

GHANA INSTITUTE OF JOURNALISM



**EXAMINING THE EFFECTIVE USE OF COMMUNICATION IN MOTOR
INSURANCE POLICY TERMS AND CONDITIONS IN GHANA**

BY

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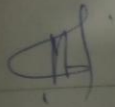
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DEGREE IN PUBLIC RELATIONS**

DECEMBER, 2021

Candidate's Declaration

I declare that the work in this dissertation titled "Examining The Effective Use of Communication in Motor Insurance Policy Terms and Conditions in Ghana" has been carried out by me. The information derived from the literature has been duly acknowledged in the text and a list of references. No part of this dissertation has been presented for another degree at any other institution.



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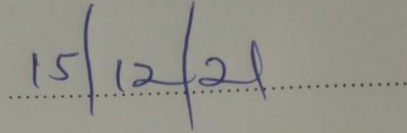
Supervisor's Declaration

I hereby declare that the preparation of this dissertation was supervised by me in accordance with the guidelines of supervision of dissertation laid down by the Ghana Institute of Journalism (GIJ).



Dr. Stanley Semarco

(Supervisor)



Date

Dedication

I dedicate this book to God Almighty, to my dear parents who supported me financially and in prayers, to my dear supervisor who worked tirelessly to support and correct this work, and all my family and friends who helped me in one way or the other, I say: I am most grateful.

Acknowledgement

I am indeed grateful to God because he has brought me this far in my project. Indeed, with Him all things are possible. Praise be to his name for a great piece. This dissertation owes its success to a number of people, who in diverse ways contributed towards its completion. First, I wish to thank my Supervisor, Dr. Stanley Semarco. God richly bless you for taking time off your busy schedules and spending sleepless nights in order to access and address all my shortcomings. I appreciate your inputs, suggestions and guidelines with the view to ensure that my project work becomes exceptional. Your constructive criticisms and selfless attention to details went a long way to shape this work.

Abstract

The effective use of communication in insurance is a very essential tool necessary to be used by insurance entities. Despite the prominence of the practice of communication and insurance, scarce attention has been given to understanding the effective use of communication in insurance policy terms and conditions particularly on motor insurance policies in Ghana. This study is anchored to examine the effective use of communication in insurance policy terms and conditions with focus on motor insurance policies in Ghana. The present study also sets out to ascertain the relevance of the effective use of communication in insurance policy terms and conditions and establish the relationship between the effective use of communication and insurance policy on motor insurance policies in Ghana. The study employed purposive sampling technique to sample various literatures on the study area. With the purpose to examine themes, contexts and theoretical perspectives of the research topic and answer the research questions in this study, the researcher approached the study in a qualitative framework, employing the deductive research approach to analyse various journal articles and books on the research area. Key findings of the study reveal that the effective use of communication in insurance policy terms and conditions on motor insurance ensures success in the sales and delivery of motor insurance packages. The findings also reveal that the effective use of communication in insurance also helps insurance firms achieve the desired outcomes to meet the desired needs of motor insurance clients. The study recommends that future studies should employ a mixed method approach to ascertain the relationship between the effective use of communication in insurance policy terms and conditions on motor insurance policies in Ghana and how this influences the uptake of insurance.

Keywords: Communication, Insurance, Policy.

Table of Contents

Candidate’s Declaration.....	i
Supervisor’s Declaration.....	Error! Bookmark not defined.
Dedication	ii
Acknowledgement.....	iv
Abstract	v
CHAPTER ONE.....	1
GENERAL OVERVIEW AND BACKGROUND TO THE STUDY	1
1.1 Introduction	1
1.2 Statement of Problem	3
1. To examine the effective use of communication in insurance policy terms and conditions on motor insurance policies in Ghana.	5
2... To ascertain the relevance of the effective use of communication in insurance policy terms and conditions.....	5
3..... To identify and establish the relationship between the effective use of communication of insurance policy terms and conditions and insurance uptake.....	5
1.4 Research Questions	5
1.5 Scope of the Study.....	5
1.6 Significance of the Study	6
1.7 Organisation of the Study.....	6
LITERATURE REVIEW	7
2.1 Conceptual Definitions.....	7
2.1.1 Communication	7
2.1.2 Mode of communication	9
2.2 Empirical Review	16
2.2.1 Communication in insurance policy terms and conditions on motor insurance policies .	16
2.2.3 The relationship between the effective use of communication and an insurance policy .	20
2.4 Theoretical Framework	21
2.4.1 Communication Theory	21
CHAPTER THREE.....	24
METHODOLOGY	24
3.1 Introduction	24

3.2 Preliminary Information Gathering	24
3.3 Research Design	25
3.3 Study Area/Population	25
3.4 Sampling & Sampling Procedure	26
3.5 Data Analysis	26
CHAPTER FOUR.....	28
DATA ANALYSIS.....	28
4.1 Introduction.....	28
4.2 Interpretation and Discussions	28
4.3 RO1: To examine the effective use of communication in insurance Motor Insurance Policy Terms and Conditions in Ghana.....	29
4.4 RO2: To ascertain the relevance of the effective use of communication in Motor insurance policy terms and conditions.....	31
4.5 RO3: To identify and establish the relationship between the effective use of communication and insurance policy	32
SUMMARY OF KEY FINDINGS, CONCLUSION AND RECOMMENDATIONS	34
5.1 Introduction	34
5.2 Summary of Key Findings	34
5.3 Limitations	35
5.4 Conclusion.....	35
5.5 Recommendations	36
5.6 Recommendations for Future Research	37
References.....	38

CHAPTER ONE

GENERAL OVERVIEW AND BACKGROUND TO THE STUDY

1.1 Introduction

Maicibi (2003) sees communication as an activity which takes place when a message is transferred satisfactorily from one party to another so that it can be understood and acted upon if necessary getting messages across especially when selling insurance. It is established by Gavriletea (2013) that communication has a very important role for the success of each type of business. The Insurance sector is one with continuous modification towards insured risks, exclusions and quotations. The competition in the insurance industry is a really tough one, and insurance entities that will adopt better communication strategies will stand out as the most successful and profitable ones. As part of communication, distribution channels in insurance grew in importance in the last decade (Slavica & Mira.2021). Communication in insurance became a very important managerial tool available to insurance companies. Communication existed all the time in the insurance industry. That notwithstanding, the modality has been changed with an increasing importance of communication and also for personal and individual meetings (Prykaziuk & Tkachenko, 2020).

According to Prykaziuk and Tkachenko (2020) insurance products are complicated, and customers often come in with their own strongly-held expectations, assumptions, and biases, and the consequences for misunderstanding a policy are very high. Successful insurance personnel need to be able to communicate well to make sure their customers buy the right coverage and understand their policies as well as the do's and don'ts. Communicating well builds trust, empathy; increases account expansion and customer retention. Insurance today plays a vital role in the economy of any country and world trade. Insurers can make or break new investments or stop existing

businesses from expanding. For example, if they (insurers) decline to insure the banks, banks will in turn refuse to give out loans. Similarly, since most businesses have to rely on bank finance for their development and growth, they are required by their respective banks to insure their exposures. Insurers allow communities to recover from the disastrous financial consequences of natural catastrophes (such as earthquakes, tsunamis, tropical storms) or human related events (Đokić, 2016). Communication involves the ability to convey information to another effectively and efficiently. Business managers with good verbal, non-verbal and written communication skills help facilitate the sharing of information between people within a firm and between a firm and the different publics for mutual commercial benefit (Miletić, Ćurčić, & Miletić, 2019). In business operations, work is done within organizations first and later with other organizations and different publics. Communication becomes critical as the major conduit of linking up all the relevant entities that in a way support the operations of any entity. Without communication, there would be no business, as this would constrain the transmission of all business communications and messages required to produce, market, serve, satisfy and maintain clients. Known communication principles and effective communication occur when there is meeting of minds (Simonović, Miletić, & Miletić, 2012). There must be the same understanding of subject at hand; Communication is a two-way traffic, involving the person giving the information and the recipient; Verbal, written and kinesics aspects of communication plays a very important role in the entire process of personal insurance and particularly in determining whether an agent be will be accorded an appointment for sales interview or not (Dorfmann & Cather, 2013). High level of involvement is equally vital for an insurance agent to prospect and eventually close a sale. It is only when the agent interacts with the prospect that insurance needs can be established. The best way to accomplish this is to permit the prospect to express their views as the agent provides a listening ear (Gupta, 2009).

Having said that, there is also the need to disclose all other hidden ‘ingredients’ in the policy terms and conditions. Failure to do so creates mistrust as policyholders only get to know of certain do’s and don’ts only when a claim arises.

Mbugua, (1998) found that many members of the public complain about their first meeting with an insurance agent. “*He did not give me time to explain my needs*” is a typical example of a usual complaint. This is referring to the verbal aspect of communication. For this to be effective, one person has to listen as the other does the talking. It is crucial that dialogue be encouraged throughout the process of personal insurance sales. This will assist the agent in establishing the pressing insurance needs of the prospect, as it is only when the product is tailor-made for an individual that it becomes possible to convince a prospect to buy a particular cover relevant to his or her specific needs. For instance, one insurance agent interviewed was of the opinion that she failed to close a sale simply because she did not take time to establish the insurance needs of the prospect. Dialogue ensures that the prospect raises all questions about the policy and the agent also makes important clarifications. In the case of personal insurance, the provocative question may not be answered until the policy document is issued or a claim occurs (Mbugua, 1998). It is, therefore, important to let the prospects ask all their pertinent questions, which highlights the effective use of communication.

1.2 Statement of Problem

Naresh and Birks (2007) argues that communication used by insurance companies, need to follow a pattern that allows for continuous communication. These scholars argue that communication in insurance policies must follow a pattern that allows for insurance clients’ satisfaction in order to inform them about the existing products and offers. In the views of Gavriletea (2013), insurance firms and policies have a very important role in communicating information that provide the

information clients need. Imminently, Information provided need to be correctly orientated for the client. Unfortunately, rottenly this principle is not always strictly followed when communicating the features and benefits of insurance policies and accompanying terms and conditions with customers. According to Biktop (2017), the success of every insurance program is likely to be influenced and determined by the communication efforts put in place to provide all types of details to the client and follow a professional way of communication behavior. Managements of insurance firms need to pay special attention to the communication process. All actions need to be driven for the client and their satisfaction. Following correct attitude in communication, the return from these actions will be favorable for both increasing of incomes and for the clients' satisfaction, as they will recommend the insurance companies for professionalism (Nikola, Ivan & Zoran 2019). In insurance marketing, firms pay more attention to communications that grow the popularity of their insurance policies but these firms do not observe the effective use of communication in their programs and policies. Nicolletti (2021) highlights the importance of integrating communication into the overall strategy of a firm. The overall communication situation in the firm, affects the development of various insurance policies on the market. Most researchers pay more attention to the various insurance models and marketing related communications. However, little attention has been given in the area of the effective use of communication in insurance policy terms and conditions not only in Ghana, but globally.

1.3 Research Objectives

The objectives of the study are:

1. To examine the effective use of communication in insurance policy terms and conditions on motor insurance policies in Ghana.
2. To ascertain the relevance of the effective use of communication in insurance policy terms and conditions.
3. To identify and establish the relationship between the effective use of communication of insurance policy terms and conditions and insurance uptake.

1.4 Research Questions

1. How effective is the use of communication in insurance policy terms and conditions?
2. What is the relevance of the effective use of communication in insurance policy terms and conditions due to the intangible nature of insurance products?
3. What is the relationship between the effective use of communication and insurance policies?

1.5 Scope of the Study

The study focuses on examining the effective use of communication in insurance policy terms and conditions on motor insurance policies in Ghana. This research examines the volumes of literature about the discourse of the research subject with key focus on communication in insurance and specifically on policy terms and conditions on motor insurance policies in Ghana.

1.6 Significance of the Study

The aim of this study is to provide insight on the subject of communication in insurance and serve as a reference material for those carrying out related studies in the future. The study becomes significant as it contributes to current discussions about the usefulness of effective communication in insurance policy terms and conditions on motor insurance policies in Ghana. This study will also serve as a working document for policy actors and the insurance industry in Ghana. To other stakeholders such as investors, shareholders, employers, employees, pressure groups, consumer associations, among others, the study will provide invaluable information that will allow them to provide useful suggestions to the improvement in service delivery of their respective insurance companies in Ghana.

1.7 Organisation of the Study

The research shall comprise five (5) chapters. Chapter One covers the background of the study, statement of research problem, aim and research objectives, research questions, relevance of the study, limitations and the Scope of Study. Chapter Two deals with the literature review, which shall include: Introduction, Related Studies to the research topic under study, Definition of key concepts, and Review of theoretical framework. Chapter Three discusses the methodology used for the study and would outline the setting of the research, target group and research design. Other key areas under the methodology to be considered are sources of data and data collection techniques and tools, population, sample size and the sampling technique with Chapter Four discussing data analysis. Finally, Chapter Five focuses on the summary, conclusion and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Conceptual Definitions

2.1.1 Communication

Communication involves transmission of verbal and non-verbal messages. It consists of a sender, a receiver and channel of communication (Shannon & Weaver, 2008). In the process of transmitting messages, the clarity of the message may be interfered or distorted by what is often referred to as barriers. Communication has been widely accepted by scholars and academics as the life hood of an organization, because communication is needed for exchanging information, exchanging opinions, making plans and proposals, reaching agreement, executing decisions, sending and fulfilling orders and conducting sales (Blalock 2005). Communication is essential for the success and growth of an organization (Udegbe, 2012). It is widely accepted that business management and business educators perceive communication skills as highly valuable to employees and organizations alike (Conrad & Newberry 2011). Communication in context of the activities of one organization (products, services, clients, coworkers) is called business communication. It is a process of generating, transmitting, receiving, and interpreting messages in interpersonal, group, public and mass communication contexts through written and verbal formats. This type of communication is aimed toward organizing activities that will lead the members of the firm to making a profit. (Safran 2010).

According to Effendy (2003, p.9), the term 'communication' originates from the Latin word "communicatio", which comes from the word communis which means 'common'. In this case,

‘common’ means "same meaning". According to Rogers (1998 cited in Darsanti 2012,p.10), communication is defined as "the process by which an idea is transferred from the source to one or more receivers, with intent to change their behavior". Meanwhile, according to Hybels and Weaver (1992 as cited in Churiyah, 2013, p.3), communication is all the activity between two people (two sides) or more to share information, ideas, and feelings. Lunenberg (2010) agrees with them that communication has its root in Latin from the word *communis*. However, he asserts that it means ‘common’, which suggests that there must be a common understanding of the message between the source and the receiver concerning the message being communicated.

The general view of communication is that it is an interaction within a social context. Communication usually involves a sender (source) and a receiver. It involves the interlocutors exchanging signals. These signals could be verbal or graphic, it could be gestural or visual (photographic). In essence, communication involves using codes that are done with the eyes, body movement or sounds made with the voice. Whichever way it is done, there is always a process in which someone initiates a meaning intent that is passed to the interlocutor (receiver). Daniel (2016) asserts that it is when feedback, which involves the receiver responding to the signal by initiating another circle of meaning exchange, has been sent to the sender (source) that the communication process has gone full circle and becomes complete.

Giffin and Patten (1976) also state that communication is the process of creating meaning as well as ascribing it. It is the exchange of ideas and interaction among group members. The Oxford Advanced Learner’s Dictionary of Current English (2004) defines communication as the activity or process of expressing ideas and feelings or of giving people information. One can safely say that communication is the act of transferring information and messages from one place to another and from one person to another. In a related manner, the Online Business Dictionary describes

communication as a two-way process. It involves participants reaching a mutual understanding beyond merely encoding and decoding information, news, ideas and feelings. It is important that they also create and share the meaning content in the messages passed (Daniel, 2013). In addition to this, communication is also seen as a means of connecting people or places. It is also regarded as an important key function of management because an organization cannot operate without communication between levels, departments and employees (Okenimpkpe, 2010).

Again, communication can be defined as a field of study concerned with the transmission of information and broadcasting. It can involve any of the various professions, which have to do with the transmission of information such as advertising, public relations, broadcasting and journalism. The foregoing show that communication is something human beings do every day in different ways and through different means. That is, the modern man communicates through different methods like speaking, using telephones, blogging, television, art, hand and body gestures and facial expressions. This can happen in closed intimate settings or over long distances. A typical example is the internet. The acts of communication draw on a number of inter and intra-personal skills like observing, speaking, questioning, analyzing and assimilating. It enables collaboration and cooperation. Above all, language is the basic level of communication between one human being and another. It is the means by which we pass on our ideas, feelings, knowledge and requests. Awoniyi (1982) affirms that without communication there would be chaos. He adds that human existence and civilization as we know today would disappear without communication.

2.1.2 Mode of communication

Verbal communication: This, as the name implies, is communicating using words. This includes sounds, words, language and speaking. Speaking is an effective way of communicating: it is classified into interpersonal communication and public speaking (Aarti, 2011). Interpersonal

communication occurs when one person speaks directly to another. Here, communication would be informal: one can say what one really feels, though this is bound by the social norms guiding the sender and the receiver. Public speaking occurs when one person speaks to a large group. In this case, communication is formal; rule bound and centred more on the speaker getting some kind of result. In all of these, speakers may want to entertain, inform, persuade or argue. Verbal communication can also be referred to as oral or spoken. It can make use of visual aids and non-verbal elements to facilitate meaning and enhance rapport and achieve high level of understanding by removing ambiguity and garnering immediate feedback.

Non-verbal communication: Non-verbal communication is the process of conveying meaning in the form of non-word messages. It covers all information, messages and ideas we convey without using words; making use of physical communication such as tone of voice, touch, smell and body motion. Non-verbal communication includes music, dance, painting, drama and sculpture. Symbols and sign language are also included (cf. Daniel, 2016). This is because body language, facial expressions, clearing of the throat, physical contact and dress convey a lot of information. A good example of non-verbal communication is sign language, which can be used by anyone at any time. A non-verbal sign such as bell ringing is a common sign everyone understands. By itself, ringing of a bell means nothing. However, in recognized contexts, it may mean “time for school”, “change of lesson”, “is somebody at home”, “end of lesson”, or “second hand goods for sale.” According to Wilson (1972), not only can almost anything be used as a sign, but almost every sign can be used to communicate several different things. He explains further that everything depends on agreement about and understanding of the ways in which we use signs. To him, the significance of any sign depends on the context in which it is used.

Written communication: This means communicating with other people through written words. Good written communication is practised in many different languages. Email and text messages, reports, articles and memos are some of the ways of using written communication, both for business and personal purposes. An advantage of written communication is that it can be edited and amended many times before it is finally sent to the person intended. Writing is a human invention. There are as many legends and stories on the invention of writing as there are on the origin of language. Legend has it that Cadmus, the prince of Phoenicia, invented the alphabet and brought it to Greece. Stories also have it that the early drawings by ancient humans formed the seeds of present day picture writing. Many such drawings are clearly picture writings in pictograms. Historically, written communication first emerged through the use of pictograms, which were made on stone (Yule,2010). Later, writing began to appear on paper, papyrus, clay and wax. Now, communication is carried on by the transfer of information through controlled waves and electronic signals. Note that the four language skills (listening, speaking, reading and writing) are used in communication but writing is the most complex. Each of these skills is discussed extensively in the subsequent chapters.

Visual communication: This is a visual display of information such as topography, photography, signs, traffic codes, symbols and designs. Television and video clips are the electronic form of visual communication (Aarti, 2011).

Intra-personal communication is a level of communication that is general to all types of communication. It is described by Answers.com as language use or thought that is internal to the communicator. Daniel (2016) graphically presented this as “communicating with yourself” (p.32). In essence, talking to yourself is not always about being ‘crazy’ or ‘loony’, she avows. She notes that we do it all the time. To her, it is about the kind of information that involves the speaker also

being the receiver of the message but which most of us are not conscious of even doing. As such, when you write a shopping list, you are engaging in intra-personal communication. In addition, when you daydream or pep-talk yourself, these can also be classified as intra-personal communication. The additional types of intra-personal communication that Daniel (2016) identified include soliloquising, writing in one's diary, thinking through a problem and scolding oneself for making a gaffe: all these form part of intra-personal communication, she asserts.

2.1.3 The Concept of Insurance and Motor Insurance

Every individual desires a comfortable existence with a secure future. Our decisions and actions in relation to managing our resources can determine how well we live, and how we manage unexpected situations in our lives, as well as protect our future. The ability to protect ourselves through insurance against certain eventualities can all have a significant impact on our well-being. The more we know about the different financial instruments, and how best we can use them to meet our needs, the better our chances of improved livelihoods.

Insurance is a risk transfer mechanism and is typically intangible until a claim crystalises. It is often a tough sell as a result of its nature. It is taken to protect oneself against possible unwanted outcomes in life and in business. Insurance enables those who suffer losses or accidents to be indemnified for the effect of their misfortune. It is a way of managing risk in order to keep our economic activities on the move even in the face of mishaps.

Insurance involves an entity, usually an insurance firm (insurer), paying someone an agreed sum of money for risk the insurance firm assumes for a specified unforeseen events or accidents that befall an individual/business concern and compensates the insured person, or entity for the incurred loss.

Insurance could be described as the purchase of security or the assured, anxious to protect oneself against a risk. It is a form of risk management strategy used to hedge against risk of contingent losses. There are several types of Insurance policies including insurance policies to protect vehicle usage. Vehicle usage policy has embedded morbidity and mortality risk plus loss through theft and fire in several countries (Maddala, 2005). In view of the challenges confronting motor vehicle usage, motor vehicle insurance was developed to take care of the possible loss that may arise from use of motor vehicles (Onafalajo, Abass, & Dansu, 2011). Motor insurance is an important form of contract arising out of or in connection with the use of a motor vehicle. This takes the form of equitable transfer of the risk of a loss, from the vehicle owner to the insurer in exchange for a premium, and can be thought of as a guaranteed for devastating loss. Motor insurance, which is also known as automobile insurance, is gradually becoming the most common form of insurance globally due to its compulsory nature. Motor insurance was introduced to protect motorist from potentially enormous financial loss from operating a vehicle. Therefore, policymakers require motorists to purchase motor insurance cover to protect innocent third parties as well as the art fault motorist from liability (Amoo, 2002). There are two primary types of motor insurance in Ghana; these are: third party insurance and comprehensive motor insurance. The risk that is normally covered by third party is the cost of repairing the third party vehicle following an accident while comprehensive motor insurance policy cover the risk of the cost of repairing own and third party vehicle following an accident, the cost of own new vehicle if it is stolen or damaged beyond economic repairs as well as legal liability claim against the driver or owner of the vehicle following the vehicle causing damage to a third party (Esho, Kirievsky, Ward & Zurbrueg, 2004), comprehensive car insurance is not an obligation in most countries of the world. However, if a car owner wants to guard against financial jeopardy, comprehensive auto insurance is the best because

it covers compensation for car accidents and other kinds of misfortune. If damage is made to another party, harm to the person or damage to a property, this car insurance policy will safeguard the policyholder in that kind of situation. It also covers the policyholder's own vehicle and medical expenses. However, this policy has the highest premiums compared to the third party auto insurance policy. Moreover, the coverage for the damage to a policyholder's vehicle and the other party's vehicle, comprehensive insurance covers damage that is consequential to other non-car crash incidents. Comprehensive car insurance covers losses that policyholder's vehicle may incur due to fire, vandalism, theft or natural disaster as well as own damage. This type of insurance will cover vehicle from natural disasters like severe storms to flooding. Fully comprehensive auto insurance is of great help depending on the type of vehicle one wants to insure. This type of insurance offers a peace of mind, in such cases where there are catastrophic events. Unlike third party insurance which has a fixed cover and it is for only accident liability and collision, comprehensive insurance is an insurance cover that will protect and reimburse the policyholder with one's losses directly. While other types of insurance are generally only for the benefit of third party victims, this type of insurance pays for any losses sustained in the event of unforeseen accidents. A comprehensive coverage allows the policyholder to quickly recover from any losses if vehicle is intentionally damaged, stolen, or damaged in the event of a natural disaster like fire or flood. This kind of coverage can be of great help and assists in recovering losses and it will fill the gap that third party insurance policy may leave unattended: particularly because the latter does not cover losses in full. Therefore, for one to reap the full benefits of insurance, there is the need to obtain complete insurance cover offered by comprehensive motor insurance policy as the third party insurance does not adequately cover loss to car owners and compensate injured victims during accident. For example (Aeron-Thomas, 2002) observed that over three quarters of a million

people are killed and tens of millions injured on the roads in low income countries each year. Many of these victims are from poor households, therefore, fair and timely compensation systems will help bereaved families and injured victims recover from the shock of a road crash. This can be achieved through the use of comprehensive motor insurance as third party insurance claim is often inadequate. This conviction can only be achieved through effective communication to the end user. However, a study by (Amoo, 2002) on types of motor insurance used by motorists in Ghana indicates that only 12% of motor insurance subscribers used comprehensive motor insurance.

Demand for insurance is a decision to purchase not only the apparent current condition of the product but also its future conditions (Cummins, Danzon & Price, 2008). Arena (2008) asserts that a consumer widens its economic scope of discretion and opportunity by protecting himself or herself from financial loss in the event of accident, fire or theft. Therefore, insurance is an essential determinant in the determination of demand for insurance (Showers & Shotick, 2012). Cameron and Trivedi (2005) noted that individual's income and wealth, the price of insurance, the probability of loss and individual degree of risk aversion and (Maddala, 2005) asserts that the purchase of insurance that provides adequate cover in terms of loss decreases the probability of financial crisis when a risk crystallizes. Dionne (2000) examined insurance demand in developed and developing countries between 1984 and 1998 and finds a strong positive relationship between income and insurance demand. The primary motive of purchasing insurance is risk aversion to avoid loss; therefore, the level of risk aversion theoretically may correlate with insurance demand. (Blinco, 2014) used level of education as a proxy for risk aversion and found that a high level of education correlates with demand for insurance. Headen and Lee (2013) studied demand for insurance by considering three different sets of variables; first, variables stimulating demand as a result of insurer efforts. Second, variables affecting household savings decision and lastly,

variables determining ability to pay. Their study revealed that insurance demand is positively affected by change in income and wealth status of the consumer. Arena (2008) also used data from 12 countries to examine factors influencing demand for insurance. They found that the initial wealth status of the individual exhibits significant relationship with the decision to insure.

2.2 Empirical Review

2.2.1 Communication in insurance policy terms and conditions on motor insurance policies

Motor insurance comprises about 40% of the total portfolio of the insurance business in Ghana. In other words, motor insurance controls the chunk of the insurance market in Ghana. One of the main reasons for its relatively high uptake is the fact that it is required by Law to do so as the Police and other law enforcement agencies are constantly on the roads to ensure compliance (National Insurance Commission, Ghana Annual Report, 2019).

Often the full policy terms and conditions are not disclosed by the insurance sales agents and / or intermediaries. For example, the popular understanding almost everyone has about a comprehensive motor insurance policy is that in the event of a total loss, a 100% percent of the value of a motor vehicle is paid to the insurance policyholder to enable him or her acquire a new car at the corresponding value. The reality, however, is that a typical comprehensive motor insurance policy pays out only 90% of the value of the car upon total loss while the owner bears the 10% of the cost. The reason for this is to ensure that the policyholder is extra careful in order not to be exposed to risks that can be avoided or else the policyholder has to bear 10% of the cost of damage. That notwithstanding, there is an option to purchase this 10% at the inception of the policy at an extra premium to make up for the 100% value of the car known as ‘deductible’ or ‘excess’. (*The Insurance Hub Journal, 2020*). This condition is generally not communicated to

policyholders until a claim arises. This, therefore, disgruntles most policyholders thus deepening the not-so-impressive perception about the business of insurance in Ghana.

Brandy (2012) asserts that the effective use of communication in insurance policy terms and conditions on motor insurance policies is critical to ensuring success in the sales and delivery of motor insurance packages. It enables insurance companies to communicate effectively negative or difficult messages without creating conflict or destroying trust. The effective use of communication combines a set of skills including non-verbal communication, alternative listening, the ability to manage these in the moment and the capacity to recognize and understand your own emotions and those of the person you are communicating with (Brandy, 2012). According to Haywood (2014), for an organization to be successful in delivering motor insurance services, a well-informed staff is required so that its aims and objectives are met. He put much emphasis on internal communication where this kind of communication would outline progress on a long term basis for the organization which explains change so that employees know what the role in adjusting to and maintaining the change which provides functional information that enables staff to do their jobs, conveys policy decisions so that staff are informed about institutional objectives. This explains the purpose of the effective use of communication in motor insurance policies so that the staff and consumers understand the reasons for each policy component and at the same time allow staff of the insurance firm manage communication effectively to help achieve the objectives of the insurance firm's goals.

According to Gray (2012), a good and well-planned approach in making effective use of communication in insurance policy terms and conditions means that the organizational parties (sending and receiving party) will be equipped with the key factors about the organization such as business plans and strategies, important changes in work place practices, development in new

equipment and technology. The benefits include greater morale, increased purchase, better informed customers and increased trust and awareness among publics. The effective use of communication in motor insurance policy plays a vital role in management of the insurance policy's success, and help publics understand the essential need to purchase and subscribe to insurance packages. (Awunyo-Vitor 2012).

2.2.2 The relevance of the effective use of communication in insurance policy terms and conditions

Effective communication is essential in the insurance market. Not only does it help build strong relationships, it also ensures customer fully understand both the products and the process. Yet only a handful of insurance distributors take the opportunity to stand out positively by communicating effectively with their clients (Gyasi & Azumah, 2009).

According to Kotler and Keller (2009), one relevance of the effective use of communication in insurance is that it helps and boosts the sales of insurances packages. They also added that with the use of effective communication, insurance companies build strong relationships with their clients.

During the initial stages of marketing evolution, the communication used to serve for and directed towards mass people for marketing of insurance products and services (Olkkonen, Tikkanen, & Alajoutsijärvi, 2000). With the effective use of communication in insurance policy terms and conditions, the insurance industry has seen a great change in the marketing processes as we see it today. The components of relational interaction must be considered because social issues cannot be separated from communicational events when investigating the relevance of communication in insurance (Oliver, 2019). Researchers have emphasized the importance of communication, and in

particular stated that an effective approach to eliminate mutual doubt should be timely, accurate and useful communication (Ansah & Yong, 2016). Effective communication is important in terms of maintaining healthy communication between insurance companies, their customers and maintaining clear and comprehensible messages (Appietu-Ankrah, 2014). One of the most important problems in insurance is the disruption in the insurance services as well as tasks that occur due to an insufficient level of communication.

Insurance firms are social units that congregate for production, formed by individuals who have different views and knowledge to reach a common goal. From a wider perspective, insurance firms are not only in the effort to provide intra-organizational cooperation and common sense for production. They are also trying to establish relationships with the external world and adapt dynamic, competitive and uncertain conditions by strategizing the information they gained from their environment and transferred to information processing centres of their firm for mutual benefit. Organizational and administrative activities for adapting in and out of organization and information exchange require an effective and functional communication system (Loveluck & Wirtz, 2016). In this context, communication is a vital point of insurance firms. Insurance firms that cannot not create effective communication would stagger like a ship without a steer. Effective communication helps insurance firms to strengthen the employees to reach their goals (Hunt & Keith, 2014). Communication within insurance firms helps to transfer its objectives and goals to employees and intra-organization groups. On the other hand, communication provides sharing the firm's values and believes among employees (Demirel, 2009).

Communication in insurance entities should be transferred from an executive person to another and from an employee to another. When the firm becomes bigger and more complex, the firm's communication becomes harder and the necessity of organizational communication quality

increases (Kalla, 2005). According to Goldhaber, (1990) communication in insurance is about creating and exchanging information in a dependent relations network. When communication is effectively used within an insurance firm, the process is often done effectively, employees understand the roles and functions, and the objective of the firm will be well understood. Thus, the effective use of communication enables the entity to provide support in areas like making team work possible, supporting decision process and eliminating the barriers among departments (Ada, 2007). With the effective use of communication within insurance firms beyond the information exchange, it is important that sender has an attraction to receiver (Kelly, 2010).

Management academics and executives like Reinsch (2001), Yates and Orlikowski (1992), Fulk and Boyd (1991) consider communication as the core of organization's life. The effective use of communication in an insurance firm is the giving of information to employees about organization's institutional policies and procedures, financial results, group and employee successes, and customer feedback. The efficiency of an insurance firm's policies and programs is dependent on effective communication (Demirtas, 2010). Sincere and effective communication styles among insurance firm's members enable members to integrate the firm through internalization of its objectives and rules by the employees. Thus, commitment of the person who works in this atmosphere increases and as the rise of job satisfaction, employee contributes to the increase of firm's success (Tosun, 2009).

2.2.3 The relationship between the effective use of communication and an insurance policy

Recent studies about communication show that communication has positive correlation with many insurance firms' outputs like commitment, performance, corporate citizenship behaviours, and job satisfaction. In contrast communication failure may cause functionless results like stress, job dissatisfaction, low trust, decrease in commitment, severance intention, and absence (Miller, Ellis

& Zook 2012) and this can affect the insurance firm's efficiency negatively (Zhang & Agarwal, 2009). It is known that especially high stress which is triggered by modern life causes increase in antisocial communication examples like criticism, yelling, despotism, and clutter. Hostility statements and interpersonal aggression acts like starting rumours about someone and putting down phone calls gradually increase (Chory & Hubbell, 2008). These kinds of negations arise from unhealthy communication and it shows the mediating role of communication for an insurance firm's success. Effective communication in insurance firm is also a great contributor to carry out the firm's strategic plans.

In order to make effective use of communication in an insurance firm, management should make employees believe that it interacts with all employees equally as it does for prospective and existing external clients. The Manager should interact with all employees equally, communicate with them voluntarily, listen to subordinates' problems and suggestions and show that he or she is ready to solve problems (Vavra, 2008). Effective communication causes successful implementation of exchanging and settlement processes and positive organizational perceptions among employees. This further translates to how clients are handled through effective communication.

2.4 Theoretical Framework

2.4.1 Communication Theory

Theories represent various ways in which observers see their environment, and as Littlejohn claims (1983, p. 12), because theories are abstractions, every theory is partial. Each theory delineates a way of looking and, therefore, its truth-value can only be measured in term of how well it is constructed. According to Kivunja (2018), a theoretical framework comprises the theories expressed by experts in the field into which you plan to research, which you draw upon to provide

a theoretical coat hanger for your data analysis and interpretation of results. Put differently, the theoretical framework is a structure that summarizes concepts and theories, which you develop from previously tested and published knowledge, which you synthesize to help you have a theoretical background, or basis for your data analysis and interpretation of the meaning contained in your research data (Kivunja, 2018)

In this study, the theoretical framework was built on “The Cybernetics theory” propounded by W. Ross Ashby and Norbert Wiener in 1960 emphasized on mathematics theory of communication and control systems through regulatory feedback. Feedback can be positive (when the required result is achieved) or negative; instantaneous (when the response is immediate) or delayed. Feedback is used to gauge the effectiveness of a particular message put forth or situation that has taken place. Cybernetics is the study of the communication and control of regulatory feedback both in living and lifeless systems (organisms, organizations, machines), and in combinations of those. Its focus is how anything (digital, mechanical or biological) controls its behavior, processes information, reacts to information and changes or can be changed to better accomplish primary tasks. In applying this theory to the subject of study it is evident that the effective use of communication in insurance policy terms and conditions is not just dependent on the communication flow within the organisation. Rather the management of an insurance firm should not be satisfied with giving instructions, sending text messages, calling for meeting, writing memos and circulars. There is a need to personally inform staff and clients of new policies and innovations about insurance packages to enable members of staff and clients to be aware and patronize the services of insurance sales. This is backed up with Berlo’s (1960) SMCR model which focuses on the individual characteristics of communication and stresses the role of the relationship between the source and the receiver as an important variable in the communication

process. Hence, the source of any information in an insurance firm should be clear and from a trusted and creditable “source” that is management should use an adequate and appropriate channel to reach out to their clients. Hence, they should know when to apply formal or informal mode of communication, since their main objective is to achieve results from staff. Furthermore, in applying “The Cybernetics theory” it becomes useful for any insurance firm that intends to achieve employee performance to ensure that feedback mechanism should be enough in either the attitude to work, productivity, and high performance of both staff’s and clients. Conclusively, the management ought to communicate and interact effectively, to become more productive in the insurance industry as a whole.

Stern, (1994) argues that basic communication theory is based on the sender-message-receiver communication model. Modern day adaptations take into account the various codes and sub codes that make up society, and allow for intermediaries or multiple source senders or receivers. In the case of the use of communication in insurance, communication is a very important managerial tool available to the insurance firms. Insurance agents have a very important role in communication process, as most of the times they provide the information clients need. Information provided need to be correctly and orientated for the client. (Ferris, Blass, Douglas, Kolodinsky & Treadway 2003).

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This section focused on the methodology used in this paper. According to scholars, research methods are the methods, procedures and techniques used in an attempt to discover what we want to know (Kumekpor, 2002). Distinguishing method from methodology, Croucher and Cronn-Mills (p10, 2015) defined method as “the systematic technique or procedure used to conduct research”; and methodology as, the study of a method, or of multiple methods.

3.2 Preliminary Information Gathering

This involves the review of significant literature, interviews and discussions from significant sources. The sources of literature reviewed include both formal and informal interviews from experts and scholars in diverse field related to the subject of the study and interest groups and published books. It also involved both published and unpublished work on the area under discussion in articles, thesis, journals and reports. Eight (8) key stages were determined relating specifically to literature searching in systematic reviews. They were: who should literature search, aims and purpose of literature searching, preparation, the search strategy, searching databases, supplementary searching, managing references and reporting the search process. The study defined a key methodological stage as a distinct step in the overall process for which action is taken, that collectively would result in a completed literature search.

3.3 Research Design

The main objective of this study is to examine the effective use of communication in insurance policy terms and conditions with focus on motor insurance policies. With the purpose to examine themes, contexts and theoretical perspectives of the research topic and answer the research questions in this study, the researcher approached the study in a qualitative framework, employing the deductive research approach to analyse various journal articles and books on the research focus. Due to the need for the researcher to strictly adhere to the COVID-19 safety protocols, the study employed a desktop research. The justification for this research design is underpinned by the scientific requirement for the researcher go through a systematic sequence to analyze what other literatures have found in this field and use their findings to inform the research results in a thematic format (Altinay & Parakevas, 2008). Collis and Hussey (2003) opined that survey strategies have two main paradigms that are the descriptive and analytical survey approach. For the objectives of this study, the descriptive survey approach was carefully chosen since it provides findings that will be well defined and can be explicated and portrayed numerically (Collis & Hussey, 2003). The descriptive survey method allows the researcher to obtain and illustrative data in a specified population (Collis & Hussey, 2003)

3.3 Study Area/Population

The conceptual scope of this research is underscored by the main of objective of the study. Which is to examine the effective use of communication in insurance policy terms and conditions on motor insurance policies. The aforementioned area was considered for the purpose of the research work because it helps to find answer to the research question: how effective is the use of communication in insurance policy terms and conditions. The choice of area and research scope was influenced by the recommendation and gap in research literatures undertaken in this area.

3.4 Sampling & Sampling Procedure

The present study examines a vast number of research articles, books and journals in the field and communication and insurance. The researcher comprehensively collected the literature associated with some keywords in the academic databases. This work systematically considered literatures from expert scholars. In the first step, the selected literatures were carefully studied and read to ascertain some critical information that the researcher required to fulfil the objectives of the study. The relevant sections within each literature were then read and re-read, with the aim of determining key methodological stages. Methodological stages were identified and defined. The opinions of each expert were put in a pairwise comparison to establish a correlation between alike literatures. The key literature selected for inclusion were carefully, read and re-read, to get specific detail relating to the focus and scope of the study. The researcher excluded literature on the premise that some of the literary materials were not representative of most other works in the researcher's field of search. Some literatures were also excluded because they did not fall in line with the date parameters set out to be used by the researcher. In addition, literatures were excluded because they expressed some complex Ideas that made it difficult for the researcher to understand. All these highlight the explanation for the excluded literature. Therefore, the study employs a purposeful sampling technique for non-probability sampling (Patton, 1990).

3.5 Data Analysis

The qualitative data collected by written documents, articles, books and journals needed to be analyzed to make sense about the research phenomena, noting patterns and categories (Croucher & Cronn-Mills, 2015). Coding is one of the ways to analyze the qualitative data, so the data

gathered by this study were categorized in terms of themes relevant to research objectives, which are; to examine the effective use of communication in insurance policy terms and conditions on motor insurance policies in Ghana. To ascertain the relevance of the effective use of communication in insurance policy terms and conditions and to identify and establish the relationship between the effective use of communication and insurance policy uptake. All documents are examined with respect to each theme and then by using main and well known sources from the relevant literature (Croucher & Cronn-Mills, 2015). All categorizations are constructed under each theme.

CHAPTER FOUR

DATA ANALYSIS

4.1 Introduction

This part of research presents an analysis of the data gathered from the literatures reviewed. This study is premised on the research gap and thus aimed to examine the effective use of communication in insurance policy terms and conditions on motor insurance.

4.2 Interpretation and Discussions

In the first three chapters, the researcher set out to diagnose the problem under study. Particularly, in chapter one the study identified the statement of problem, raised a number of empirical questions, set some objectives to guide the study. In chapter two, it reviewed the empirical literature with the intention of establishing the knowledge gap(s); this, the study achieved through the application of some theoretical grounds. In the third chapter, the methodology was comprehensibly discussed.

In this chapter, it is only right to do some prognosis in the light of the objectives and the guiding assumption of this study.

Despite the research area not receiving a significant attention in communication related journals, there is a noticeable increase in published studies between 2012 and 2014. Almost half of the articles were published in communication business journals. The newest of the communication business journals published the lowest number of articles in absolute and relative terms. Given its

young status, this is understandable, when considering its purpose to stimulate new research agendas in the field of communication and insurance.

This study examines the effective use of communication in insurance policy terms and conditions on motor insurance policies. It ascertains the relevance of the effective use of communication in insurance policy terms and conditions and establish the relationship between the effective use of communication and insurance policy and how this influences the purchase of insurance. These objectives would form the basis of the discussions in this chapter. In what follows, the data is analyzed and then, discussed along with the objectives as already indicated.

4.3 RO1: To examine the effective use of communication in insurance Motor Insurance Policy Terms and Conditions in Ghana

To investigate the effective use of communication in insurance policy terms and conditions on motor insurance policies. This present study uncovered that insurance agents have a very important role in the communication process, as most of the times they provide the information clients need. Information provided need to be correctly and orientated for the client. Unfortunately, this principle is not followed religiously. Brandy (2012) revealed that the effective use of communication in insurance policy terms and conditions on motor insurance policies ensures success in the sales and delivery of motor insurance packages. Haywood (2014) also supports this revelation adding that the effective use of communication in insurances give insurance firms the ability to establish mutual communication with their clients to without creating conflict or destroying their trust. To fulfill this objective, the researcher asked the question: how effective is the use of communication in insurance policy terms and conditions? In finding the answers to this question, it is revealed that most literatures had provided various perspectives in answering the

research question. It is interesting to note that the literatures helping to frame this particular objective demonstrates a strong domination of United States (US) scholars and perspectives. Almost half of the articles are authored or co-authored by scholars affiliated with a US-based university. Australia comes second and followed by the United Kingdom (UK). Authors based in Africa and particularly Ghana had a marginal presence. This shows the lack of literature representation in the field of communication and insurance in Ghana. It is worthwhile noting that only an article was found in giving a perspective to help answer the research question. This indicates a relatively small scale of national discourse examining the use of communication in Insurance. The only article uncovered giving a perspective in this case was Awunyo-Vitor (2012) whose study revealed that the effective use of communication in motor insurance policy plays a vital role in the management of the insurance policy's success, and aids publics understand the essential need to purchase and subscribe to insurance packages. This is underpinned by the revelation of Arena (2008) whose study recommended that more studies needed to be conducted in the area of communication and insurance in the African Horizon. It is not surprising that Awunyo-Vitor (2012) also complains of lack of depth in literature in giving an Afrocentric perspective of the effective use of communication in insurance policy terms and conditions. This finding suggests there is a general gap in literature on the research area and requires more attention in related field of communication and insurance on the African Continent and Ghana. Regardless of the little attention in Ghana given to perspective addressing the research question advanced studies have confirmed the extensively the beneficial use of communication in insurance policy terms and conditions. The study also reveals methodological disparities among scholars in their various dimensions pertaining the research question. For instance, the study notes that whilst

Brandy (2012) employs the use of qualitative research with the use of in-depth interviews in helping answer the research question, Haywood (2014) employs a quantitative approach.

4.4 RO2: To ascertain the relevance of the effective use of communication in Motor insurance policy terms and conditions

The theme under analysis is underpinned by the objective of the present study, which set out to ascertain the relevance of the effective use of communication in insurance policy terms and conditions. In line with the research question of what is the relevance of the effective use of communication in insurance policy terms and conditions? The present study reveals data that establishes correlations among the literatures reviewed. The study revealed that Insurance companies invest a lot in their representatives in the market by offering periodic trainings with specialists in communication. This revelation by Appietu-Ankrah (2014) helps to answer the research on the relevance of the effective use of communication in insurance policy terms and conditions. This suggest that one beneficial relevance of the effective use of communication in insurance is that it offer insurance firms the opportunity to fulfill their strategic communication goals. As indicated by Oliver (2019) this way insurance agents and brokers will have continuous access to the last trends and techniques/strategies. Insurance companies are aware of the fact that not all insurance agents are of high quality and moral values and they try to avoid unethical behaviors in communication. They follow some distinct strategies according to Oliver (2019). The present study revealed that Effective communication is important in terms of maintaining healthy communication between insurance companies, its customers and maintaining clear and comprehensible messages (Appietu-Ankrah, 2014). The study also indicates that one of the most important problems in insurance is the disruption in the insurance services as well as tasks that occur are due to the insufficient level of communication. This underscores the glaring relevance

of communication in insurance. This revelation is also supported by Ansah and Yong (2016) who emphasized the importance of communication, and in particular stated that an effective approach to eliminate mutual doubt should be timely, accurate and useful communication.

4.5 RO3: To identify and establish the relationship between the effective use of communication and insurance policy

This research objective is underpinned by the recommendations of Chory and Hubbell (2008) stating in order for researchers to understand the value of communication in insurance there is the need for more research to be done to address what relationship exist between the effective use of communication and insurance policy. Miller, Ellis and Zook (2012) also highlighted the need for the gap between communication and insurance to be filled. They indicated that this is essential to help unearth and add to the body of knowledge on the relationship between communication and insurance. Studies by Miller, Ellis and Zook (2012), Zhang, and Agarwal (2009) have shown a strong correlation between the effective use of communication and insurance policy terms and conditions. Even though Vavra (2008) did not emphatically reveal the exact relationship between communication and insurance, he hints of a possible correlation by stating that the insurance industry has for long recognized the desired need to strategically fulfil their communication goals in order to reach their overall strategic goals in the sales of insurance policy like motor insurance.

In line with the revelations underpinning the discourse surrounding the objective in this section, it is revealed by extant literature that the degree of communication in insurance shows existing information that indicates that insurance firms use communication as a strategic tool to inform their client about their insurance packages in various area, one such as motor insurance. Scholars like (Miller, Ellis & Zook, 2012, Zhang & Agarwal, 2009 & Vavra, 2008) make these revelations.

Studies in the field of communication and insurance emphasize the relationship between communication and insurance within the insurance firms. The findings surrounding such studies indicate that the sales of insurance policy one such motor insurance cannot be executed without the involvement of employees. This means that employees of insurance firms will have to be coached and trained on how to deliver excellently the sale of insurance policies like motor insurance. This ensures that insurance agents are ethical in their communication and honest with clients about the benefits and details of the insurance policies being sold to them. Kotler and Keller (2009) explain that there is a symbolic relationship between communication and insurance policy terms and conditions in the sense that the effective use of communication by insurance firms affects their organizational goals and feeds into what ought to be included and what ought not to be included in the overall strategic planning of insurance policies. Findings of studies reveal that the rise in information quantity with regard to insurance policy terms and conditions is affected by the effective use of communication within the insurance industry. In this respect, insurance firms' publications and tools that create communication relations between the firm and clients are not only a communication tool but they are also strong strategies that support the need for clients to be informed about their options to inform the insurance companies about the occurrence of insured risks. In addition, findings of the study reveal that the effective use of communication is likely to lighten or remove negative and reverse reactions from clients. On the other side, if there is an emotion arising from perceived non-satisfaction from clients about insurance policies on certain packages the effective use of communication in achieving the goals of the insurance policy terms and conditions is essential to neutralizing its impact. The present study also reports that effective communication relates with insurance policies so much that it aids the successful implementation of exchanging and settlement processes in the insurance industry.

CHAPTER FIVE

SUMMARY OF KEY FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The focus of this research was to investigate the effective use of communication in insurance policy terms and conditions on motor insurance policies in Ghana. The study with the aid of various literatures set out the objectives and presented findings in line of the aims of research. This chapter provides a summary of findings, conclusion and recommendations for future research.

5.2 Summary of Key Findings

Despite the prominence of the practice of communication and insurance due to the intangible nature of insurance products, it has received a scarce attention in communication scholarship. This study set out three (3) objectives and three (3) research questions to underpin the focus of the present study. The study unearthed various findings of which a summary of the key findings is highlighted in this section. The following are the key findings of this research:

1. The effective use of communication in insurance policy terms and conditions on motor insurance policies ensures success in the sales and delivery of motor insurance packages.
2. It also gives insurance firms the ability to establish mutual communication with their clients without creating conflict or destroying their trust.
3. The effective use of communication in insurance also helps achieve insurance firms to achieve the desired outcomes by helping them select and tailor their programs and policies to meet the specific needs of their clients.

4. This research suggests that the effective use of communication in insurance is to offer insurance firms the opportunity to fulfill their strategic communication goals and makes insurance programs purposeful particularly to the policyholders.
5. The findings of the present study also reveal that even though there is a lack of attention in the study area geographically; there is a positive correlation between the effective use of communication and insurance policy terms and conditions on motor insurance in other jurisdictions.
6. One key finding of the present study also indicates that insurance firms make effective use of communication as a strategic tool to inform their clients about their insurance packages on motor insurance policies clearly detailing the usually undisclosed terms and conditions.

5.3 Limitations

Conclusions drawn from this study need to be used with caution and cannot be generalized to the entire communication scholarship. The results of the study are limited to details reported in original articles by authors. An emphasis on observable and measurable elements of the articles, therefore, excludes in-depth investigations of their latent contextual, theoretical and paradigmatic underpinnings. Future introspective studies of on communication and insurance are therefore encouraged to examine other areas of scientific communication and insurance avenues with different methodological approaches to offer additional insights, evaluations and future directions

5.4 Conclusion

The present study sought to investigate the effective use of communication in insurance policy terms and conditions on motor insurance policies in Ghana. Based on the objectives of the study, it was found out that there is a strong correlation between the effective use of communication in

insurance policy terms and conditions on motor insurance policies and the uptake of insurance products. The study also established that the effective use of communication helps insurance firms to achieve their desired communication goals strategically. The effective use of communication in insurance plays a key role in the success of insurance programs or policy and serves as the foundation for its success. The effective use of communication on motor insurance by insurance firms helps them achieve desired outcomes from sales volumes as clients get to understand the policy terms and conditions *ab initio*. Communication is very important in contemporary times in the entire insurance industry which generally offers intangible products. This is, thus, changing all the time for the client's needs. Insurance companies that will invest in the effective use of communication and will increase its quality will be the successful ones through regular training of its staff and agents on the communication ethics of motor insurance policies in particular.

In addition, even with all trainings, help and efforts of the insurance companies, insurance agents and insurance brokers need to have their own communication skills developed by themselves. The agents that will follow all recommended steps, together with their own experience-related to quality of communication will be the ones that will stay in the market and will increase their revenues by a more effective insurance selling process.

5.5 Recommendations

The present study recommends that insurance firms should effectively make use of communication as a strategic tool to help them fulfill their overall strategic objectives.

The study also recommends that insurance firms should employ various communication strategies to help them achieve their desired objectives to maximize the benefits of the effective use communication towards their insurance policies like motor insurance.

5.6 Recommendations for Future Research

Given the nature of the present research, the researcher believes that a mixed-method approach where data is taken from respondents in a sampled organization using both qualitative and quantitative means could be ideal for future studies. In addition, there is a need for future studies to consider using a correlational design to ascertain the relationship between the effective communication of insurance policy terms and conditions on motor insurance policies and the types of policies will serve their purpose and will be more economically beneficial to them in the event of a loss.

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