



Original article

The Insurance Behavior Evaluation Process of Workers in the Container Terminal Operation Context: An Example in the Port of Kaohsiung [☆]

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Abstract

The aims: This study aims to elucidate workers' compensatory accident insurance purchasing behavior, as well as proposing a model to explain the behavioral intentions of front-line workers to purchase compensatory accident insurance.

The scope: The workers of the container terminal in the Kaohsiung port were used as the sample in this study.

Methodology: A questionnaire survey was administered to collect workers' perceptions of accident insurance. The analysis methods of EFA, CFA and SEM were employed for further analysis.

Conclusions: According to a primary component factor analysis, three dimensions of insurance perception were found: perceived risk; perceived need for accident insurance; and perceived usefulness of accident insurance. The findings indicate that perceived risk, perceived need, and perceived usefulness of accident insurance positively affect the intention to purchase accident insurance. It is also found that perceived need constitutes the major factor affecting the intention of front-line workers to purchase accident insurance. However, perceived need is determined to play both a mediating and modulating role in the insurance behavior evaluation process model.

Keywords: *Insurance behavior; Evaluation process; Risk; Uncertainty; Container terminal*

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1. Introduction

An exemplary and robust health insurance system exists in Taiwan, which provides both complete health care and medical services for all citizens. In addition, within the system, blue-collar workers receive additional labor insurance. However, the insurance system does not offer full compensation for workers who have accidents in the workplace, as is customarily the case in many developed countries, such as Germany, Austria, and Japan. In Taiwan, there are still some cases in which a worker, as the major financial supporter of the family, experiences an adverse incident or accident that resulted in his or her family experiencing a major hardship. When these cases occur, they frequently involve low-level front-line workers. These situations have identified a major gap in insurance coverage for citizens in Taiwan. To protect against such serious losses, Taiwanese workers can purchase compensatory accident insurance. This is especially critical when the job in question is one that involves a high degree of risk of physical injury.

According to the statistics of the Labor Insurance Bureau of Taiwan (2016), 4.62 per one thousand people in the transportation and communication sector experienced an accidental occupational injury, a rate that is higher than average for all workers in Taiwan. Through conducting interviews with front-line workers in the transportation and communication sector, the authors discovered that most of them did not take any precautions against the occurrence of accidents that would cause them serious injury and require that they leave their jobs for a prolonged period of time. Insurance providers must provide customers with customized services and solutions that are appropriate to their total financial requirements. It is also necessary that insurance providers market effectively to prospective customers. However, many front-line workers do not own compensatory accident insurance protection. Why don't workers purchase compensatory accident insurance, especially when their work is associated with high risk of physical injury? Does the concept of insurance not seem sufficiently important to workers, or have insurance providers simply failed to attract their attention and convey the importance of such insurance?

Most extant research on insurance purchase decisions views purchasing insurance as merely a monetary transaction, and assumes that these decisions depend on well-specified quantitative factors, such as premiums, probability of loss, and size of compensation. However,

due to limited data availability, many consumers are initially not cognizant of the exact probability of loss. In fact, very few consumers actually use normative cost-benefit analyses to guide their insurance related decisions. Moreover, these decisions are frequently complicated and seem to result in anomalous behavior (Kunreuther and Pauly, 2005). However, Hsee and Kunreuther (2000) pointed out that a consumer's feeling toward an object is a determinant of decision-making. Therefore, consumers' perspectives on decision-making under uncertainty or decision-making under insufficient information were investigated in the present study.

With an aim to understand the primary factors affecting the behavioral intentions of workers to purchase compensatory accident insurance in the container terminal operation context, a model was also proposed that accounted for the determinants of the intention of front-line workers to purchase this insurance. This model employed with empirical data in the current study. In addition, the determinants of influencing factors were investigated, and their implications for the marketing strategies of insurance companies were discussed.

The organization of the current paper was divided into five sections. After the introduction presented above, the second section reviewed the relevant literature concerning insurance and the theory of reasoned action (TRA) to form the research concept and hypotheses. The methodology is presented in the third section. The fourth section contains the results of the analyses, including respondent profiles, exploratory factor analyses, confirmatory factor analyses, and hypotheses tests. The study findings and discussion are presented in the final section.

2. Literature Review

2.1. Theories Regarding the Decision Making

Prior researchers (Fishbein and Ajzen, 1975) assumed that individuals are usually rational and make systematic use of information available to them. More specifically, people are generally expected to consider the implications of an action before they decide whether or not to engage in it. Therefore, these researchers developed the theory of reasoned action (TRA), which identifies subjective norms and attitudes as the determinants of behavioral intentions to predict behaviors and outcomes (Ajzen and Fishbein, 1980, p.5). In 1989, Davis (1989), based on the TRA, developed the

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