In Conjunction with the Second Annual Conference on Global Management
27th of April - 1st of May 2010

Conference 2010
AAMAI
The Indonesian Insurance Institute

Workshop on World Insurance Stance: Challenge and the Future of Insurance Industry in Developing Countries

Discovery Kartika Plaza Hotel, Bali INDONESIA
Conference Papers

Workshop on World Insurance Stance: Challenge and the Future of Insurance Industry in Developing Countries 2010

Prof. Dr. Noor Fuad, MBA, MSc, Ph.D., FLMI, AAIJ, QIP, CPIE, FIIS (Ed.)

Gunadarma - AAMAI

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Welcome speech

The Global Management Conference (GM Conference) was established two years ago by CISRO Institute of Management as a forum dedicated to fostering and promoting global management studies for sustainable economic development. The GM conference, under the leadership of a program committee consisting of international scholars and practitioners, has become one of the respected forums for exchanges between academics and professionals. The conference aims:

- To promote research pertaining to global management issues across the full spectrum of organizations;

- To encourage integration and exchange of knowledge among academics and professionals worldwide;

- To develop frameworks for a better understanding of the dynamics of globalization in the process of sharing knowledge and technologies aimed at sustainable development.

The GM conference continues to evolve into a leading global conference since its launch, thanks to the immense support provided by many dedicated individuals and institutions. The objectives and far-reaching visions of the GM conference have generated interest and excitement among academics and practitioners around the world.

The GM conference is indebted to all those responsible for this year's program, particularly those who served as reviewers and track chairs. Among members of the organizing committee, those representing Gunadarma University are acknowledged for the excellent work coordinating arrangements for the conference venue, collaborating with our Indonesian partners, and assuring a memorable conference experience for participants. Special thanks are extended to Dr. Maurice Grzeda,
from Laurentian University, Sébastien Azondékon from University of Québec in Outaouais (UQO), Dr. Komlan Zedzro from University of Quebec in Montreal (UQAM), Dr. Suzy Suhenda, Dr. Hotniar Siringoringo and Dr. Sarifudding Madenda from Gunadarma University. Thanks also to the GM conference officers and Board of Directors.

Our appreciation also extends to the authors of papers presented in the conference. The quality of papers submitted attests to the growing reputation of the GM conference.

We would like to extend our personal thanks to Prof. Dr. ES. Margianti, Rector of Gunadarma University for her support. Special acknowledgement and thanks to our esteemed sponsors AAMAI (the Indonesian Insurance Institute), as well as our sponsors PT Asuransi Jiwasraya (Persero), AJB Bumiputera 1912, PT. Asuransi Bangun Askrida, PT. Jam-sostek (Persero) as the major contributor for making this event possible.

Prof. Dr. Tov Assogbavi
GM Conference Chair
Foreword

First of all, on behalf of Gunadarma University, I would like to welcome to all participants of the Second Annual Conference on Global Management in Discovery Kartika Hotel, Kuta – Bali, from 27th of April 2010 until 1st of May 2010. It is an honor to me as a rector of Gunadarma University to host a big event such as Global Management Conference (GMC), here in the island of paradise, Bali Indonesia. Having the success of first GMC in Rio de Janeiro Brazil in 2009, Gunadarma University delighted to take part in organizing this conference.

As the biggest Information Technology based university in Indonesia, Gunadarma University always attempts to have a golden opportunity in taking parts of increasing the abilities and competition of Indonesia. After passing a quite long journey of history, currently Gunadarma University has been existing in Indonesia for more than a quarter of century, which has no less than 25,000 students as well as has graduated more than 50,000 students. Gunadarma University has succeeded in achieving the pinnacle of its career by having a good reputation as a prominent university in Indonesia as well as globally.

This conference is a collaborative effort between CISRO - School of Business, Canada and Gunadarma University. However, this conference is only possible through many supports from various partners. One of the biggest support is AAMAI, the Indonesian Insurance Institute, which also plays a big role also as the co-host in the workshop during the conference.

The main theme of this conference is Globalization, Sustainability, and Development. During the conference various globalization problems will be investigated by the involvement of researchers over the globe who are in the developing countries. These researchers eventually act as a bridge of the dominance of thought of researchers in developed
countries. It is also a provision of platform in exchanging management thoughts in this new era of globalization.

The main topic is determined due to the current social economy condition from the whole world which continuously keeps the pressure on the global condition which becomes the essential needs from the whole world's components. In the different sight, the continuity and development of a particular social economy must always be maintained in order to hold up the value of a particular country. Hence, globalization will not make the small countries as victims of globalization.

In order to reach up the program, a workshop with a special focus is also held. This workshop is a cooperation between Gunadarma University and AAMAI, association of the insurance sector in Indonesia. During this workshop, wide range of topics which are crucial and important in the development of knowledge in the side of insurance will be described and explored.

Furthermore, this conference can also be utilized as a platform to establish many forms of cooperation internationally. Paralleled with AAMAI event (the biggest and main insurance organization in Indonesia), the Second GMC is more interesting and lively. With this exciting program, the conference attracted more than 150 participants who are academician and professional in management. They come from different countries such as Canada, USA, Australia, India, Bangladesh, Mauritius, UK, Pakistan, Portugal, Sweden, Turkey, Hungary, Republic of Georgia, Malaysia and Indonesia.

As the medium for knowledge sharing, a proceedings and one paper collection are published and distributed. In these publications, all valuable articles which are presented on the conference can be found. The articles cover a broad spectrum of topics of global management. The articles provide an overview of critical research issues reflecting on past achievements and future challenges. Moreover, the paper collection of the insurance topic in Indonesia is also a big contribution of this conference.

In this occasion, let me give special thank to Prof. Dr. Tov Assogbavi as a Director of the CISRO Institute of Management who initiates the GMC. Your entrust to us to host this special event is an honor. I also like to express my gratitude to all organizing team including program chairs, session chairs, reviewers, and local committee, for their commitment, effort and dedication in undertaking their own task to bring the success of this conference.
I would like also to thanks to our keynote speakers, Mr. Isa Rachmatarwata, M.Math., FSAI, The Director of Insurance and Financial Institution, Ministry of Finance of the Republic of Indonesia, and also to our distinguished speakers Prof. Dr. Sebastian Azondekon (Canada), Campbell O. Webb Ph.D (USA), Semih Bilgin MBA(Turkey), Drs. Hendrisman Rahim, MA, FSAI, AAII, QIP, CPI and Adiwarman Azwar Karim.

In addition to the efforts of all those people, the success of the conference was due to the financial support from Gunadarma University Indonesia and AAMAI (the Indonesian Insurance Institute), as well as our sponsors PT Asuransi Jiwasraya (Persero), AJB Bumiputera 1912, PT. Asuransi Bangun Askrida, PT. Jamsostek (Persero), PT. Reasuransi International Indonesia, PT. Reasuransi Nasional Indonesia, PT. Prudential Life Assurance, PT. Asuransi Kredit Indonesia, PT. Asuransi Wahana Tata, PT. Maskapai Reasuransi Indonesia, PT. Tugu Reasuransi Indonesia, Axioo, Grace Technology Infokom, and Gapensi. We also thank for the support from TELKOM, and Megaswara during this event. We owe them also gratitude as well as to Hillsom Information Network, Canada for sources of support.

Finally, we owe gratitude to all the conference participants for their contributions to the intellectual discourse during the conference and for the overall success of GMC.

As closing remarks, Let us say thanks to the Lord Almighty God for all His blessing on us. Ultimately, I hope that this conference will produce a wide range of formulation forms which can be used by many parties in order to increase competition, and the ability of Indonesia in particular as well as other countries.

Jakarta, 28 April 2010

Prof. Dr. E. S. Margianti, SE, MM
Rector of Gunadarma University
Co-Chair International Global Conference 2010
Preface

The conference that should confer "Globalization, Sustainability and Development" conducted jointly by the Indonesian Insurance Institute or AAMAI, University of Gunadarma Jakarta, and the International Global Management Association, our partner from Canada.

I believe that the conference is very strategic and beneficial to all of us, because at the present times, many deviations are happening in several aspects of our life, such as politics, economy, social, cultural, and also in the area of business management. We do not want to talk about all aspects of our life, especially politics that is now coloring many media that we can watch everyday in some newspaper, website and television. But we will discuss and elaborate management science to improve the quality of the human and social life.

The Indonesian Insurance Institute is a Professional and Non Profit Organization that was established since 1987. The initiative of its establishment was from the Indonesian Insurance Council together with the Ministry of Finance of the Republic of Indonesia. Our organization has a very significant role to assist the Indonesian Government to prepare, supply and develop Professionals for Insurance Industry in this country. Considering this mission, we feel that we have to collaborate with external parties, domestically and worldwide. Accordingly, in this esteemed conference, we collaborate with our domestic long-standing partner, the University of Gunadarma, that has been being our partner more than 8 years continually in our efforts to develop Insurance Professionals, Life and Non Life or General Insurance Professionals in this country. Within last three years, our organization together with the University of Gunadarma also invited some other universities, such as Perbanas Economics School in Surabaya, East Java; Pasundan University in Bandung, West Java; Sriwijaya University, Palembang, South Sumatera.
and Medan State University, North Sumatera, to develop the members of our organization through a tele-conference conducted.

In this occasion, the Indonesian Insurance Institute and the University of Gunadarma as Domestic Committee has concurred to collaborate with the International Global Management Conference from Canada that we appraise it as an organization that has been successful in performing similar event in other country.

Especially in the field of Insurance, we will elaborate "World Insurance Stance: Challenge and the Future of Insurance Industry in Developing Countries" as the main topic, and this conference will be officially opened by Mr. Isa Rachmatarwata, M.Math., FSAI, The Director of Insurance and Financial Institution, Ministry of Finance of the Republic of Indonesia.

In this substantial conference, we will invite Prof. Dr. Sebastien Azondekon from the University of Quebec, Canada, as our Central Guest Speaker. From the domestic region, several Professionals in Insurance Industry will contribute several topics, as mentioned below:

• Mr. Drs. Hendrisman Rahim, MA, FSAI, CPIE, the President Director of PT Jiwasraya Life Insurance who will present: The trends of Insurance Business in the future.

• Mr. Adiwarman Azwar Karim, the President Director of Karim Business Consultant who will present: Challenge and the future of Islamic Insurance Industry in Indonesia.

• Mr. Frans Y. Sahusilawane, MBA, ACII, QIP, the President Director of PT Asuransi Maipark Indonesia who will contribute the theme on Perspective of General Insurance, especially Earthquake Insurance.

• Mr. Kornelius Simanjuntak, SH, MH, QIP, the President Director of PT Asuransi Himalaya Pelindung who will share his experience in handling General Insurance Business in Indonesia.

• Mr. Munir Syamsoedin, MBA, the Chairman of STIMRA, Institute of Risk Management and Insurance who will share his ideas on Required Strategy Approach for Insurance Business in this country.

• Mr. Kasir Iskandar, M.Sc., MBA, FSAI, CPIE, the President Director of PT KIS Aktuaria who will present the topic on Prediction on Health Insurance Trend in Indonesia.
• And Prof. Dr. Noor Fuad, MBA, M.Sc., Ph.D., FLMI, AAIJ, FIIS, a Management Consultant who will perform as the Moderator at the conference.

Finally, on behalf of the Indonesian Insurance Institute and our partners, I would like to be grateful to all parties who has contributed and supported the triumphant of this conference, especially the Management of PT Jiwasraya Life, the Management of Bumiputera Mutual Life Insurance company, the Management of PT Bangun Askrida General Insurance, the Management of PT Jamsostek State Social Insurance company, the Management of PT Marein Reinsurance company, PT Reindo International Reinsurance company, the Management of PT National Reinsurance company, the Management of PT Tugu Reinsurance company, the Management of PT Askindo Credit Insurance company, the Management of PT Wahana Tata General Insurance, the Management of PT Prudential Life Assurance, and other companies who has sent their representative to attend this prestigious conference.

I hope that all participants will get the most substantial benefit to develop our lovely organization, Insurance Industry and also our lovely country.

Thank you very much for your attention and cooperation.

Jakarta, April 26, 2010
The Indonesian Insurance Institute
The Board of Management,

Drs. Hendrisman Rahim, MA, FSAI, AAIJ, QIP, CPIE
Chairman of the Indonesian Insurance Institute, Jakarta
Editorial

Within the conference that should be conducted on this April 28 and April 29, 2010 in Denpasar, Bali, we will deliberate "Globalization, Sustainability and Development". This conference is conducted jointly by the Indonesian Insurance Institute or AAMAI, Gunadarma University, and the International Global Management Association, Canada.

The conference is very strategic and will be beneficial to all participants, because we will discuss and elaborate several management aspects to improve the quality of the human and social life in the world especially in developing countries.

The Indonesian Insurance Institute as one of domestic committees is a Professional and Non Profit Organization that was established since 1987 based on initiative of the Indonesian Insurance Council together with the Ministry of Finance of the Republic of Indonesia. Considering the mission of our organization as the Agent of Professional Development in Insurance Industry in Indonesia, we feel that we must collaborate with other parties, domestically and worldwide. And accordingly, in this admired conference, we work together with our long-standing partner, the Gunadarma University in conducting this admired international conference. We also concurred to work in partnership with the International Global Management Conference from Canada that we appraise it as a corporation that has been thriving in conducting similar occurrences in the past.

In the course of this international conference, particularly in the field of Insurance, we will elaborate a central theme on "World Insurance Stance: Challenge and the Future of Insurance Industry in Developing Countries" that would be contributed by our Special Guest Lecturer, Prof. Dr. Sebastien Azondekon from the University of Quebec, Canada.
To comply the comprehension of the participants of this conference, we proudly invite some domestic experts and practitioners in Insurance Industry as follows:

1. **Drs. Hendrisman Rahim, MA, FSAI, AAIJ, QIP, CPIE**, the President Director of PT. Jiwasraya Life Insurance who will share his prediction on the trends of Insurance Business in the future. Previously he was the President Director of PT. Reindo, a domestic reinsurance company, and since last year he is also the chairman of the Indonesian Insurance Institute. The participants of this conference have opportunity to discuss many things with him.

2. **Mr. Adiwarman Azwar Karim**, the President Director of PT. Karim Business Consulting Firm who will present the topic on challenge and the future of Islamic Insurance Industry in Indonesia. As we know that Islamic Insurance Business is now becoming popular in this country, because Islam is the largest part of Indonesian population. The Islamic Insurance Business has been starting since last ten years in this country.

3. **Frans Y. Sahusilawane, MBA, ACII, AAIK, QIP**, the President Director of PT. Asuransi Maipark Indonesia who will share his insight on perspective of General Insurance, especially Earthquake Insurance. In reality, Indonesia consists of many islands and is in the volcanic line, and accordingly this topic is very significant to be elaborated.

4. **Kornelius Simanjuntak, SH, MH, AAIK, QIP**, the President Director of PT. Asuransi Himalaya Pelindung who will share his experience in handling General Insurance Business in Indonesia. He is also one of the General Insurance Examiners at the Indonesian Insurance Institute. We can use this opportunity to discuss many things on General Insurance aspects.

5. **Ir. B. Munir Syamsoedin, MBA, AAIK(HC)**, the Chairman of STIMRA School, Institute of Risk Management and Insurance who will contribute his ideas on Required Strategy Approach for Insurance Business. He has very eminent experience in running general insurance corporation and reinsurance company before, and accordingly we can discuss many things related to the activities of managing an insurance business, general insurance as well as life insurance.
6. **Drs. H. Kasir Iskandar, M.Sc., MBA, FSAI, MHP, QIP, CPIE**, the Managing Director of PT. KIS Aktuaria who will present the topic on Health Insurance Coverage Outlook in Indonesia. He is also one of the Life Insurance Examiners, the Indonesian Insurance Institute, and accordingly we can discuss many things related to the life insurance practices in Indonesia.

In this esteemed conference, I will contribute myself to be the Moderator at several sessions presented.

I wish that all participants of this conference will get the most generous benefits as resources to develop our organization, business organization as well as intellectual corporation.

Thank you very much for your attention and cooperation

Jakarta, April 26, 2010

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**The Indonesian Insurance Institute**
**Research and Development Department,**
**Prof. Dr. H. Noor Fuad, MBA, MSc, PhD, FLMI, AAIJ, QIP, CPIE, FIIS**
**Department Head**
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Preliminary study of Internet usage behaviour of Indonesian insurance practitioners using UTAUT model and Technology Acceptance Model

Prof. Dr. Noor Fuad SE, MBA, MM, MSc, PhD, FLMI, AAIIJ, QIP, CPIE, FIIS
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1 Introduction

The information technology condition of Indonesia is relatively left behind if it is compared to the other countries. This can be noticed from the availability of the information technology infrastructure, the number of computers used in the companies, or internet access. World Bank (2000) reports the growth of information and communication technology (ICT) in Indonesia. They are the ratio of the computer 9.9 per 1000 people, telephone connections 91 per 1000 people, the number of the internet host 0.8 per 10,000 people and internet user of 2 million people. Investment on ICT is noted as much as US$ 3.54 Billion or 2.2% of PDB with ICT per capita as much as US$ 16.6.

The workers of the insurance companies in other countries are generally given a high access to the worldwide computer network and internet, which are through: 1. The use of internet for internal communication, 2. The use of internet for the external communication, 3. Access to WWW, 4. access to the companies' intranet. The implementation of the electronic business process in the insurance companies generally has an aim to have a collaborative work, tracking of working hours, and the production time, support the management of human resources, automation of workers trip, and for the implementation of e-learning.
This research has an aim to examine the factors that affect information technology usage by insurance workers or practitioners, and examine the effects toward the increase of the work of personal attitude and performance. The purpose of this research is as following:

1. To identify, measure, and classify factors that affect the use of information technology which includes perception factor of insurance practitioners, job profile, and individual characteristics.

2. To explain the adoption process of technology information by using Technology Acceptance Model dan UTAUT Model which is oriented in the effects of factors towards the perceived easy of use and usefulness of end users, as well as the effects of those two perceptions towards the intensity of the use of information technology individually.

3. To analyze the relationship between intensity of the use of information technology by individual, including effects of the other factors which also support the diffusion stage.

4. To analyze adoption model of information technology which is corresponding to the condition and profile insurance of Indonesia, which is by developing technology acceptance model and UTAUT model.

This paper presents the results of preliminary analysis of a survey conducted by AAMAI. The next research stage is the analysis of hypotheses and identification of factors that influence the level of ICT adoption and perception of Internet usage among insurance practitioners in Indonesia. Another analysis model is made with discriminant analysis which will calculate the predicted rate of Internet usage based on behavioral variables. The prediction results will be compared between Technology Acceptance Model (TAM) and Unified Theory of Use and Acceptance of Technology (UTAUT).

2 Theoretical framework

2.1 Behavioral Model of ICT Adoption

A number of behavioral theories has been applied to examine the process of information technology adoption by end-users. Some of which are Theory of Reason Action (TRA), Theory of Planned Behavior (TOB),
Amongst these theories, Technology Acceptance Model (TAM) was found as a model that has been widely used in various studies on adoption process of information technology. Following these models, in 2003, Venkantesh and his colleagues developed a new model called Unified Theory of Acceptance and Use of Technology (UTAUT).

This model (i.e., UTAUT) was developed based on previous models on adoption of information technology, which include TRA, TPB, TTF, and primarily Technology Acceptance Model (TAM). TAM model, which was introduced by Fred D. Davis in 1986, is an adapted model from TRA and is specifically developed for modeling information technology adoption by users. According to Davis (1989), the primary objective of TAM is to provide foundation for determining impacts of external factors on trust, attitude, and objectives of information technology end-users. Relationships among variables within this model are depicted in figure, which follows.

![Diagram of Technology Acceptance Model](image)

Figure 1: Technology Acceptance Model

In UTAUT theoretical model, according to Venkantesh et al. (2003), gender, age, experience, and characteristics of IT application related to their position in the firm (i.e., optional or compulsory) serve as moderating effect on the use of certain information system. Its predictor variables, meanwhile, include performance expectancy, effort expectancy,
social influence, and facilitating condition. The details of UTAUT model are presented in figure below.

![UTAUT Model](image)

Figure 2: UTAUT Model (Venkatesh et al., 2003)

The impact of characteristics of information technology users on adoption processes, meanwhile, was investigated by Igbaria et al. (1997), Gefen and Straub (1997), Foong (1999), Hubona and Jones (2003), Venkatesh et al. (2003), and Kleijnen, Wetzes and Ruyter (2004). On theoretical model UTAUT (Unified Theory of Acceptance and Use of Technology) which was reported by Venkatesh et al. (2003), gender, age, experience, and characteristics use relating to user position within the firms (compulsory or optional), serve as moderating effect on use of information technology. Its predictor variables are performance expectancy, effort expectancy, social influence, and facilitating condition. Level of ICT adoption variables which are used in those studies, are mostly categorical, i.e. adopter and non-adopter. In some publications, partial adopter and full adopter are used for these terms. Van Akkeren and Cavaye (1999) classify small businesses into 3 categories: non-adopter; adopter; and full-adopter.

### 2.2 Information Technology in Insurance

Arora 2003 states that the insurance industry is relatively left behind in the implementation of information technology in comparison to the
others financial institution. According to Calovski, insurance industry in the developed countries currently are heading to adoption of e-commerce practical in conducting their businesses. Revolution of e-commerce in insurance industry includes these: 1. Re-examination about the relationship between insurance industry and market which is about how to gain the use of internet in offering the insurance products which is tailor made at cheap price. 2. Migration of close system which is expensive to the system on the base of internet that is relatively cheap for Electronic Data Interchange. 3. Insurance business can always be accessed. 3. Insurance business can always be accessed in 24 hours with the hours that is world wide. 4. Development of software on the internet basis to conduct the insurance operation electronically, in the use of internal in offices of insurance companies as well as business and communication between insurance companies. OECD has reported in 2000 that insurance industry in the whole world has taken note that direct premium is US$ 2444 billion or equals to 7.8 percent from the domestic product bruto in the world. In the same year, insurance companies in developed countries collected premium as US$ 209 billions.

Information Technology Computer is the convergence from three parts which are information, data and information, as well as the problem in the social economy. In particular, for the use of internet in the insurance companies is known as e-insurance. UNCTAD (2002) defines e-insurance as the implementation of internet as well as information technology that is related to the production and distribution of the insurance service. Lilischkis (2003) mentions many kinds of information technology that can be implemented in the insurance companies which are internet, computer, world wide web (WWW), e-mail, Local Area Network, Intranet, Wide Area network (WAN), extranet, and Electronic Data Interchange (EDI).

How is the profile of the use of many kinds of information technology that have been mentioned above for the insurance companies in Europe? Internet access is the most popular technology that is used by the entire insurance companies in Europe which reaches 99 percent of the companies. The other three technologies which are used by 90 percent of the insurance companies are computer, WWW, email. While the other two technologies that are used relatively less than the others are extranet and EDI which are only used by 41 percent and 25 percent of the companies respectively. The workers of the insurance companies in other countries are generally given a high access to the worldwide computer network and internet, which are through: 1. The use of internet for inter-
nal communication, 2. The use of internet for the external communication, 3. Access to WWW, 4. access to the companies' intranet. Website is one of the e-commerce levels which are informational or transactional.

Nearly all the insurance companies use distribution model which are multi channel or using internet for the purpose of information provision to the consumers or public. The strategy is by concerning more on the customer service which is classified as personal, with the consideration of the good and trustworthy relationship between consumers is the most important factor in the insurance industry. Thus, Information Computer Technology as well as internet gave a significant impact towards the chain of insurance value which creates a possibility of the new development of new business model towards the operational of insurance company. Taylor and Celuch (2002) indicate that distribution of insurance service and finance are having a dramatic change through the use of the internet. Many of the insurance companies are currently using website to give the specific information about companies and rise up the sales through internet. The sale of insurance product from online is estimated to affect more on the products that are relatively not complex (or standard), for the example is the insurance for vehicles in comparison to life insurance product that or insurance for houses that are considered complicated and complex.

3 Methodology

This research consists of two steps, which are:

1. Analysis adoption system process with the same structural model Technology Acceptance Model and UTAUT Model,

2. Analysis about the effects and impacts of the level of internet adoption towards the personal attitude or behavior. The organizations that are being researched are insurance companies or insurance agencies.

The research model that is used to analyze step two and three can be seen fully in the picture below: Exogenous variables two predictor variables which are extracted from TAM model which is the ease of the use of technology (perceived easy of use) and the function (perceived usefulness) as well as five variables which are extracted from external variables from several models of the acceptance of information technology which are internet self-efficacy, internet anxiety, personnel innova-
tiveness, competitor pressure, consumer influence. Every variable that is self-reported consists of several dimensions or the matters that have been analyzed earlier whereas the relationship with each variable with the factor analysis. The seven predictors that have effects will be analyzed towards the level of adoption which covers adoption status (adopter, potential adopter, and non-adopter), intensity of internet usage, variety of features usage. The research uses model which is Technology Acceptance model and UTAUT Model. Independent variables of UTAUT Model include

- performance expectancy,
- effort expectancy,
- social influence,
- facilitating condition.

Analysis method which is used in this research is quantitative method in majority, which are:

1. Method of the scale measurement with Likert Summated Rating
2. Examination of reliability and validity of research instruments,
3. Analysis of the way to determine the causal relationship between research variable for each structural model which is used as research hypothesis.

This paper only provides the general description about ICT adoption level and identifies factors that influence to adoption level. Measurement instrument is in the form of questionnaires which uses 7 likert scales for individual behavior. For adoption level we adopt self-reported approach. To test the measurement instrument, we use cronbach alpha, including item point biserial (corrected item-total corelation) measures. For construct validity test we use principal component analysis, which include Kaiser-Meyer-Olkin (KMO) and Bartlett.

4 Result and discussion

The data of research is the result of AAMAI members survey. The number of respondents who return the questionnaires are 88 persons. Questionnaire consists of two models: UTAUT Model and TAM model. Detailed descriptions for several variables of the study are presented below.
4.1 Validity and Reliability of Research Instrument

Reliability test results for TAM model shows that all variables have a Cronbach alpha value between 0.8 to 0.9. This indicates that the variables of the study have adequate levels of reliability. Research variables that have the highest reliability is perceived usefulness, perceived easy of use, social influences, and competitor pressure. The test results on the construct validity showed that all the variables of TAM Model has high validity, as shown by (1), loading factor converge into one component, and (2) KMO value of more than 0.5, and (3) test results Bartlett is significant.

For UTAU Model, from this research is seen that value Alpha yielded is more than 0.6, from the value can be said that a measuring instrument wearied for the research of this is reliable and from correlation value from the data can be said that an instrument wearied for the good quality. Results of construct validity test show that variables have high construct validity value. These variables include performance expectancy, effort expectancy, social impact, internet-self efficacy, internet-anxiety. The following indicators indicate these, such as (1) loading factor, which is convergent toward one component, (2) KMO larger than 0.5, and (3) significant Bartlett test results.

4.2 Effect of Demography and Job Profile

4.2.1 TAM Model

Respondents consisted of 62 male and 26 female. Most of respondents are in the Midle Management level. There are 59 respondents or 67.05 percent. General description of respondents internet perception and intensity of internet services are discussed below.

The results show that the perception of female about the internet is higher than male for Internet anxiety and costumer influence variables. If viewed from the management level, respondents in the top management showed higher perception in the variables of perceived usefulness. The lower management indicated higher perception in Internet-Self Efficacy, Internet Anxiety, Customer Influence, Competitor Pressure and Performance variables. Internet anxiety is fear or anxiety of one's ability to succeed with a new system, for example in using the Internet (Wexler, 2001 in Brown, 2002). About the Internet Self Efficacy, Eastin and LaRose (2000) defines Internet-Self-efficacy as one's faith in his abilities to manage and conduct a series of actions to produce a particular achievement.
The results of Eastin and LaRose (2000) showed that the Internet Self-efficacy is influenced by previous experience of using the Internet.

### 4.2.2 UTAUT Model

Reading email is the highest of Internet service that respondents use. Twitter, Flickr, Friendster and Flixster are rarely used. There was no significant difference between male and female as well as positions in the use of Internet services.
4.3 Effect of ICT Adoption Level

The types of internet services used by male more highest intensity than female is send email, receive email, visiting the official website of government, professional association, chatting, searching for information, download-uploaded file and using friendster. Viewed from management level, the most internet services used by the middle management are visiting insurance companies, chatting, upload files, discussion forums, using Flickr, Friendster and Flixster. The internet service usage levels can be seen in the figure below.

Figure 5: Intensity of Internet Service

For UTAUT Model, variable predictor that are performance expectancy, effort expectancy, social influence and facilitating condition influence to the level of use information technology in insurance practitioners, effort
expectancy and facilitating condition have the influence which enough reality.

5 Conclusion

In general individual and job characteristics generally show a behavior differences, but the difference was not significant. The results show that the perception of female about the internet is higher than male for Internet anxiety and consumer influence variables. The lower management indicated higher perception in Internet-Self Efficacy, Internet Anxiety, Customer Influence, Competitor Pressure and Performance variables. For UTAUT Model, variable predictor that are performance expectancy, effort expectancy, social influence and facilitating condition influence to the level of use information technology in insurance practitioners, while variable effort expectancy and variable facilitating condition have the influence which enough reality. Social influence variable has the biggest influence followed by variable of performance expectancy, facilitating condition and effort expectancy. From research which have been done, can be suggested as follows, with there are real influence from variable predictor to storey level use information technology and with the support of moderating variable is hence needed by a development and socialization of ICT among insurance practitioners.

The result of this research has not explained the level of Internet usage prediction with discriminant analysis, and also has not been analyzed in depth about the differences in TAM and UTAUT in analyzing the behavior of Internet usage by internet users. The next research phase will focus on testing hypotheses and research model, with the aim of providing a deeper analysis of the behavior of Internet usage among insurance practitioners in Indonesia.

References


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