which involve a stage when they seek the services of the claim assessors. On stage 3, claim assessors are engaged to assess the damage and

review repair costs, with findings and recommendations being then forwarded to the insurer (Yusuf, Ajemunigbohunb and Allic, 2017).

The subjectivity and variations in quality and costs of repairs are some of the issues encountered by claim assessors, affecting speed of service delivery in the assessment processes. For effectiveness, the claim assessors need to make a thorough assessment of the damage to the vehicle and scout for competitive sources of the parts in terms of both quality and cost. According to Clark (2018), the effectiveness of claim assessors depends on the fairness of the assessment in terms of price and quality of parts needed. Also, the shorter the delays in the assessment processes, the more effective the claim assessors (Clark, 2018).

2.5 Methodology in Motor Claim Assessments

There are two broad methods of claims assessments which are conventional claims assessment and the use of artificial intelligence (AI). For years, motor claims assessments the world over where generally executed through physical inspections by motor assessors, involving painstaking manual verification of damage, accident scene assessment and quantification of costs through negotiations with repairers (Nyaguthii, 2013). In recent times there has been a shift, in some jurisdictions, to the use of technology with Artificial Intelligence (AI) gaining momentum in most developed countries (Jothi, 2016). This has resulted in a clear shift from conventional manual assessments towards modern technology based assessments.

2.5.1 Conventional Claims Assessment and the Effectiveness of Assessors

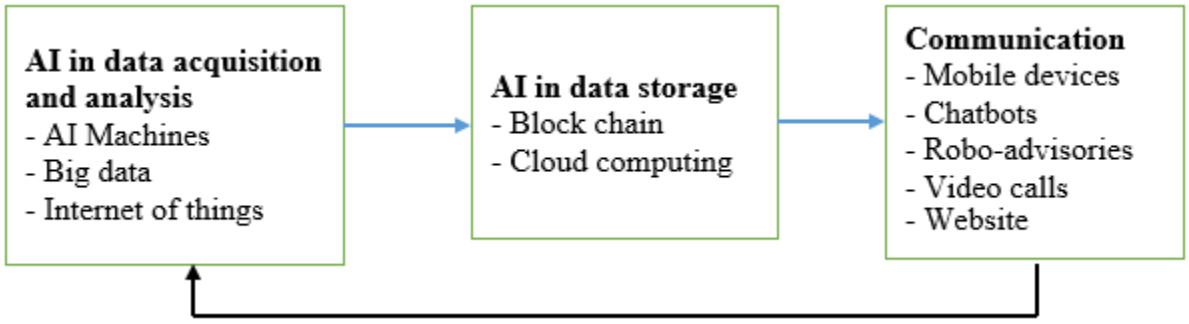
In developing countries such as Malaysia and Zimbabwe where there still exists conventional claims processing procedure, on average, own damage claims take two months to be paid from the point of notification (Masuku, 2014). For motorists whose incomes and livelihoods depend on access to a properly functioning vehicle, delays in processing a claim can mean significant hardship, and a delay in getting much needed relief. The claims process is made up of several stages, involving various parties as indicated above.

2.5.2 Contemporary Claims Processing and Effectiveness of Claims Assessment

Contemporary claims processing entails use of technology or artificial intelligence (AI) to process claims. Recent developments in the insurance industry have shown that insurance companies mostly in developed countries are now using artificial intelligence to assess motor vehicle damages. In 2014, Alex Dalyac, Razvan Ranca and Adrien Cohen, joined forces to start a business fast-tracking car accident settlements after realizing the sector was in need of a shake-up. The developed Tractable (London-based insurtech AI). When customers of Tractable get involved in car accidents, they take pictures of their vehicles from various angles. These photos are collected and sent via cloud. The AI process them and instantly send the full assessment to the insurance company. The claim handler can then send a car through the right workflow or offer a cash settlement.

The following diagram presents the stages in the use of artificial intelligence in claim assessment.

Figure 2. 5: AI in motor claim assessment



Source: Eling and Lehmann (2018)

Claim assessors can use artificial intelligence for data collection and analysis. AI in this case covers the process of analyzing (big) data (e.g. with machine learning methods) and automated decision making based on that data (Kolmar and Booms, 2016). After collection of actual data relating to the accident, such as using videos, including impact measurement and feeding in the type and model of the car, AI can then be used to calculate the extent of the damage to the car (Eling and Lehmann, 2018) and is able to

appraise an accident along the same lines as a human would do. Big data can be collected, say from different accident scenes involving different car models, or simulations of accidents, and that data can be processed to automatically estimate the fair extent of damage to a car given certain specified conditions (Wachira, 2013). Through the internet, data can be collected using sensors and fed in AI machines for analysis. Thus claims assessors can use sensors to estimate the damage of a car, and feed the information into the AI machines for automatic processing (Kottmann and Dordrechter, 2016). Countries like Japan have adopted AI in data collection, whereby they use AI machines and sensors for claim assessment and analysis (Eling and Lehmann, 2018).

After collection of data, AI can be used for data storage process (Yusuf, Ajemunigbohunb and Allic, 2017). With AI, the claim assessors can have a decentralized database of all digital transactions among participants. The contracts they engage in can also be electronically stored and automatically executed (smart contracts). With cloud computing, files can be stored online and therefore accessible anywhere at any time (Tajudeen and Adebowale, 2013).

Technology and AI can also be used for communication purposes. Claim assessors can use technology to communicate with the insurers and the clients instantaneously, for example, as soon as the accident takes place, the insured can take pictures and videos and instantaneously contact the assessors (Moneta, 2014). Claim assessors can also communicate with the insurers through video callings (so that the insurers can verify the situations visually). Chatbots are also used for service queries. In Japan, claim assessors additionally use robo-advisory services such as the Scalable Capital service (Muller, Naujoks, Singh, Schwarz, Schwedel and Thomson, 2015).

2.5.3 AI in selected case organizations

These latest developments in insurance technology cut the time and costs associated with processing claims and make it simple for the customer to report claim incidents (Eling and Lehmann, 2018). Computer vision, along with machine learning techniques used by Tractable (London-based insurtech AI), makes quick decisions and estimates on repair costs. The technology has already been trialed and Ageas now plans to roll it out to

resolve thousands of claims every month. The AI calculates the full repair costs by identifying which parts of the vehicle have been affected and how. It provides a detailed estimate, including recommended repair and paint, as well as costs and labour hours. The technology is trained on millions of photos of car damage, and the algorithms learn from experience.

Ageas is one of the largest general insurers in the United Kingdom, providing insurance to around five million customers (PWC, 2015). It offers car and home, travel and small business insurance through brokers, affinity partners and its own brands. In the UK, Ageas is using artificial intelligence to assess vehicle damage in accidents (Stephenson, 2013). The company is using artificial intelligence to assess damage to vehicles through photographs supplied by the policyholders making claims. The company's customers in the UK can submit photographs as they report accidents, via smartphones and can get decisions on their next steps immediately. This is being made possible through computer vision and machine learning technology which look at digital photographs of damaged cars and quickly estimate the repair cost (Pain, Tamm. and Turner, 2014).

Tokio Marine, the Tokyo-based property and casualty insurer uses an artificial intelligence (AI) solution to process auto damage across its insurance operations in Japan, accelerating claims processing for policyholders. Tokio Marine uses the AI to understand the full range of available repair decisions, including recommended repair, paint, and blend operations, as well as the labour hours required (McKinsey & Company, 2020). Using AI increases the speed of assessing and reviewing claims, removes inefficiencies from the process, while helping insurers and repairers to agree on repairs more quickly, and getting customers back on the road faster.

Tokio Marine has worked with Tractable since 2018, with the ambition of improving loss appraisal operations that require complex visual assessments with a solution based on computer vision. After successful trials of the AI, Tokio Marine has been using Tractable's technology at one of its claim service centers since April 2020, with the potential to deploy it across the country (McKinsey & Company, 2020). In Japan, after an accident it could take two to three weeks to determine the amount that should be paid, However, by using Tractable's AI solution to assess car damage, Tokio Marine confirmed that Tractable's AI

solution has shortened that time considerably to few days. The AI allows insurers to evaluate the damage to a vehicle, based on photos provided by repairers, appraisers or policyholders. Via Tractable's platform, the AI shares repair method recommendations and guides the claim process to ensure each claim is processed and settled as quickly and accurately as possible.

In the UK, repair cost estimates are usually prepared by estimating systems which calculate the hours required to complete a repair job, using manufacturers' or Thatcham repair times and specify the parts and paint needed in a repair job and their cost. Work providers (e.g. insurers) have agreements with repairers which specify the remaining variables, e.g. the labour rate and the discounts for parts and paint off the system-generated price (Ralph, 2019). The most commonly used repair cost estimating systems are Audatex and Glassmatix. Most insurers which require or recommend their approved repairers to use a certain repair cost estimation system specify the use of Audatex. In 2019, Auto Body Professionals reported that around 50% of repairers used the Audatex system (Wright, 2019).

According to Moneta, (2014) evidence from developed countries where AI has been used in insurance claims has shown that technology has resolved most of the problems associated with conventional claims processing especially on the role of assessors. Key aspects that have confirmed the effectiveness of AI in claims processing include: -

- the increased speed in insurance claims processing,
- cost reduction,
- reduction in fraud,
- accuracy in determining repair costs among other areas of efficiency.

Evidence show that Tractable AI has processed over $1 billion for the world's top insurers, including Ageas, Covéa, the largest auto insurer in the French market; and Talanx-Warta, the second-largest auto insurer in Poland (McCurry, 2017). A comparative analysis between conventional claim processing and contemporary claims processing shows that the former has inefficiencies and the later has gone far in trying to close the loopholes of

the former. Developed countries have largely adopted AI in claims assessing making the role of the assessment of claims more efficient than before (Krotoszynski, 2015).

2.6 Empirical Literature Review

Munawar (2014) has researched impact of claim assessors on motor insurance companies' performance in the insurance industry. His findings indicate that claim assessment by independent assessors have a significant and positive association company performance (which was measured in terms of customer loyalty). Similarly, Qadeer (2013) looked at the impact of independent claim assessment on company performance in the Nigerian insurance sector. He measured company performance using the level of customer satisfaction. The majority of the respondent customers indicated that with independent claim assessors, customers felt that they usually get a fair compensation in case of damage to their insured vehicles.

Another similar study was carried out in India by Siddiqui and Sharma (2010) in the insurance industry. They analyzed the effectiveness of claim assessors in the insurance industries, with insurance customer satisfaction and company financial performance (profitability) as the independent variables. Based on data collected from 868 participants and structural equation modelling, their research showed claim assessment positively relates to the level of customer satisfaction and is also positively related with the company's financial performance (profitability). Gachau (2015) also examined the impact of independent claim assessment on customer satisfaction in Kenyan Insurance Industry. Using a sample of 64 respondents from 16 insurance companies, he found out that those customers would be satisfied when they feel that they have received fair compensation on the suffered damage.

Yusuf and Ajemunigbohun (2015) conducted a study of effectiveness, efficiency, and promptness of claims handling process in the Nigerian insurance industry. Using a sample of 107 respondents drawn from claims department of 33 insurance companies and One Sample T-test, they tested two hypotheses. Their finding indicated that managing claims effectively and significantly affect operational process in claims management and thus, promptness in claims handling processes does essentially assist in fraud detection and prevention.

A research commissioned by Central Bank of Ireland to assess the Consumer Experience of the Motor Insurance Claims Process used quantitative online survey of 284 consumers who had made a motor insurance claim (Central Bank of Ireland, 2017). The research showed that element of the claim management process like the easiness of reporting damage, a single person handling the claim, the amount of settlement and the repair work done are the determinants of customers' satisfaction. The research also established that claim assessors have a role to arrive at a fair cost of the damage for both the insurer and the insured.

Similarly, the J.D. Power 2016 U.S. Auto Claims Satisfaction Study (annual publication) showed that drivers of increase in overall satisfaction level were found to be availability of multiple communication option to report and follow up claims (Auto Claims Satisfaction Study, 2016). The study also finds that the use of technology to check the status of a claim is relevant for satisfaction. The study also calculated satisfaction on a 1,000-point scale using dimensions of first notice of loss (claim); service interaction; appraisal; repair process; rental experience; and settlement to rank motor insurance service providers.

A research conducted by TeleTech (2015) to identify what drives customer satisfaction during the insurance claims process, identified initial filing of the claim, use of knowledgeable insurance reps, obtaining approval for the claim, overall effort required to file a claim and initial assignment of the adjustor on the claim as the top reasons for satisfaction (TeleTech, 2015).

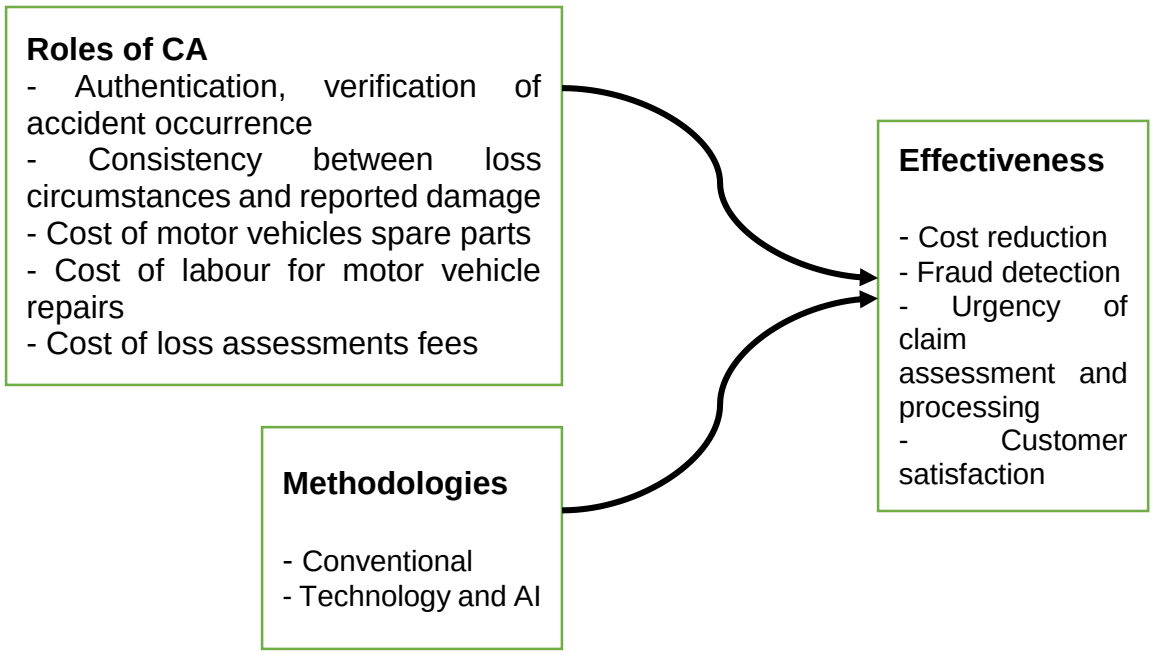
EY (2010) conducted Pan-European survey of customer satisfaction with motor claims covering motor insurance customers in Belgium, France, Germany, Italy, Netherlands, Spain and Great Britain. Using 700 customers, their findings indicate that insurers ‘communication capability during all the process of claims management was the main reason for customers ‘satisfaction. The study also indicated that customers’ age, gender and level of income have a minimal effect on their level of satisfaction. Further, the study indicated that strong levels of customer satisfaction can have a very positive effect on loyalty. The study further established that independent claim assessors play a significant role in improving customer satisfaction by arriving at a fair cost of the damage and soliciting for fair damage reparation parts. The study also established that claim

assessors have a role in reducing fraud in order to protect the insurer from unscrupulous insured.

2.7 Conceptual framework

This study was guided by the following conceptual framework as presented in Figure 2.5.

Figure 2. 6: Conceptual framework



Source: Own construct

Figure 2.5 was constructed using the findings from the reviewed literature, in line with the research objectives. It shows that the claim assessors have various roles like assessment of damage extent and costs and quality of spare parts. To do this, they use either conventional or contemporary methods (methodologies). Overall, the effectiveness of their efforts are seen or measured in terms of the level of cost reduction for the insurers and level of customer satisfaction, inter alia.

2.8 Research gap

The empirical literature reviewed on the role of claim assessors shows that most of the related studies were done outside Zimbabwe, mostly in Kenya and Nigeria, and in the

US, Britain and India. This presents a research gap in that studies specific to Zimbabwe are lacking. Further, most of the studies have been done up to 2017, and there is no very recent study on the area. Given that modern claim assessment methodologies include technologies and AI, there is high chance that things have significantly change, which necessitates a very recent study to establish the current position in terms of the role and effectiveness of claim assessors in the insurance industry.

2.9 Chapter Summary

The chapter looked at the both the theoretical and empirical review. The insurance value chain model/theory was considered the most applicable theory to this study. The researcher revealed its relevance and implications to the study. Other key literature reviewed include roles of claims assessors and the procedure of processing claims. It looked at the conventional claim processing procedure and the contemporary claim processing procedure. This was done to enable the researcher to establish the effectiveness of the assessors in their mandate as well as to establish where they are getting it wrong. In comparison with the current trends in insurance, a way forward can be suggested after findings of this current research are then mirrored with the reviewed literature. The next chapter presents the methodology of the research.

CHAPTER III: RESEARCH METHODOLOGY

3.1 Introduction

This chapter deals with the research methodology employed in this research study. The chapter discusses the research philosophy, research approach, research design, research strategy, and the population of the study, including the sampling methods used to come up with the sample, the research instruments that were used and the data collection methods. The validity and reliability of data and the research ethics observed are also discussed in this study.

3.2 Research Philosophy

A research philosophy refers to a set of the assumptions that underpin a research strategy that is employed by the researcher (Saunders, Lewis and Thornhill, 2016). The major research philosophies include positivism, interpretivism and pragmatism research philosophies (Saunders, et al., 2016).). This study adopted a pragmatism research paradigm or philosophy. The pragmatism paradigm was adopted because the researcher felt that the phenomena under study can best be studied by mixing the qualitative and quantitative methods.

This study adopted more of quantitative method of data collection and analysis as compared to qualitative methods, but all methods were included. The purpose of adopting both qualitative and quantitative means was justified by the stated research objectives, whereby some of the objectives sought to explore, to evaluate, to assess and to propose. As a result, the researcher felt the need to employ both qualitative and quantitative means in collecting and analyzing data relating to the objectives. Therefore, the researcher considered a pragmatism philosophy to be more appropriate for this study.

3.3 Research Approach

According to Blumberg, Cooper and Schindler (2019), research approach is the extent to which the researcher understands the research theory at the start of their research. Research approaches may take the form of qualitative or quantitative approaches

(Bouma and Atkinson, 2016). Qualitative research approach (inductive) is whereby the researcher gathers data and then develops a theory after the analysis of the data, that is, from particular to general. Quantitative research approach (deductive) is the case when the researcher gathers data in a bid to test an existing research theory, that is, from general to particular. The researcher used both approaches for this study. Among other reasons as discussed below, this was meant to enhance data triangulation.

3.3.1 Quantitative Approaches

According to Bryman (2018), quantitative research approaches are more suitable when conducting more of quantitative researches. The study also collected quantitative data in form of closed questions (primary data) and recorded figures (secondary data). Some of the data analysis techniques employed for this data were quantitative as well, using measures of central tendencies and dispersion.

3.3.2 Qualitative Approaches

According to Coghlan and Brannick, (2015), qualitative research approaches are more suitable when conducting more of qualitative studies, using qualitative analysis techniques like thematic analysis, content analysis and grounded theory. In order to gather participants' opinions, views and suggestions, open ended questions were asked in this research, which gathered qualitative data, whereby the themes discussed by the respondents were generated and defined.

3.3.3 Justification for adopting Mixed Approaches

In tandem with its research paradigm and the research objectives and questions, this study adopted both qualitative and quantitative approaches. However, the research was more quantitative than qualitative. This approach is also in line with the arguments by Guba and Lincoln (2014) and Cohen and Manion, (2016) who argued that realistic research methods are somewhere between the two continuums of being quantitative and qualitative.

3.4 Research Design

According to Cooper and Schindler (2017), a research design is a presentation of the different types of approaches that are used and a systematic description of how the scientific research has been carried out in a bid to solve the identified research problem. Research designs include experimental, explanatory, exploratory, descriptive and mixed methods). This study adopted a mixed methods research design. A mixed methods research design is a combination of two or more designs (Saunders, Lewis and Thornhill, 2016).

The study adopted a mixed method research design in line with the adopted research philosophy and the research approach. However, the study was more quantitative than qualitative. The nature of the research objectives justified mixed methods, whereby some of the methods sough to explore and some of the objectives sought to assess, evaluate and propose. As a result, a mixture of exploratory, explanatory and descriptive designs was considered most suitable in this study.

3.5 Research Strategy

Denscombe (2016) notes that the choice of a research strategy is based on the research questions and the research objectives, on existing knowledge as well as on cost and time constraints. There are many research strategies that can be adopted, including surveys, experiments, case studies, ethnography and grounded theory (Easterby-Smith, Thorpe, Jackson and Lowe, 2018). The research strategy employed was a survey of personnel in insurance companies, repairers and motor insurance claims assessors. A survey was adopted as it enabled the researcher to collect data from different sector players who were important in the study in order get information which would enable the obtaining of representative results based on practical experience, and empirical evidence.

3.6 Population

According to Eden and Huxham (2016), a research population is the summative number of elements to which the research conclusions are ascribed. The population for the study encompassed motor insurance companies in Harare (managerial and non-managerial employees), repairers (workshop foremen and parts buyers) and claims assessing

companies (motor assessors). All these target population elements are Harare based (where most of them have head offices which have access to all data in all their operations).

3.7 Sampling Techniques

There are two sampling methods, which are probabilistic and non-probabilistic methods. According to Gray (2017), probabilistic methods are those techniques which result in all population elements having equal chances of being included into the sample. These include cluster, stratified random, simple random and systematic random sampling. According to Creswell (2017), non-probabilistic methods are the techniques which result in population elements having unequal chances of being included into the sample. These include quota, convenience, purposive and snowballing sampling. The study made use of both probabilistic and non-probabilistic sampling techniques, in particular, the quota sampling and simple random sampling.

3.7.1 Quota Sampling (qualitative – non-probabilistic)

The researcher used quota sampling technique to ensure that the three population categories would definitely and proportionately be represented in the sample. This was meant to ensure that the views and experience of all the three population categories with regards to the role of claims assessors were gathered for analysis as their contributions were considered important for the study.

3.7.2 Systematic Random Sampling (quantitative - probabilistic)

In coming up with actual sample elements from each population category, the sample elements were chosen using random sampling techniques. The researcher obtained sampling frames from the companies involved in the study, then arranged their names in alphabetical order and assigned numerical codes, as ordinal data, then used the codes for the systematic random sampling. This was done in order to eliminate bias and improve sample results representativeness.

3.8 Sample Size

Kuvaas (2018) regards a research sample as a part of the population that is drawn, such that the results from that part are then attributed to the whole population. Fisher (2015) argued that a sample is drawn when the study population is regarded as too large for it to be studied wholly, and also when the researcher has time and other resources constraints. Merriam (2012) noted that as long a sample is drawn, a sampling error is inevitable. Merriam (2012) recommends the use of a large sample which is made up of at least 30 respondents (n>30). Therefore, the sample size was 92. Table 3.2 shows the breakdown of the sample size for this study, according to the population categories.

Table 3. 1: Sample Size

Category of Respondents	**Total Population**	**Sample Size**
Assessors	23	20
Claims Processors	27	25
Managers	17	15
Repairers	14	12
Underwriters	24	20
TOTAL	**102**	**92**

Table 3.2 above shows that the total sample size for this study was 92, broken down in 20 assessors, 25 claims processors, 15 managers, 12 repairers and 20 underwriters.

3.9 Data Sources

According to Balnaves (2020) data are units of information collected through different approaches that include observation and other primary data collection techniques. Data can be qualitative or quantitative. This study used both primary and secondary data.

3.9.1 Secondary data

Robson (2014) regard secondary data to be data which was gathered previously, and was not meant for the current problem but for the previously identified problem. This research made use of secondary data from claims assessors and insurance companies' publications and records, journals and the internet. From these sources, the researcher

collected data models and theories as well empirical literature about the research variables. Secondary data was cheaper and faster to gather as the bulk of the sources were available on internet as supported by Schein (2017). However, the use of secondary data was not without its own problems. The major disadvantage was that there was less basis to trace the authenticity of the data, and also, the bulk of information were inapplicable to the research, which demanded more time to search through secondary data sources for relevant information. Mindful that the secondary sources may not be authentic, the researcher used official sites on internet such as Google Scholar and JSTOR

3.9.2 Primary Data

According to Millward, Stevens, Smart and Hawes (2016), primary data is the data collected from the field for the first time in relation to the current research problem. The primary data used in this research was collected from the research participants (employees of insurance companies, assessing companies and motor vehicle repairers) in Harare. Primary data that was needed for most of the objectives, include exploration of the roles of claims assessors and the suggestions, opinions or views of the participants. As confirmed by Naipaul (2018), the use of primary data was advantageous as the data was fresh and relevant at least to this study. However, as supported by Noor (2017), primary data was more difficult (but not impossible) and expensive to gather, especially because of the COVID–19 lockdown restrictions and in terms of pretesting of the research instruments, including the administration of the instruments in the data collection process.

3.10 Research Instruments

Tharenou, Donohue and Cooper (2018) regards a research instrument as a tool which is used for the collection of research data. Sudday (2015) notes that a research instrument can be structured (with laid-down questions) or can be unstructured. Thomas and James (2015) highlight that there are many instruments usable in primary data collection, which include experiments, questionnaires, interviews and observations. This study used questionnaire for data collection.

3.10.1 Questionnaires

A questionnaire is as a document with a list of questions asking respondents about their opinions and other issues of interest to the study, Silverman (2017) Schein (2017) also highlight that a questionnaire may contain open ended and closed questions. Saunders, Lewis and Thornhill (2016) consider open-ended questions as those questions that seek the respondent's opinions, whereby the respondents are allowed to express themselves freely using their own words. Saunders, Lewis and Thornhill (2016) consider closed questions to be those questions to which possible answers are already suggested, and the respondents just need to select or more appropriate responses from the given list.

In this study, research questionnaires contained both closed and open-ended questions in order to collect both quantitative and qualitative data respectively. Open ended questions allowed the respondents to freely express themselves, giving the researcher an opportunity to have deeper understanding of issues, rather than the case if the possible answers would have already been suggested, which would be based primarily on the literature reviewed and secondarily on the researcher's own knowledge of issues. Closed ended questions on the other hand made sure the responses would be confined and more consistent, as the respondents would only choose from a given list, reducing their chances of going astray. Closed questions were easily coded for quantitative data analysis using Likert scales. The reviewed literature was the basis upon which the questions were crafted, in order to collect data that could answer the research questions. The questionnaires were own creations, and were not adapted or adopted from elsewhere.

The questionnaire was chosen as an instrument because it is naturally a quantitative data collection instrument. As the research was more quantitative than qualitative, the quantitative primary data was collected by the questionnaire using closed ended questions, using Likert scale type questions.

3.11 Data Collection Procedures

After that some questionnaires were hand-delivered, and others were emailed, where respondents would have chosen to have their questionnaires sent by email. Completed

questionnaires would be returned to the researcher soon after completion, using the same channels. After collection, the researcher then proceeded to check for wholeness of data, data consistency and data reliability, then proceeded to summarize, analyze and present data, a procedure illustrated by Meyer, Kay and French (2015).

3.12 Data Validity

Taherdoost (2016) defines data validity as the degree to which a research instrument measures what it is purported to measure. In a bid to improve validity, the researcher carefully designed the research instruments and pretested them for further refinement. The researcher conducted a pilot study with some of the population elements who did not then necessarily become part of the final sample, and basing on the responses from the pilot study, the researcher refined the questionnaires.

After the pilot studies, the researcher observed that;

1. Most respondents ignored open-ended questions. In order to deal with this problem, the researcher tried as much as possible, guided by literature reviewed, to exhaust the possibilities using closed ended questions. However, few open-questions were just left for those that were willing to give their opinions on issues considered exceptionally important.

2. Some questions were ambiguous. As a result, they were more clearly crafted.

3.13 Data Reliability

According to Shirley and Sushanta (2018) reliability is the internal consistency of the research instrument, showing the extent to which the same instrument can be used to collect data from the same population elements and get the same results. The Cronbach's Alpha was used to test the reliability of the questionnaire. Johnston (2017) highlighted that a Cronbach's Alpha of at least 0.5 shows reliability and that of at least 0.7 shows high reliability. An alpha that fell below 0.5 indicated that the data was not reliable.

3.14 Data Analysis and Presentation

The researcher fed quantitative data into SPSS version 23.0, for analysis purposes. Analysis was in form of frequencies, percentages, mean values and standard deviations.

Percentages and mean scores helped to summarize the responses by indicating whether the majority have agreed, were neutral or disagreed. The standard deviations were used to show the reliability of the mean score by indicating the divergence or consistency of the respondents' views. Data presentation of quantitative data was done using Microsoft Office packages of Word and Excel version 2013, in form of tables, tables, graphs and charts.

Qualitative data was presented in the form of text and quotations. This would allow an illustration of the opinions of the respondents towards questions posed to them. Content analysis was used to analyse qualitative data. This helped with identifying the major themes that were discussed by the respondents as well as helping to capture areas of agreement and disagreement among the respondents.

3.15 Ethical Considerations

Wright and Boswell (2018) define research ethics as the appropriateness or suitability of the researcher's behavior with respect to the rights of the respondents and other research subjects. The researcher sought for the consent of the sample elements before collecting data. The researcher notified the respondents that they would be free to withdraw and withhold any of their input at any stage. Further, the researcher ensured that the participants would remain anonymous throughout the research, unless if permission was sought and granted to directly quote a specified respondent. Furthermore, no participant was bribed or paid for participating, but they were thanked verbally and in writing (at the end of the questionnaire) for participating.

3.16 Chapter Summary

The chapter looked at the various methodological aspects that were adopted in this research. These included the research philosophy, design, population, sampling procedures and the research instruments used. The next chapter focuses on the analysis, presentation and discussion of findings

CHAPTER IV: DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction

This chapter presents the findings of the study. The study sought to assess the role of motor insurance claims assessors. The researcher engaged motor assessors, motor claims processors, short term insurance managers, motor vehicle repairers and short term insurance underwriters through an unstructured research questionnaire. The collected data was analyzed using SPSS version 23.0. The researcher used statistical techniques such as frequencies, percentages and mean values to analyse the findings. Research findings were presented in the form of charts, bar graphs and tables. The first section presents demographic and background information of respondents. Research findings that speaks to the research objectives are presented later on. The chapter ends with a chapter summary.

4.2 Sample Frame and Response Rate

The researcher first presents the response rate of the research questionnaire. The formula for calculating response rate was calculated based on Andrew, Friedman and Durning (2017)'s formula who state that response rate is the quotient where the number of actual participants is divided by the size of the sample of the number of people who actually participated in the research survey. Table 4.1 shows the sample frame and response rate

Table 4. 1: Response Rate

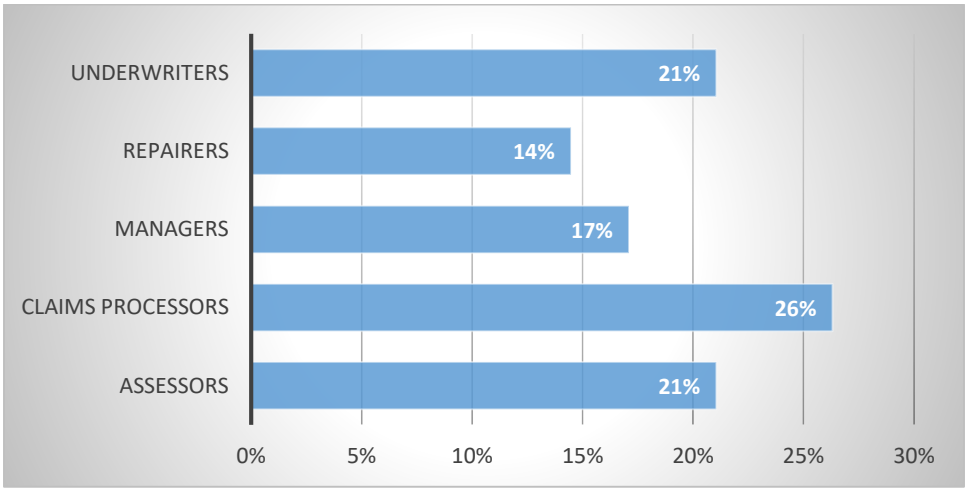
Population	**Sample Size**	**Actual Respondents**	**Response Rates**
Motor Assessors	20	16	80%
Claims Processors	25	20	80%
Managers	15	13	87%
Motor Repairers	12	11	92%
Underwriters	20	16	80%
TOTAL	**92**	**76**	**83%**

The results indicated in Table 4.1 show that the research targeted a large sample of 92 respondents. However, out of the 92 respondents, 76 respondents actually participated. This gave an overall response rate of 83% which is high enough to render research findings reliable according to the response rate criterion of Kothari (2004) who states that a reliable response rate is at least 70%. The response rate indicates that the intended sample size almost the number of actual respondents. Therefore, the research findings are highly reliable.

4.3 Composition of Respondents

The research engaged assessors, claims processors, managers, repairers and underwriters. To have a visual representation of the categories of respondents who participated most and least, the researcher presented the research findings in form of a chart for easy of visualization.

Figure 4. 1: Composition of Respondents



Source: Primary data,

The modal category was claims processors who constituted 26% followed by the underwriters and assessors who constituted 21% each. Managers who participated constituted 17% and the least category of participants was the repairers' category who constituted 14% of the 76 respondents who participated in the research survey.

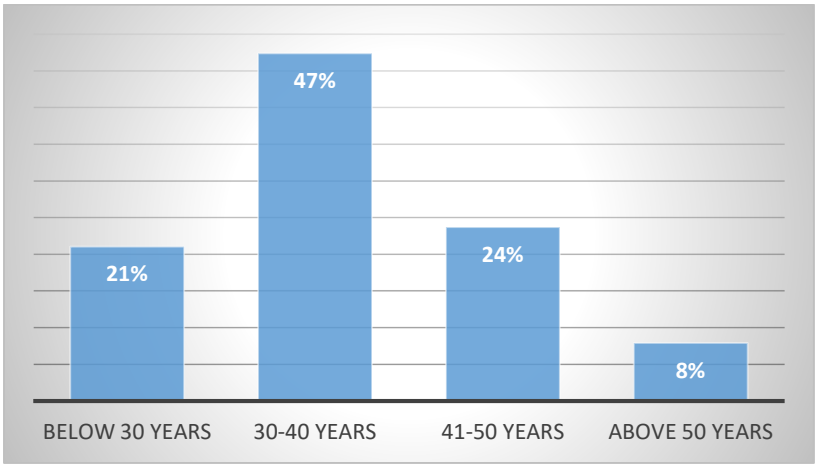
4.4 Demographic and Background Information of Respondents

The first section of the research questionnaire gathered information of respondents with respect to demographic and background information of respondents.

4.4.1 Age

The research asked respondents to reveal their ages. This was important to some extent in terms of guaranteeing the researcher if the research findings were drawn from people of reasonable ages who have experience and maturity to share valuable insights. The results are presented in Figure 4.2.

Figure 4. 2: Age of respondents



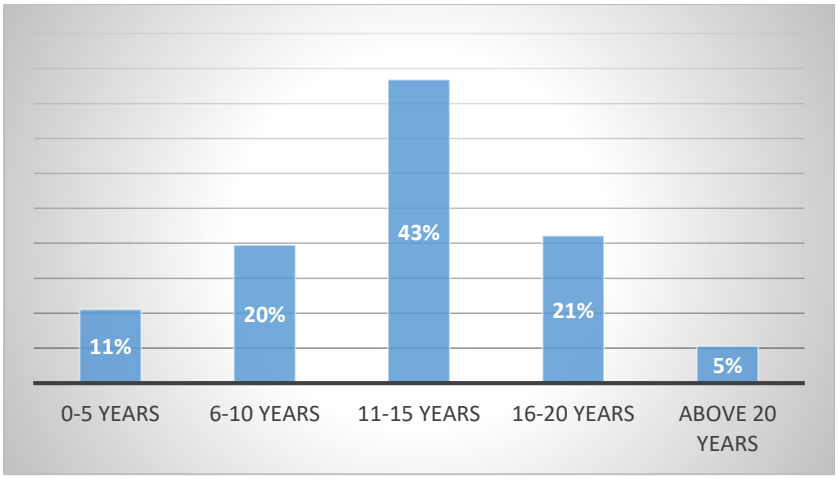
Source: Primary data.

The respondents were mainly in the 30-40 years' category. This category had 47% of the respondents. The below 30 years' category had 21%, the 41-50 years had 24% and the above 50% had 8% of the respondents. The respondents are generally the active ages of population who are presumed to have shared valuable insights.

4.4.2 Work Experience

The last aspect on the background of the respondents was work experience in the motor vehicle insurance industry. The researcher requested that respondents show the number of years they had served in the motor vehicle insurance industry. The results are presented in the Figure 4.3 that is presented below.

Figure 4. 3: Experience of Respondents



Source: Primary data.

The modal level of experience was the 11-15 years' category that had 43%. This was followed by the 16-20 years that had 21%. The 6-10 years had 20%, and the 0-5 years had 11% of the respondents. The least category was the above 20 years' category. This had 5% of the respondents. The indication of the experience is that of the people who participated in the research, the majority had adequate years of working experience, enabling them to give informed responses that guarantee reliability of research findings.

4.5 Reliability Statistics Results of Research Questionnaire

To find out if the research instrument used for data collection was consistent enough to gather uniform responses, the researcher ran a Cronbach's alpha test. This test according to Johnston (2009) is acceptable when the alpha coefficient is at least 0.7. The results that follow shows the reliability statistics results of research questionnaire.

Table 4. 2: Cronbach's Alpha Test Results of Research Questionnaire

Cronbach's Alpha	N of Items
0.801	30

The results indicate that for the list of questions (regarded as the N of items on the Table) used, the coefficient obtained is 0.801 which is above 0.7 prescribed by Johnston (2009) indicating that the research questionnaire was consistent in data collection and therefore

the research findings are reliable. Stakeholders can use the research findings without fear that the findings are misleading in decision making.

4.6 Research objectives' findings

This following section present the findings of the study. The research findings in line with the research objectives are presented in such a way that they are put per objective. The objective is first put as a subheading and the findings are interpreted below the table that carry the descriptive statistics. The major themes that emerged include the importance of claims assessors, the challenges that are faced in the engagement of claims assessors and their effectiveness, including effectiveness in promoting fair pricing.

4.7 Roles of a Motor Claims Assessor

The researcher asked respondents to explain the roles of motor claims assessors in Zimbabwe. The study sought to find out to what extent respondents agreed with the statements in relation to roles of motor claims assessors in the motor insurance business on a five point Likert scale (1=strongly disagree, 2=disagree, 3= neither agree or disagree, 4= agree and 5= strongly agree) The results are presented in the table that follow. The findings are presented in form of percentages, frequencies and mean. The mean value assists in giving the overall position about a given scenario. Where it is close to 1-2, it indicates that respondents were generally disagreeing and where it is around 4-5, it indicates that respondents were agreeing. To enable analysis from different perspectives, the researcher presented frequencies along with percentages in parentheses.

Table 4. 3: Roles of a Motor Claims Assessor

Statement	S	D	N	A	SA	Mean
Assessors visit motor accident scene to confirm visually and understand the nature of the accident that could have occurred.	0 (0%)	10 (13%)	21 (28%)	43 (57%)	2 (3%)	3.49
Assessors assess the damage caused by the accident to determine the details and magnitude of the damage.	0 (0%)	0 (0%)	0 (0%)	15 (20%)	61 (80%)	4.80
Assessors advise the insured if the motor accident is covered by their insurance.	38 (50%)	26 (34%)	10 (13%)	2 (3%)	0 (0%)	1.68
Assessors determine the repair costs of the damage that is covered by insurance.	0 (0%)	7 (9%)	5 (7%)	32 (42%)	32 (42%)	4.17
Assessors have a duty to advise the insurer of the ideal repairer in case of (an) accident related damages	9 (12%)	1 (1%)	6 (8%)	46 (61%)	14 (18%)	3.72
Assessors are necessary in managing motor claims costs	0 (0%)	0 (0%)	3 (4%)	27 (36%)	46 (61%)	4.57

Source: Primary data.

Table 4.3 indicates that to a larger extent, the respondents agreed that the roles of motor claims assessors are to assess the damage caused by the accident to determine the details and magnitude of the damage, determine the repair costs of the damage that is covered by insurance, manage motor claims costs and advise the insurer of the ideal

repairer in case of (an) accident related damages as shown by the mean scores which are at least 3.5. Respondents to a larger extent disagreed that assessors advise the insured if the motor accident is covered by their insurance as indicated by the mean score below 2.5. Respondents were neutral about the role of assessors of visiting motor accident scene to confirm visually and understand the nature of the accident that could have occurred as reflected by the mean score between 2.5 and 3.49 inclusive.

When respondents were asked if assessors visit motor accident scene to confirm visually and understand the nature of the accident that could have occurred, the results show that 0 (0%) strongly disagreed, 10 (13%) disagreed, 21 (28%) were neutral, 43 (57%) agreed and 2 (3%) strongly agreed that when an accident occurs, assessors visit the scene to have first-hand experience of the accident. The mean value obtained was 3.49 and it gives the overall position that there is little consensus that assessor visit scene of accident as part of assessment.

Besides visiting the scene of accident, the researcher asked if assessors assess the damage caused by the accident to determine the details and magnitude of the damage. The results show that 0 (0%) strongly disagreed, 0 (0%) disagreed, 0 (0%) were neutral, 15 (20%) agreed and 61 (80%) strongly agreed that assessors assess the damage caused by the accident to determine the details and magnitude of the damage. The mean value obtained was 4.80 shows that to a greater extent, respondents agree that the role of the motor claims assessors is to assess the damage caused by the accident to determine the details and magnitude of the damage.

The third aspect was on the advisory role of assessors. The researcher asked if assessors advise the insured if the motor accident is covered by their insurance policy. The results show that 38 (50%) strongly disagreed, 26 (34%) disagreed, 10 (13%) were neutral, 2 (3%) agreed and 0 (0%) strongly agreed that assessors advise the insured if the motor accident is covered by their insurance. The mean value obtained was 1.68 and it gives the overall position that assessors generally do not advise the insured if the motor accident is covered by their insurance policy.

In addition, the researcher asked if assessors help to determine the repair costs of the damage that is covered by insurance. The results indicate that 0 (0%) strongly disagreed,

7 (9%) disagreed, 5 (7%) were neutral, 32 (42%) agreed and 32 (42%) strongly agreed that assessors determine the repair costs of the damage that is covered by insurance. The mean value obtained was 4.17 and it gives the overall position that assessors determine the repair costs of the damage that is covered by insurance.

Further, the researcher asked if assessors advise the insurer of the ideal repairer in case of (an) accident related damages. The results indicate that 9 (12%) strongly disagreed, 1 (1%) disagreed, 6 (8%) were neutral, 46 (61%) agreed and 14 (18%) strongly agreed that assessors advise the insurer of the ideal repairer in case of (an) accident related damages. The mean value obtained was 3.72 and it gives the overall position that respondents agree that the role of the assessors is to advise the insurer of the ideal repairer in case of (an) accident related damages.

Lastly, the researcher asked if assessors are necessary in managing motor claims costs. The results indicate that 0 (0%) strongly disagreed, 0 (0%) disagreed, 3 (4%) were neutral, 27 (36%) agreed and 46 (61%) strongly agreed that assessors are necessary in managing motor claims costs. The mean value obtained was 4.57 and it gives the overall position that assessors are necessary in managing motor claims costs.

In line with this objective, the researcher paused an open ended question to find if there are any other roles that the researcher may not have listed on closed ended questions. The researcher established that on top of the ones that the closed ended questions showed, it is also the role of assessors to advise insurers of causes of delay in finalizing assessments. They also assess the costs with repairers by comparing parts sources. They advise insurers on risk management, spare parts procurement and indicate reputable repairers.

The roles of an assessor have been outlined by Gitau (2015) and Crompton and MacKay (2002) who summarize that an assessor is someone who is at the core of the entire claim settlement process. They work on behalf of the insurer and the claimant, to evaluate the loss that has affected insured property and help to facilitate a fair compensation for the claimant by the insurer.

4.8 Effectiveness of Current Assessment Processes in Promoting Fair Pricing

The researcher asked respondents to determine the effectiveness of current assessment processes in promoting fair pricing. The researcher, for consistency reasons used the same approach in the previous section. The findings are presented in form of percentages, frequencies and mean. The mean value assists in giving the overall position about a given scenario.

Table 4. 4: Effectiveness of Current Assessment Processes in Promoting Fair Pricing

Statement	**SD**	**D**	**N**	**A**	**SA**	**Mean**
The current assessment processes are short, leading to a short time to settle a claim.	0(0%)	5(7%)	27(36%)	40(53%)	4(5%)	3.57
The current assessment processes are cost effective in settling an insurance claim.	0(0%)	14(18%)	5(7%)	37(49%)	20(26%)	3.83
The current assessment processes are accurate in approximating repair costs of an insurance claim.	2(3%)	13(17%)	17(22%)	35(46%)	9(12%)	3.47
The current claim assessment processes are fraud free.	2(3%)	37(49%)	25(33%)	12(16%)	0(0%)	2.62
The possessed skills by the assessors are adequate for their job.	0(0%)	10(13%)	36(47%)	30(39%)	0(0%)	3.26

Source: Primary data.

Table 4.4 indicates that to a larger extent, the respondents agreed that the current assessment processes are short, leading to a short time to settle a claim and that the current assessment processes are cost effective in settling an insurance claim as shown by the mean scores which are at least 3.5. Respondents were neutral that the current assessment processes are accurate in approximating repair costs of an insurance claim, the current claim assessment processes are fraud free and the possessed skills by the

assessors are adequate for their job as reflected by the mean scores between 2.5 and 3.49 inclusive.

Table 4.4 indicates that when respondents were asked if the current assessment processes take a short time to settle a claim, the results show that 0 (0%) strongly disagreed, 5 (7%) disagreed, 27 (36%) were neutral, 40 (53%) agreed and 4 (5%) strongly agreed that the current assessment processes take a short time to settle a claim. The mean value obtained was 3.57 and it gives the overall position that the current assessment processes take a short time to settle a claim.

Secondly, when respondents were asked if the current assessment processes are cost effective in settling an insurance claim, the results show that 0 (0%) strongly disagreed, 14 (18%) disagreed, 5 (7%) were neutral, 37 (49%) agreed and 20 (26%) strongly agreed that current assessment processes are cost effective in settling an insurance claim. The mean value obtained was 3.83 and it gives the overall position that the current assessment processes are cost effective in settling an insurance claim.

Thirdly, the researcher asked if the current assessment processes are accurate in approximating repair costs of an insurance claim, the results show that 2 (3%) strongly disagreed, 13 (17%) disagreed, 17 (22%) were neutral, 35 (46%) agreed and 9 (12%) strongly agreed that current assessment processes are accurate in approximating repair costs of an insurance claim. The mean value obtained was 3.47 and it gives the overall position that there is little evidence to conclusively claim that the current assessment processes are accurate in approximating repair costs of an insurance claim.

In addition, the researcher asked if current claim assessment processes are fraud free. The results show that 2 (3%) strongly disagreed, 37 (49%) disagreed, 25 (33%) were neutral, 12 (16%) agreed and 0 (0%) strongly agreed that current claim assessment processes are fraud free. The mean value obtained was 2.62 and it gives the overall position that there is no evidence to claim that the current claim assessment processes are fraud free.

The last question asked was to determine if the possessed skills by the assessors are adequate for their job. The results show that 0 (0%) strongly disagreed, 10 (13%)

disagreed, 36 (47%) were neutral, 30 (39%) agreed and 0 (0%) strongly agreed that the possessed skills by the assessors are adequate for their job. The mean value obtained was 3.26 and it gives the overall position that there is no evidence to claim that the possessed skills by the assessors are adequate for their job.

4.8.1 Assessor's role in promoting fair pricing

The other objective of the study was to assess the effectiveness of assessors in promoting fair pricing. The Pearson correlation analysis was used and the results are presented in Table 4.5 below.

Table 4. 5: Correlational Analysis Results

		Assessor's Role	Fair Pricing
Assessor's Role	Pearson Correlation	1	.298
	Sig. (2-tailed)		.626
	N	76	76
Fair Pricing	Pearson Correlation	.298	1
	Sig. (2-tailed)	.626	
	N	76	76

Source: Primary data.

The correlational analysis test results in Table 4.5 show that there is a positive correlation between the roles of assessors and fair pricing (r = 0.298). However, the relationship is insignificant (p-value=0.656). This statistically shows that the roles of assessors are slightly resulting in fair pricing but their ability is weak hence they cannot be said to be highly effective. They are effective only to a limited extent. These findings contradict with the findings of McCurry, (2017) who found out that the effectiveness of artificial intelligence in claims processing include fair pricing as one of the key areas of efficiency.

4.9 Effectiveness of Assessment Processes in Fraud Management

The researcher asked respondents to determine the effectiveness of current assessment processes in fraud management. The findings are presented in form of percentages,

frequencies and mean. The mean value assists in giving the overall position about a given scenario.

Table 4. 6: Effectiveness of Assessment Processes in Fraud Management

Statement	**SD**	**D**	**N**	**A**	**SA**	**Mean**
There are strict controls on the assessors' roles in assessing insurance claims.	0(0%)	7(9%)	17(22%)	36(47%)	16(21%)	3.80
There is likelihood of fraud detection during insurance claim assessments.	0(0%)	4(5%)	14(18%)	38(50%)	20(26%)	3.97
There are clear policies with regard to acceptable behavior in insurance claims assessment process.	0(0%)	1(1%)	24(32%)	48(63%)	3(4%)	3.70
The whole insurance claims assessment process is transparent.	0(0%)	10(13%)	32(42%)	34(45%)	0(0%)	3.32
The whole insurance claims assessment process gives an opportunity to assessors to commit fraud.	2(3%)	20(26%)	32(42%)	18(24%)	4(5%)	3.03

Source: Primary data.

Table 4.6 shows that respondents agreed that there are strict controls on the assessors' roles in assessing insurance claims, there is likelihood of fraud detection during insurance claim assessments and there are clear policies with regard to acceptable behavior in insurance claims assessment process as indicated by mean scores between 3.5 and 4. Respondents were also neutral about the transparency of whole insurance claims

assessment process and that the whole insurance claims assessment process gives an opportunity to assessors to commit fraud as indicated by mean scores between 3 and 3.5.

In the first scenario, when respondents were asked if there are strict controls on the assessors' roles in assessing insurance claims, the results show that 0 (0%) strongly disagreed, 7 (9%) disagreed, 17 (22%) were neutral, 36 (47%) agreed and 16 (21%) strongly agreed that there are strict controls on the assessors' roles in assessing insurance claims. The mean value obtained was 3.80 and it gives the overall position that there are strict controls on the assessors' roles in assessing insurance claims.

To further verify the effectiveness of current assessment processes in fraud management, the researcher asked if there is likelihood of fraud detection during insurance claim assessments per their assessment. The results show that 0 (0%) strongly disagreed, 4 (5%) disagreed, 14 (18%) were neutral, 38 (50%) agreed and 20 (26%) strongly agreed that there is likelihood of fraud detection during insurance claim assessments per their assessment. The mean value obtained was 3.97 and it gives the overall position that there is likelihood of fraud detection during insurance claim assessments per their assessment.

Again, to further verify the effectiveness of current assessment processes in fraud management, the researcher asked if there are clear policies with regard to acceptable behavior in insurance claims assessment process. The results show that 0 (0%) strongly disagreed, 1 (1%) disagreed, 24 (32%) were neutral, 24 (32%) agreed and 48 (63%) strongly agreed that there are clear policies with regard to acceptable behavior in insurance claims assessment process. The mean value obtained was 3.70 and it gives the overall position that there are clear policies with regard to acceptable behavior in insurance claims assessment process.

In addition, the researcher asked if the insurance claims assessment process is transparent. The results show that 0 (0%) strongly disagreed, 10 (13%) disagreed, 32 (42%) were neutral, 34 (45%) agreed and 0 (0%) strongly agreed that there are clear policies with regard to acceptable behavior in insurance claims assessment process. The mean value obtained was 3.32 and it gives the overall position that there is no firm

evidence to claim that the policies with regard to acceptable behavior in insurance claims assessment process are clear.

Lastly, the researcher asked if the insurance claims assessment process gives an opportunity to assessors to commit fraud. The results show that 2 (3%) strongly disagreed, 20 (26%) disagreed, 32 (42%) were neutral, 18 (24%) agreed and 4 (5%) strongly agreed that insurance claims assessment process gives an opportunity to assessors to commit fraud. The mean value obtained was 3.03 and it gives the overall position that there is no evidence to claim that insurance claims assessment process gives an opportunity to assessors to commit fraud.

Further, there was an open ended question on fraud management and respondents were of view that t fraud by the insured is nowadays getting sophisticated as the insured can now craft fake police reports. The open ended question also revealed that it takes a “mastermind” to commit fraud in insurance because of the need to coordinate too many links in the claims chain, but when it happens it is difficult to detect.

4.9.1 Assessor’s role in managing fraud

The other objective of the study was to assess the effectiveness of assessors in managing fraud. Pearson correlation analysis was used and the results are presented in Table 4.7 below.

Table 4. 7: Correlational Analysis Results

		Assessor's Role	Fraud Management
Assessor's Role	Pearson Correlation	1	.460
	Sig. (2-tailed)		.436
	N	76	76
Fraud Management	Pearson Correlation	.460	1
	Sig. (2-tailed)	.436	
	N	76	76

Source: Primary data.

The correlational analysis test results show that there is a positive correlation between the roles of assessors and fraud management (r = 0.460). However, the relationship is insignificant (p-value=0.436). This statistically shows that the roles of assessors are slightly managing fraud but their ability is weak hence they cannot be commented to be highly effective. They are effective only to a limited extent. However, evidence in other countries especially those countries that use artificial intelligence show that assessors are instrumental in fraud reduction if they are equipped with the state of the art artificial intelligence systems. For example, McCurry, (2017) rightfully state that the effectiveness of artificial intelligence in claims processing include the speed with which insurance processing has been increased, cost reduction, reduction in fraud, accuracy in determining repair costs among other areas of efficiency.

4.10 Strategies to Improve the Insurance Assessment Processes

In the last objective, the researcher asked respondents to share the best strategies that can be used to improve the insurance assessment processes. The findings are presented in form of percentages, frequencies and mean. The mean value assists in giving the overall position about a given scenario.

Table 4. 8: Strategies to improve the insurance assessment processes

Statement	SD	D	N	A	SA	Mean
There should be a standardized procedure of assessing insurance claims.	3 (4%)	4 (5%)	2 (3%)	34 (45%)	33 (43%)	4.18
There should be central databases on the costs of motor parts and repair times to promote consistency in the cost of repairs.	4 (5%)	3 (4%)	5 (7%)	13 (17%)	51 (67%)	4.37
There should be strict regulation and enforcement of professional conduct in assessing insurance claims.	5 (7%)	2 (3%)	0 (0%)	25 (33%)	44 (58%)	4.33
Repair workshops can be used as accident reporting centers linked with insurers	6 (8%)	4 (5%)	10 (13%)	31 (41%)	25 (33%)	3.86
It is best to use internal assessors for loss assessments	9 (12%)	7 (9%)	13 (17%)	26 (34%)	21 (28%)	3.57
It is best to use external assessors for loss assessments	7 (9%)	27 (36%)	17 (22%)	25 (33%)	0 (0%)	2.79
Artificial intelligence should be adopted to improve damage assessment.	4 (5%)	3 (4%)	6 (8%)	28 (37%)	35 (46%)	4.14
Artificial intelligence should be adopted for cost estimation.	5 (7%)	2 (3%)	3 (4%)	20 (26%)	46 (61%)	4.32

Source: Primary data.

The research findings show that the better strategies that can be used in claims assessments are standardizing the procedure of assessing insurance claims, centralizing

databases on the costs of motor parts and repair times to promote consistency in the cost of repairs, regularizing and enforcing of professional conduct in assessing insurance claims, adopting artificial intelligence to improve damage assessment and adopting artificial intelligence should be adopted for cost estimation as shown by the mean values above 4. The other strategies that can be good for claims assessments are using repair workshops as accident reporting centers linked with insurers and using internal assessors for loss assessments as indicated by the mean scores greater than 3.5 but less than 4. However, respondents were neutral about the use external assessors in loss assessments as a strategy as indicated by the mean value closer to 3 than it is to 2.

Regarding the best strategies in claims assessment, in the first scenario, the researcher asked if the use of standardized procedure in assessing insurance claims can be a best strategy to manage costs and reducing fraud. The results show that 3 (4%) strongly disagreed, 4 (5%) disagreed, 2 (3%) were neutral, 34 (45%) agreed and 33 (43%) strongly agreed that the use of standardized procedure in assessing insurance claims can be a best strategy to manage costs and reducing fraud. The mean value obtained was 4.18 and it gives the overall position that the use of standardized procedure in assessing insurance claims can be a best strategy to manage costs and reducing fraud.

In the second scenario, the researcher asked if the use of central databases on the costs of motor parts and repair times promote consistency in the cost of repairs. The results show that 4 (5%) strongly disagreed, 3 (4%) disagreed, 5 (7%) were neutral, 13 (17%) agreed and 51 (67%) strongly agreed that the use of central databases on the costs of motor parts and repair times promote consistency in the cost of repairs. The mean value obtained was 4.37 and it gives the overall position that the use of central databases on the costs of motor parts and repair times promote consistency in the cost of repairs.

In addition, the researcher asked if the use of strict regulation and enforcement of professional conduct in assessing insurance claims can be a best strategy to manage costs and reducing fraud in insurance claims. The results show that 5 (7%) strongly disagreed, 2 (3%) disagreed, 0 (0%) were neutral, 25 (33%) agreed and 44 (58%) strongly agreed that the use of strict regulation and enforcement of professional conduct in assessing insurance claims can be a best strategy to manage costs and reducing fraud

in insurance claims. The mean value obtained was 4.33 and it gives the overall position that the use of strict regulation and enforcement of professional conduct in assessing insurance claims can be a best strategy to manage costs and reducing fraud in insurance claims.

Further, the researcher asked if linking repair workshops with accident reporting centers is an effective strategy to manage costs and reducing fraud in insurance claims. The results show that 6 (8%) strongly disagreed, 4 (5%) disagreed, 10 (13%) were neutral, 31 (41%) agreed and 25 (33%) strongly agreed that linking repair workshops with accident reporting centers can be an effective strategy to manage costs and reducing fraud in insurance claims. The mean value obtained was 3.86 and it gives the overall position that linking repair workshops with accident reporting centers can be a good strategy to manage costs and reducing fraud in insurance claims.

In addition, the researcher asked if it is best to use internal assessors for loss assessments. The results show that 9 (12%) strongly disagreed, 7 (9%) disagreed, 13 (17%) were neutral, 26 (34%) agreed and 21 (28%) strongly agreed that it is best to use internal assessors for loss assessments. The mean value obtained was 3.57 and it gives the overall position that it is best to use internal assessors for loss assessments.

The researcher asked if it is best to use external assessors for loss assessments. The results show that 7 (9%) strongly disagreed, 27 (36%) disagreed, 17 (22%) were neutral, 25 (33%) agreed and 0 (0%) strongly agreed that it is best to use external assessors for loss assessments. The mean value obtained was 2.79 and it gives the overall position that there is no basis to claim that it is best to use external assessors for loss assessments.

Further, the researcher asked if artificial intelligence can improve damage assessment. The results show that 4 (5%) strongly disagreed, 3 (4%) disagreed, 6 (8%) were neutral, 28 (37%) agreed and 35 (46%) strongly agreed that artificial intelligence can improve damage assessment. The mean value obtained was 4.14 and it gives the overall position that artificial intelligence can improve damage assessment.

Lastly, the researcher asked if artificial intelligence can be adopted for cost estimation. The results show that 5 (7%) strongly disagreed, 2 (3%) disagreed, 3 (4%) were neutral, 20 (26%) agreed and 46 (61%) strongly agreed that artificial intelligence can be adopted for cost estimation. The mean value obtained was 4.32 and it gives the overall position that artificial intelligence can be adopted for cost estimation.

The open ended question yielded responses that are mainly skewed towards the use of artificial intelligence in claims processing. The summary of the views by respondents shows that respondents claim that artificial intelligence reduce fraud as prices would be uniform. It is fast and effective although in general accuracy can never be guaranteed in any method. It reduces costs through standardization and its data base be handy in picking up frequent claimants. Respondents also suggested that artificial intelligence can be linked to Zimbabwe National Roads Agency (ZINARA), Central Vehicle Registry (CVR) and Vehicle theft section of the Zimbabwe Republic Police (ZRP) for general tracking of claims, repair jobs e.g. even change of color, vehicle movement history. In addition, there was a general feeling among respondents that internal assessors are more effective than external assessors as they are familiar with respective companies' culture(s) and strategies and employ these during assessments, for example, speed and risk management issues, benefiting the respective companies more.

The findings around the best practices in claims assessment point to the findings of other past researchers such as Krotoszynski, (2015) indicates that conventional claim processing has inefficiencies. Contemporary claims processing has gone far in trying to rectify the loopholes of the conventional claim processing. Developed countries have adopted artificial intelligence in claims assessing making assessment of claims more efficient than before.

4.11 Chapter Summary

The chapter presented the research findings starting with findings with respect to demographic and background information of respondents and then presented the results of the main research findings. The findings were presented in the form of descriptive statistics of percentages, frequencies and mean values. To ascertain the effectiveness of the role of the assessor in fraud management and fairness in pricing, the researcher used

correlational analysis. The next chapter presents the summary of findings, their conclusions and the recommendations to the motor insurance sector and other related sectors.

CHAPTER V: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The main purpose of the study was to evaluate the role of motor vehicle assessors in claim assessments in the Zimbabwean short term insurance sector. This chapter presents the summary of findings and concludes the study. First, the researcher first presents the recap of the research objectives. This is then followed by the summary of the whole research and summaries of the research findings are presented. The conclusions of the research objectives and the recommendations to the research stakeholders are also presented. The researcher also gives recommendations to further researches.

5.2 Recap of research objectives

1. To assess the role of motor claims assessors in the Zimbabwean short term insurance sector.
2. To evaluate the effectiveness of current claim assessment method being used by claim assessors in Zimbabwe
3. To assess the effectiveness of claims assessors in promoting fair pricing.
4. To propose possible strategies to improve or replace the current assessment model.

5.3 Summary

This section presents a summary of findings organized according to the objectives of the study

5.3.1 The role of motor claims assessors in Zimbabwe

The research found out that motor claims assessors assess damages and loss circumstances, in connection with insured accidents to determine the details and magnitude of the damage, the repair costs of the damage that is covered by insurance, manage motor claims costs and advise the insurer of the ideal repairer in case of (an) accident related damages. Evidence also shows that assessors do not advise the insured if the motor accident is covered by their insurance. There was no evidence to confirm that assessors visit motor accident scene to confirm visually and understand the nature of the

accident that could have occurred. Overall, the results indicate that the major role of claims assessors in Zimbabwe is to assess damages and loss circumstances, which is in tandem with the claims by Crompton and MacKay (2017), Jothi (2016), Kelly (2018) and Cheng and Weiss (2015) who claimed that the role of claims assessors in the motor insurance industry is to assess damages and loss circumstances. However, the other results that claims assessors in Zimbabwe assessors do not advise the insured if the motor accident is covered by their insurance and that there is no evidence to confirm that assessors visit motor accident scene to confirm visually and understand the nature of the accident that could have occurred contradict the claims by Cheng and Weiss (2015) who highlighted that claims assessors physically visit accident scenes to understand the nature of the accident.

5.3.2 Effectiveness of motor claims assessors in fraud management in Zimbabwe

The research study revealed that there are strict controls on the assessors' roles in assessing insurance claims, there is likelihood of fraud detection during insurance claim assessments and there are clear policies with regard to acceptable behavior in insurance claims assessment process, which is in line with the claims by Munawar (2014). There was no basis to claim that the whole insurance claims assessment process is transparent and that the whole insurance claims assessment process gives an opportunity to assessors to commit fraud, which is in conflict with the findings of Qadeer (2013). The correlational analysis show that there is a positive but insignificant correlation between the roles of assessors and fraud management, which conflicts the results of Gachau (2015) who established a significant relationship correlation between the two variables. The roles of assessors are effective to a lesser extent in managing fraud.

5.3.3 Effectiveness of motor claims assessors in promoting fair pricing in Zimbabwe

The research found out that the current assessment processes are short, leading to a short time to settle a claim and that the current assessment processes are cost effective in settling an insurance claim, which agrees with the proposition and findings of Yusuf and Ajemunigbohun (2015). There was no evidence to state that the current assessment

processes are accurate in approximating repair costs of an insurance claim, the current claim assessment processes are fraud free and the possessed skills by the assessors are adequate for their job, which does not tally with the findings of TeleTech (2015), which established that with claims assessors, there is significant accuracy of claim costs approximations. The correlational analysis show that there is a positive but insignificant correlation between the roles of assessors and fair pricing, which does not confirm the finding of Auto Claims Satisfaction Study (2016) who found a significant relationship between the role of claim assessors and fair pricing. The roles of assessors are effective to a lesser extent in promoting fair pricing.

5.3.4 Possible strategies to improve motor claims assessment in Zimbabwe

The research found out that the best strategies that can be used in claims assessments include standardizing the procedure of assessing insurance claims, centralizing databases on the costs of motor parts and repair times to promote consistency in the cost of repairs, regularizing and enforcing of professional conduct in assessing insurance claims, adopting artificial intelligence to improve damage assessment and a for cost estimation, which is line with the claims and recommendations by EY (2010), Njuguma (2019), Ambuko (2013) and Bazuka (2016). The other strategies that can be helpful for claims assessments are using repair workshops as accident reporting centers linked with insurers and using internal assessors for loss assessments, which agrees with the claims of Nyaguthii (2013). There was no evidence to state that using external assessors in loss assessments is a good strategy, which conflicts with the claims by Gessese (2018).

5.4 Conclusions

The research concludes that motor claims assessors assess damage caused by insured perils to determine the details and magnitude of the damage. They determine the repair costs of the damage that is covered by insurance. The study also concludes that there are strict controls on the assessors' roles in assessing insurance claims, there is likelihood of fraud detection during insurance claim assessments and that there are clear policies with regard to acceptable behavior in insurance claims assessment process. Currently, the motor claims assessors are less effective in managing fraud.

The research study also concludes that current assessment processes affords a short time to settle a claim and are cost effective. The claims assessors are effective to a lesser extent in promoting fair pricing. The research further concludes that best strategies in claims assessments include standardizing the procedure of assessing insurance claims, centralizing databases on the costs of motor parts and repair times to promote consistency in the cost of repairs, regularizing and enforcing of professional conduct in assessing insurance claims, adopting artificial intelligence to improve damage assessment and for cost estimation. The use of repair workshops as accident reporting centers linked with insurers and using internal assessors for loss assessments are also concluded to be useful strategies in claims assessments.

5.5 Recommendations

Based on the findings of the study, the researcher makes the following recommendations to various stakeholders.

5.5.1 The regulator, IPEC

Assessors have not been found to provide advice about their insurance covers to the insured when they get involved in an accident. This is in not keeping with what is expected of their role according to literature reviewed. The researcher recommends that IPEC revises and enforces its insurance guidelines and rules and ensure that the insured get the necessary assistance from the assessors. It becomes unfair for the insurance industry to seem favoring the insurer in terms of advice, with assessors neglecting to equally advise the insured parties.

The research established that there is no basis to claim that the whole insurance claims assessment process is transparent. This shows that there is a loophole in the insurance claims assessment process. Motor vehicles are valuable properties that are sensitive to loss and expensive to replace. This makes transparency in insurance claims assessment process highly necessary. Good corporate governance practices can be used such as mandatory disclosure of all stages and their paperwork in the whole insurance claims assessment process. IPEC can ensure that there is professional conduct in assessing insurance claims in Zimbabwe.

The research found out that there is no clear basis to claim that assessment process does not give an opportunity to assessors to commit fraud. This means that assessors have some room to commit fraud. This is again unfair on the side of the insured and the insurer. There is need for the regulatory authorities to ensure that the whole insurance claims assessment process is free from fraudulent activities. This can be through enforced automation of most of the insurance claims assessment process.

The researcher also recommends that short term motor insurance in Zimbabwe should have standardized procedures of assessing insurance claims. This is necessary to enhance fairness of the whole insurance claims assessment process. Any deviation from the standard should attract appropriate censure from IPEC, the regulator.

It is also recommended that the motor insurance industry should have centralized databases on the costs of motor parts and repair times to promote transparency and consistency in the cost of repairs.

5.5.2 Insurance companies

The finding that assessors seemingly do not visit motor accident scene to confirm visually and understand the nature of the accident that could have occurred shows that their assessment is incomplete and inadequate. It is recommended that reports of accidents should be mandated to be accompanied by reports of site visits. Evidence in other countries shows that assessors if not in person, they digitally get visuals of the scene of accident to make fair assessments of the accidents which is necessary in insurance claim processing.

Further, insurance companies need to choose those claims assessors that are renowned for good service, competency and reliability. Benchmarking with other insurance companies on how and who to choose as claims assessors can be done. Further, a requirement that the claims assessor has visited the accident scene and physically assessed the nature of the damage can be made mandatory by insurers for all assessments.

5.5.3 Claims assessors

The research found no evidence to state that the current assessment processes are accurate in approximating repair costs of an insurance claim. This calls for artificial intelligence based systems that are accurate in giving repair costs of an insurance claim. Other countries such as Japan have resorted to using robotic advisory services such as the Scalable Capital service to ensure that that the repairer costs are accurate. The same systems can be considered for adoption in Zimbabwe.

Claims assessors are also recommended to benchmark the assessment procedures from other claims assessors in advanced markets. Examples of what can be benchmarked include timing of claim assessments, and criteria of choosing suppliers of spare parts and repairers.

5.5.4 Motor repair workshops

The researcher recommends that repair workshops be linked with insurers as accident reporting centers. This can help to cut the delay between processing insurance claims and getting the motor vehicle repaired. This also helps to improve the whole customer service experience in motor car insurance claims process.

5.6 Recommendations for further studies

This research was able to evaluate the effectiveness of the roles of assessors in fraud management and in promoting fair pricing. The research showed that assessors in Zimbabwe are not very effective in managing fraud and promoting fair pricing. The research could not establish, but only infer, where the missing link is, with respect to why their roles are not effective to the greatest extent as could be expected in claims evaluation in the short term motor insurance sector.

It is recommended that future research should attempt to establish the reasons that are countering the efforts in the roles of assessors. This can be done through interactive research approaches such as using interviews and focus group discussion (FGDs). Besides zeroing in on where the role of assessors is crippled, these interactive

approaches can unveil other related issues in the motor insurance claim processing in Zimbabwe.

Other recommendations for future research are that, future researchers can engage motorists and victims of accidents who could have claimed insurance and assess their experience to have a comprehensive picture of the motor insurance claim process. All parties should be engaged in a similar research survey to have a clearer picture of the loopholes of motor insurance claims processing in Zimbabwe.

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APPENDICES

Appendix 1. 1: Research questionnaire

My name is Tendai Chingovo [STUDENT ID: 143114]. I am studying towards IIZ FELLOWSHIP. In partial fulfilment of my studies, I am supposed to carry out a research study. In compliance with this requirement, I have chosen to do a research titled **"An evaluation of the role and effectiveness of motor vehicle claim assessors in claims assessments in the Zimbabwe short term insurance sector."** I kindly ask you to help me with information so that I can complete my research. All the information that you may provide shall be used for academic purposes only and shall be treated with strict confidentiality.

My contact details:

Cell: +263 77 223 8741
Email: chingovotendai@gmail.com

Instructions

1. Please do not write your name or contact details on this questionnaire.
2. Please respond by ticking [√] the appropriate box (es) where applicable and write in full in the spaces provided where specified.

SECTION A: DEMOGRAPHICS AND BACKGROUND INFORMATION

A1. Indicate your gender.

1	Male	
2	Female	

A2. Indicate your age group.

1	Below 30 years	
2	30-40 years	
3	41-50 years	
4	Above 50 years	

A3. Indicate your role in motor insurance claim processing.

1	Insurance Management	
2	Underwriting	
3	Claims Processing	
4	Repairer	
5	Assessor	

A4. For how long have you been working in your role?

1	0-5 years	
2	6-10 years	
3	11-15 years	
4	16-20 years	
5	Above 20 years	

SECTION B: ROLES OF A MOTOR CLAIMS ASSESSOR

B1. Show the extent of agreement or disagreement with each of the following statements.
Key: 1 = Strongly Disagree (SD), 2=Disagree (D), 3=Neutral (N) 4=Agree (A) and 5=Strongly Agree.

Statements		SD	D	N	A	SA
		1	2	3	4	5
1	Assessors visit motor accident scene to confirm visually and understand the nature of the accident that could have occurred.					
2	Assessors assess the damage caused by the accident to determine the details and magnitude of the damage.					
3	Assessors advise the insured if the motor accident is covered by their insurance.					
4	Assessors determine the repair costs of the damage that is covered by insurance.					
5	Assessors have a duty to advise the insurer of the ideal repairer in case of (an) accident related damages					
6	Assessors are necessary in managing motor claims costs					

B2. If there are any roles that assessors execute other than the ones indicated above, list them in the spaces provided below.

_____

_____

_____

SECTION C: EFFECTIVENESS OF CURRENT ASSESSMENT PROCESSES IN PRMOTING FAIR PRICING

C1. Show the extent of agreement or disagreement with each of the following statements.
KEY: 1 = Strongly Disagree (SD), 2=Disagree (D), 3=Neutral (N) 4=Agree (A) and 5=Strongly Agree.

Statements		SD	D	N	A	SA
		1	2	3	4	5
1	The current assessment processes are short, leading to a short time to settle a claim.					
2	The current assessment processes are cost effective in settling an insurance claim.					
3	The current assessment processes are accurate in approximating repair costs of an insurance claim.					
4	The current claim assessment processes are fraud free.					
5	The possessed skills by the assessors are adequate for their job.					

C2. What else would you like to say about the effectiveness of assessment processes in terms of cost management?

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SECTION D: EFFECTIVENESS OF ASSESSMENT PROCESSES IN FRAUD MANAGEMENT

D1. Show the extent of agreement or disagreement with each of the following statements.
KEY: 1 = Strongly Disagree (SD), 2=Disagree (D), 3=Neutral (N) 4=Agree (A) and 5=Strongly Agree.

Statements		SD	D	N	A	SA
		1	2	3	4	5
1	There are strict controls on the assessors' roles in assessing insurance claims.					
2	There is likelihood of fraud detection during insurance claim assessments.					
3	There are clear policies with regard to acceptable behavior in insurance claims assessment process.					
4	The whole insurance claims assessment process is transparent.					
5	The whole insurance claims assessment process gives an opportunity to assessors to commit fraud.					

D2. What else would you want to say about the effectiveness of assessment processes in terms of fraud management?

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SECTION E: STRATEGIES TO IMPROVE THE INSURANCE ASSESSMENT PROCESSES

E1. Show the extent of agreement or disagreement with each of the following statements.
KEY: 1 = Strongly Disagree (SD), 2=Disagree (D), 3=Neutral (N) 4=Agree (A) and 5=Strongly Agree.

Statements		SD	D	N	A	SA
		1	2	3	4	5
1	There should be a standardized procedure of assessing insurance claims.					
2	There should be central databases on the costs of motor parts and repair times to promote consistency in the cost of repairs.					
3	There should be strict regulation and enforcement of professional conduct in assessing insurance claims.					
4	Repair workshops can be used as accident reporting centers linked with insurers					
5	It is best to use internal assessors for loss assessments					
6	It is best to use external assessors for loss assessments					
7	Artificial intelligence should be adopted to improve damage assessment.					
8	Artificial intelligence should be adopted for cost estimation.					

E2. What are your views regarding the use of Artificial Intelligence in insurance motor claims assessment processes?

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THE END: THANK YOU