

Using the Smart Education Experience of Insurance Specialization Students to Train Insurance Agents

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ABSTRACT

The problem of the research is that future insurers are aware of the need to implement SMART technologies in training insurance agents. However, in practice, insurance companies face the main difficulties in the lack of information and digital competence of insurance agents due to the rapid development of technologies and expectations of generation Z customers. The goal of the research is to identify the need to improve training programs for corporate schools of insurance agents, taking into account the requirements of generation Z agents. The article presents the results of a research conducted among students of insurance specialties in order to find out the demand for SMART technologies in training insurance agents. The leading method in the study of the problem is the method of questioning. Students of the second, third, fourth year of bachelor's and master's education at the Financial University were interviewed. The conclusion of the necessity to expand training programs for corporate schools of insurance agents, taking into account the requirements of generation Z agents, whose education should be flexible both in terms of content and in terms of teaching technologies facilitated by SMART education was made. The presented recommendations and conclusions can be intended for the use by educational organizations in outlining the problems of increasing the competence of insurance specialists, as well as by insurance companies in planning activities in the field of motivation of insurance agents.

Keywords: *smart education, insurance agent competence, generation Z, digital skills, studying motivation, insurance*

1. INTRODUCTION

The urgency of the problem is justified by the fact that at present a transformation of the modern information society into a SMART society is underway, which implies a new quality of society, where the interconnection of technological means, services and the Internet leads to qualitative changes in the interaction of the social subjects generally leading to new effects in socio-economic spheres of society. Many countries of the world, such as the Netherlands, Australia, Korea, declared SMART as a national idea [1] and proclaimed it as the main political task, in connection with which SMART strategies were developed and adopted in order to improve the competitiveness of the national economy in the world market. During the formation of the SMART society, the paradigm of education and educational technologies naturally changes, and these changes are associated with the development of the modern education system, which is based on SMART technologies that allow achieving a high-quality sustainable level of education, expanding the availability of education, regardless of where the person is, and when he/she wants to gain knowledge.

Modern trends of the new millennium were marked by the introduction of completely new information technologies that have become natural elements of the surrounding life (mobile phone, computer, Internet, etc.). The development

of an intellectual educational environment is based on the intensity of penetration of SMART technologies into everyday life, as well as on the patterns of development of the education system in the context of constantly changing challenges of the time. In turn, SMART technologies can be divided into two types: a) smart education using artificial intelligence; b) transition from WEB 2.0 to WEB 3.0. and cloud technologies. The listed contents, services, distributed data processing facilitate the receipt of information by the user in real time. Smart education creates new opportunities for researchers

Despite the fact that at present there is no precise definition of SMART education, it creates new opportunities for its research [2]: on the one hand, it is education with the use of artificial intelligence, capable of performing creative functions inherent only in humans, on the other On the other hand, SMART education is a new approach to education based on the symbiosis of information and communication technologies in order to achieve effective learning outcomes. Its goal is flexible learning in an interactive form using a free world information database. At the same time, if the classical education system is always geographically tied to the location of the educational institution, then with SMART education these boundaries are erased [3]. The reason for the emergence of SMART education was the massive use of SMART technologies in our life, which significantly differ from information

technologies in special properties that allow one or another device to be adapted to the needs of the user.

When using SMART technologies, the educational process is organized on the use of innovations and the Internet, which makes it possible to acquire professional competence in a specialty based on a systemic multidimensional vision and study of disciplines, taking into account their multidimensionality and continuous updating [4]. At the same time, the use of smart technologies in the educational process leads to the fact that students become more independent, involved and motivated [5].

The share of clients of generations Y, Z is growing significantly in the insurance market, which forces insurance companies to improve the service component, develop and implement mobile applications that allow clients to easily select and purchase a new insurance product that meets the client by all criteria, including the point in terms of optimizing its costs. The modern recipient of insurance services focuses on the speed of obtaining information, which is why insurers are actively introducing and using mobile applications, aggregator sites, financial supermarkets, which allow the client to quickly select an insurance product, and for registration it is only necessary to go to the website of the insurance company. At the same time, the number of partner companies and the choice of insurance products is limited, and the market requires more opportunities. Accordingly, insurance companies must have such a personnel potential that will ensure high-quality provision of services to clients both online and offline.

2. MATERIALS AND METHODS

During the research, the following methods were used: theoretical (analysis; synthesis; analogy method); diagnostic (questionnaire).

When analyzing the problem, we used information from the questionnaires completed by the above respondents. The toolkit (questionnaire) developed by the authors of the article was used. The data was collected using a Google form in an online survey.

Table 1 Number of completed questionnaires

Number of student questionnaires received	Quantity of responses
2nd and 3rd-year students	125
4th-year students	73
Total	198

2. Information about the most preferred methods of purchasing insurance services.

The results of the study showed that online services are in great demand among young people, as they allow them to

The purpose of the survey is to identify the need for the use of SMART training in the environment of insurance agents.

3. RESULTS AND DISCUSSION

In October-November 2019, a study was conducted among 2-4 year students of the Financial University under the Government of the Russian Federation. The study used data from a survey conducted among 198 respondents studying in financial specialties with a prevailing profile of insurance. In the study, the respondents were 2nd year undergraduate students (8% of the respondents), 3rd year undergraduate students (48% of respondents) and 2nd year graduate students (44% of respondents), studying in the fields and areas of training: insurance, business and social finance, state financial control. The significance of this study lies in the fact that despite the fact that the profession of an insurance agent is not in the first place in the rating of students' preferences, nevertheless, after the expiration of time, graduates of insurance specialties come to the agency profession (which is essentially a sign of the rejuvenation of the insurance industry) for various reasons, as well as graduates of other specialties come to it, therefore, this study has practical meaning and value from the point of view of improving the pedagogical process.

Let us describe the results of the study according to the criteria we have identified: quantitative data on the persons participating in the survey, data on the number of received questionnaires, information on the impact of digital tools on the quality of education, information on the need to introduce SMART technologies in the training of insurance agents.

Quantitative data about the persons participating in the survey.

The study involved 198 students aged 18-24 years.

1. Data on the number of received questionnaires are presented in Table 1.

purchase insurance products without leaving home. To the question "Which of the following methods would you prefer to buy an insurance product?" respondents answered in accordance with Table 2.

Table 2 Results of the survey of the most preferred methods of purchasing insurance services.

Options of responses	Quantity of responses	Percentage of the total number of responses
Online	133	67
Offline (through agents, managers)	65	33
Total	198	100

Despite the fact that in the conditions of digitalization online sales have gained great popularity, the following pattern is of interest: the less developed the market, the lower the share of online sales and the higher the share of the agency channel, since potential policyholders need explanations and tips. Conversely, the more developed the market, the lower the volume of agency sales [6]. At the same time, in both situations, the main constraints in the development of the online sales channel of insurance services in Russia are the traditional views of potential policyholders associated with their mentality, including the preference for personal contacts with the seller of the insurance service - the insurance agent, which was confirmed by our study. Despite the fact that the results of the survey showed that online services were in great demand among young people, more than 30% of

respondents needed personal contact with an insurance agent.

Thus, in order to meet the new conditions of the digital world, insurance agents must have universal competencies and skills in order to sell services both in person and online. In other words, the development of the SMART society imposes new requirements on agents: in addition to traditional insurance agency skills, it is necessary to have digital skills.

Information about the influence of digital tools on the quality of education.

To the question "Can the use of digital tools in teaching affect the quality of education?" the answers of the respondents were distributed as follows (Table 3).

Table 3 Results of the survey on the impact of digital tools on the quality of education

Options of responses	Quantity of respondent responses	Percentage of the total number of responses
Yes	182	92
No	0	0
Difficult to answer	16	8
Total	198	100

To the question "Do you think it is necessary for insurance companies to implement digital technologies in training

agents?" the answers of the respondents were distributed in the same way (Table 4).

Table 4 Results of the survey on the need to implement digital technologies in agent training

Options of responses	Quantity of respondent responses	Percentage of the total number of responses
Yes	182	92
No	0	0
Difficult to answer	16	8
Total	198	100

Currently, the agency sales channel in the insurance market is entering a renaissance phase:

1. Leading insurers (for example, Rosgosstrakh, Ingosstrakh, etc.) announced a significant renewal and expansion of the agent network;
2. There is an active digitalization of the activities of insurance agents;
3. Representatives of the generation Z become insurance agents (note: respondents of our research);
4. Corporate agency schools are being transformed in the direction of SMART training;
5. There is a significant transformation of approaches to commissions, incentives for insurance agents by various methods of motivation;
6. Significant changes are expected in the organization of insurance agents' activities in accordance with the requirements of the Basic Standards of the All-Russian Union of Insurers.

The main issues of the development of professional, educational technologies for personnel training, the development of insurance educational and qualification programs are developed by scientists and specialists of

universities, insurance organizations, insurance supervision bodies in scientific developments and publications, the implementation of the educational process, insurance activities [7]. At the same time, corporate schools of insurance agents created within insurance companies prevail in the modern Russian insurance market (for example, Soglasie, Rosgosstrakh VSK, RESO-Garantia, Ingosstrakh).

The modern practice of the school of primary selection and training of insurance agents speaks of the advantage of full-time education with persons who have work experience and higher education, and carries out, first of all, training in document flow technologies for the registration of insurance policies and financial reports for the company, and secondly - trainings by sales. 2003 to 2020 there was a decrease in the share of sales trainings, and an increase in the number of hours spent studying document flow technologies. This is due, firstly, to the relatively easy sale of OSAGO, which today practically does not require high qualifications of an insurance agent, and secondly, insurance companies are not interested in comprehensive training of all agents admitted to the

school (over time, not all agents remain in the company and the industry, but only motivated to develop in their profession and satisfied with the terms of cooperation - the commission amount, motivational programs, corporate culture, etc.). So, the majority of students are given the necessary minimum from the curriculum, which allows them to competently conclude insurance contracts, and insurers to save money on training. On the one hand, an excessively short training course does not allow to consolidate the knowledge of most professional competencies, which are acquired by graduates in the course of subsequent work [8]. On the other hand, in the case of successful sales, insurance agents expect deeper learning through trainings related to the intricacies of sales, customer acquisition, negotiations, insurance market analysis, etc. At the same time, the curricula of insurance agent schools at the corporate level of companies does not sufficiently take into account the requirements of generation Z agents, who by their nature need flexibility

and speed of learning through applications, online courses that allow to quickly build the necessary professional competencies and sales skills.

In the world insurance practice, neural networks are already used, representing a set of adaptive control problems or algorithms for robotics. The main advantage of these technologies is the possibility of learning, where, in the learning process, the neural network identifies complex dependencies between input and output data, and also performs analysis and generalization (Figure 1).

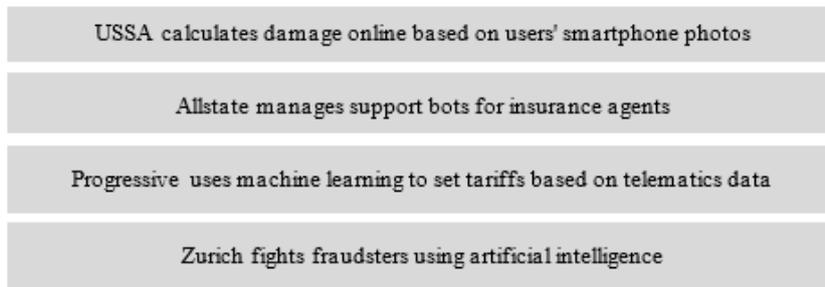


Figure 1 Use of neural networks in insurance in the world, compiled by the authors according to forebs.ru

The problems of defining and further developing the competences of employees of insurance companies are becoming more and more urgent due to the fact that today insurance companies are in dire need of highly qualified personnel [9]. The results of the study showed that SMART training, implemented using technological innovations and the Internet, is the most preferred training method for both insurance agents (92% of respondents) and insurance companies, which allows them to seamlessly train agents online and help them learn required professional competencies. At the same time, in the context of constantly changing customer preferences, the professional training of agents should become one of the rapidly updated both in terms of content, and in terms of technologies and training methods. In this sense, the rate of renewal of knowledge and technologies should be considered as a criterion for the quality of the education system [10].

It seems that insurance companies need to move to a new qualitative level of training for their employees in accordance with the new requirements of the time through SMART education, which differs from traditional methods of education by flexible training (it allows one to proceed from the individual preferences of each student). In particular, SMART technologies increase the efficiency of training insurance agents due to the use of a corporate package of programs, personal accounts of agents and their use for consulting and training insurance agents through the use of various digital devices, which makes it possible to

form an integrated intelligent virtual environment for training (Figure 2).

In general, advanced training programs for insurance agents contain the main blocks related to consulting individuals on various types of insurance products, selling insurance products to corporate clients, etc. At the same time, the main requirements for insurance agents include not only the active search for clients, their advice to clients and assistance in choosing insurance products, meetings, negotiations, the conclusion and execution of insurance contracts, but also the agent's participation in generating ideas for the modernization of insurance products which undoubtedly requires the digital skills of agents. This is primarily due to the peculiarities of the insurance market, where, due to insufficient insurance literacy of the population, an insurance service is more likely to be sold due to the professionalism of an insurance agent than bought by a client, that is, it is the insurance agent who is the carrier of new innovative and digital of insurance companies for the mass consumers.

In our opinion, standard training programs for insurance agents aimed at increasing sales of insurance products should be expanded and include, in addition to theoretical and practical blocks in their classical content, also blocks for the formation of digital skills that allow effective communication with the client online using various applications and programs, which, in general, will make it possible to quickly respond to customer needs using digital

technologies without losing an individual approach to customers. SMART education has benefits for both insurance agents and the insurers themselves. So, one of the key indicators of the training of an insurance agent is the performance

criterion, which is measured not by the volume of knowledge gained, but by the development of professional competencies and the ability to apply the knowledge gained in practice.

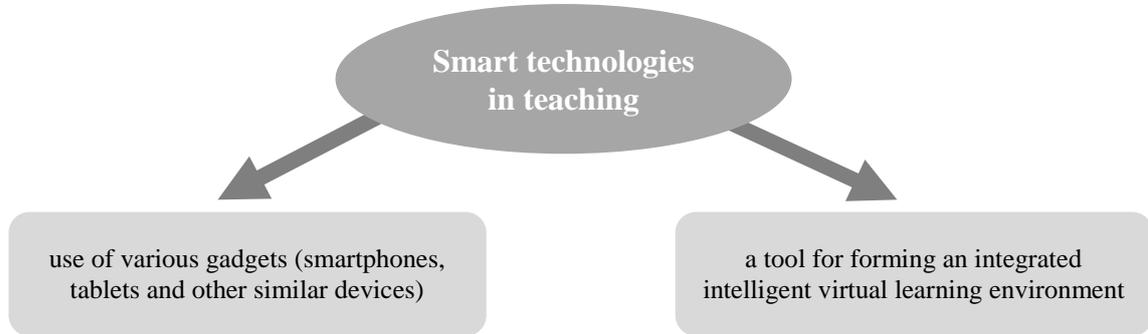


Figure 2 Functional purpose of SMART technologies in training insurance agents

Insurance agents receive continuous training regardless of time and place, which improves the availability of knowledge, followed by their application in practice, followed by the control of the head of the agent network. For example, within the framework of using the mentoring tool, the head of the agent network can, using the technologies discussed above, not only teach and convey information to the listeners, but also monitor the implementation of practical tasks at a distance. From the point of view of organizational and economic benefits for insurers, the use of SMART education allows easy access to information during the training period of agents and significantly reduces the cost of traveling to regions and organizing on-site training.

The need to improve the quality of the insurance product as part of its service component by providing an individual approach to each insured requires insurance agents to increase their level of competence and professionalism, and from insurance companies to develop an appropriate system of agent motivation (Figure 3).

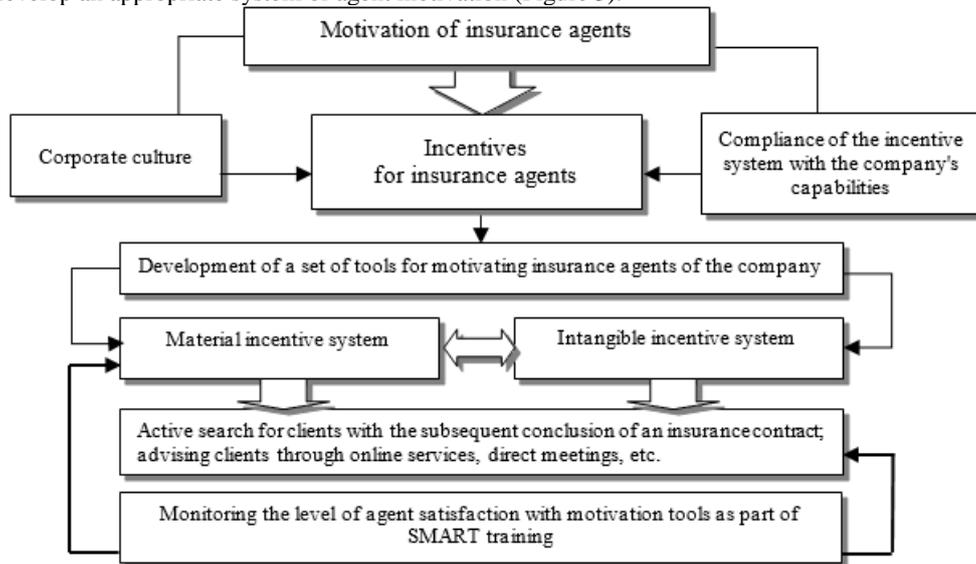


Figure 3 Diagram of the motivation system of insurance agents

Thus, the following can be singled out as intangible incentives for an insurance agent: free training; system of bonuses; mentoring; flexible work schedule; career growth opportunity; image incentive. Material incentive includes the commission amount. In this case, the main incentive for the insurer as a whole is to increase its competitiveness in the insurance market, which will be facilitated by the professional level of insurance agents satisfied with the internal incentive system.

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The importance of the study is determined by the need to expand the requirements for the personnel of insurance companies and the growing digitalization in the economy [12] and the education system. In order to achieve high positions, insurers need to have flexibility, the ability to adapt to changes and new requirements of the SMART society, to apply innovations not only in marketing components, but also in staff engagement and training.

4. CONCLUSIONS

1. The imposition of an objective trend in the change of business and training technologies is superimposed in 2020 on the situational acceleration of digitalization processes in business and the social sphere, caused by the introduction of self-isolation and quarantine in most countries of economically developed countries of the world in connection with the CoVID-19 pandemic. These processes significantly change the nature of the work of insurance agents, which affects the methodology of their training.

2. The data obtained allows us to judge that online services are in great demand among young people (60% of the respondents), but a third of the respondents are interested in personal contact with an insurance agent. One of the constraining factors for the development of agency sales is the low competence of insurance agents, which requires them to constantly improve their level of professionalism, knowledge and skills in the context of sustainable digital development of society and economy.

3. The results of a survey conducted among students on the demand for SMART technologies in teaching showed that the majority of respondents (92%) are strongly confident in SMART teaching, expressing their interest in an interactive educational environment.

However, in practice, insurance companies are faced with the main difficulties in the lack of competence of young insurance agents.

4. Corporate schools operating in insurance companies, where they train insurance agents, require the expansion of training programs towards their digitalization (in a distance format through applications, online courses and other Internet technologies), and aimed mainly at generation Z, which gives rise to the need to introduce SMART education technologies in corporate schools, due to the rapid and unimpeded training of agents for the development of sustainable and necessary professional competencies.

5. Sustainable education of insurance agents in the context of rapidly changing requirements for insurance agents is characterized by the speed of updating knowledge and technologies of their training, which is one of the criteria for the quality of education, which will be facilitated by SMART education.

6. Intensifying competition for the policyholder in the context of digitalization of the insurance market leads to the need not only for an online service, but also for providing an individual approach to each policyholder, which requires insurance agents to improve their competence in a timely manner, and from insurance companies - an appropriate

incentive system aimed a constant interest in updating knowledge and skills.

7. The model of the incentive system of insurance agents within the framework of providing SMART training is presented, the development of which is directly related to the needs and interests of the insurance agent and the clients of the insurance company.

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