

The Influence of Service Operations Management on the Organizational Performance of Insurance Company in the Kingdom of Bahrain

Andres Alegre Regondola, PhDBM

College of Administrative and Financial Sciences, AMA International University-Bahrain
Salmabad, Kingdom of Bahrain

Abstract

The study aims to assess the influence of service operations management on the organizational performance of insurance company along with process management, service design, quality management and operation control. The objectives are to identify several challenges that manager face in managing the successful and ethical through the use of service operation management in the business. And to developed the capacity of people to meet and exceed expectation to achieve full potential to the benefits of themselves and organizations.

A descriptive research was conducted. Primarily data were gathered using a questionnaire accomplished by the managers and customers. With the aid of SPSS (Statistical Package for Social Sciences), the Pearson coefficient of correlation was used to analyze the significant influence of service management on the organization performance of the company. The correlation supported the null hypothesis of the study.

On the basis of the research findings, conclusion and recommendation showed that diversification of insurance company in Bahrain, influences by availability of forces, government regulations and policies and business risk due to uncertain to facilitate investment in the insurance company. Based on the recommendation, first conduct further studies to focus on variables no included in the study, which are likely to influence the level of a customer satisfaction of clients in the building insurance program. Second, monitoring and evaluating method to measure the effectiveness of the adopted diversified strategies. And third collaboration by the various stakeholders in ensuring implementation of strategy that drives the factor to increase insurance uptake.

Keywords: Process Management, Service Design, Quality Management and Operation Control

Introduction

Management of service operations is focused on how organizations can deliver quality and excellent services achieving organizational goals and objectives. It involves understanding of competitors, customers and the internal resources of the organization. The main concern is to manage the firm and the design the service system in order to achieve sustainability in the provision of service excellence. Managers are needed to focus in influencing employees and clients, and development of service design that creates and captures value of the organization. (Boundless, 2014)

Performance management means improving organizational performance by developing the performance of individual and teams. “Getting better results from the organization, and understands managing performance in then a agreed framework of planned goals, standards and competence requirements. (Michael Armstrong, 2016)

The research focuses on the various local and foreign literature and studies that are related to this study. The researcher studied about the optimization techniques used in Operations Management and the performance of SMEs that operate in the manufacturing sector. (Battistoni and Andrea Bonacelli,(2013). Ringim, 2013 examines the effects of the business process reengineering (BPR) factors on the Nigerian banks organizational performance. Additionally, he also investigates the effect of information technology (IT) capability in the relationship of BPR factors and the organizational performance.

According to Abdulla and Hussein (2012) the economy profile presents the doing business indicators for Bahrain. In a series of annual reports, Doing Business assesses regulations affecting domestic firms in 189 economies and ranks the economies in 10 areas of business regulation, such as starting a business, resolving insolvency and trading across borders. This year's report data cover regulations measured from June 2012 through May 2013. The report is the 11th edition of the Doing Business

The benefits of enterprise resource planning systems to small and medium enterprises in the Kingdom of Bahrain on improvement in decision-making ability, employee performance monitoring, resource management, cost reductions, cycle time reductions and organizational benefits empowerment and achievement. His study found the significant positive relationship between ERP implementation and improved decision-making ability, improved employee performance monitoring, the achievement of cost reductions and the achievement of cycle time reductions improved decision-making and performance monitoring, thus contribute to the economic growth of Bahrain, in line with the ambitious goals of the Bahrain's economic vision 2030 (World Bank, 2013)

(Fisher, 2009) cited in his articles that small and medium-sized businesses (SMEs) across the Gulf Cooperation Council (GCC) region, many which are family owned enterprises, put up with the same risks as fortune one thousand (1000) companies. “They found out in working with many types of business the most business owners in the Middle East do not fully comprehend insurance and importance of risk management. The e-Publication of 2012 studied about the investigated the existing level of organizational learning practices in a SMEs context in a developing country in Indonesia. He used constructs measuring organizational learning and its antecedents were investigated. And there are three main antecedents of organizational learning namely organizational culture, transformational leadership and empowerment.

In the medical care, mostly financial incentives are used to improve employee performance and while others have significantly improved the performance, others just remain the same (Argawal, 2012). Effectiveness of use of communication helps anyone to build respect and trust, which fosters work and accomplishes goals. It can conquer differences and create environments in which people work together. (Bagher, 2010)

It is important to note that characteristics services may have implication on the design of Quality Management (QM) for Business Services (BS) for buying company perspective. (Rozemeijer, 2009) According the services design emerges in extra interest to service designers that the customer is always a co-creator of value. Value is created through interactions between customer and the service delivery: A company cannot deliver a value to a customer without the customer participating. (Segelstrom, 2010).

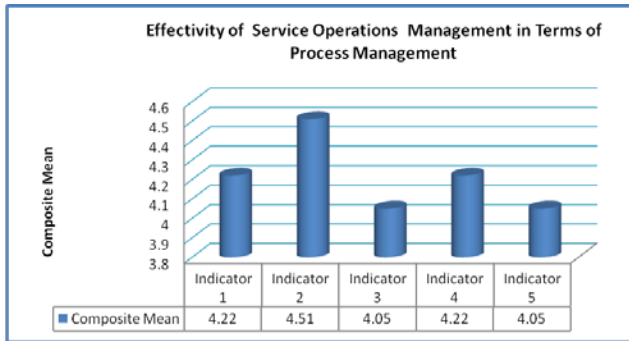
Tables and Figures



Figure 1.1 - A Theoretical framework for Performance Management and Quality Improvement
Jack Moran, PhD. ()

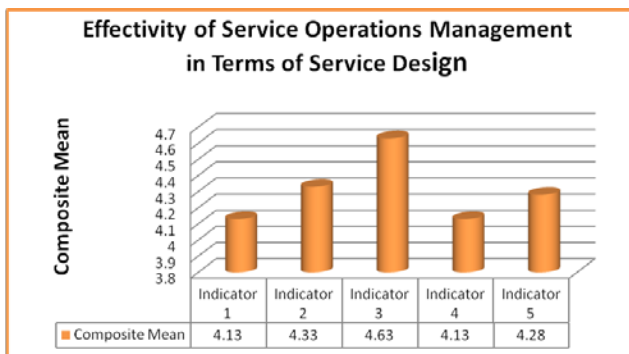
This explains the core performance management explains the practices and processes along with goal setting, financial planning, operational planning, data collection, consolidation of data, data analysis, reporting of data, quality improvement, evaluation of results, monitoring of key performance indicators and others. “And also the 360-Degree feedback, also known as multi-source feedback, is a process in which someone’s performance is assessed and feedback is given by a number of people who may include their manager, subordinates, colleagues and customers. To ensure that goals are consistently met in an effective and efficient manner by an organization, a department, or an employee.”

Graph 4.1: How effective is service operations management on the organizational performance of Insurance Company, as perceived by the respondents in terms of: **Process Management.**



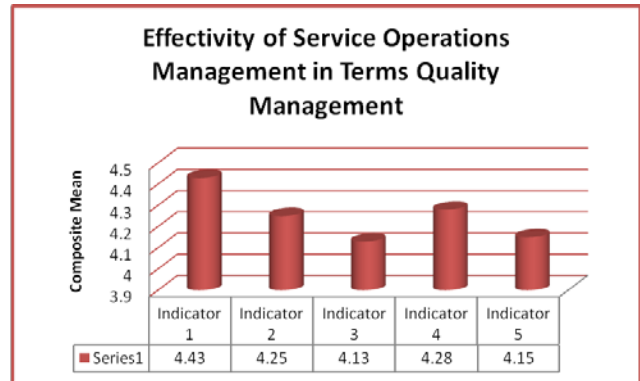
In series 1 represents the indicator of the variables while series 2 the composite mean. Graph1 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of process management. From the overall weighted mean of 4.21, means highly effective.

Graph 2. How effective is service operations management on the organizational performance of Insurance Company, as perceived by the respondents in terms of: **Service Design**.



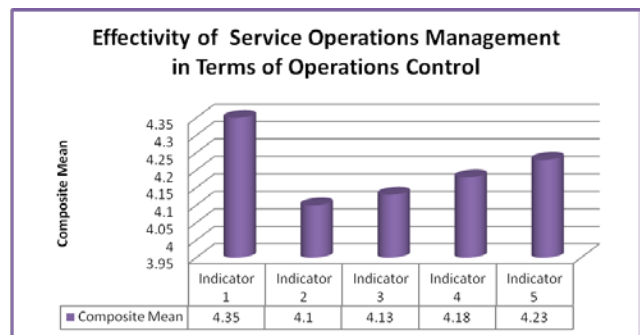
In series 1 represents the indicator of the variables while series 2 the composite mean. Graph2 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of service design. From the overall weighted mean of 4.38, means highly effective.

Graph 3. How effective is service operations management on the organizational performance of Insurance Company, as perceived by the respondents in terms of: **Quality Management**.



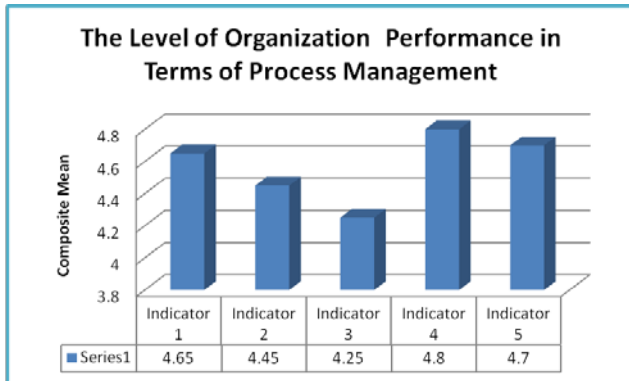
In series 1 represents the indicator of the variables while series 2 the composite mean. Graph3 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of quality management. From the overall weighted mean of 4.25, means highly effective.

Graph 4. How effective is service operations management on the organizational performance of Insurance Company, as perceived by the respondents in terms of: **Operations Control**.



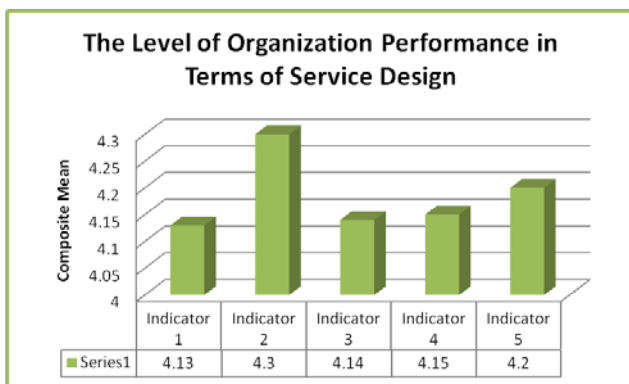
In series 1 represents the indicator of the variables while series 2 the composite mean. Graph 4 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of operation control. From the overall weighted mean of 4.19 means effective.

Graph 5. What is the level of organization performance of the Insurance Company in terms of: **Process Management**?



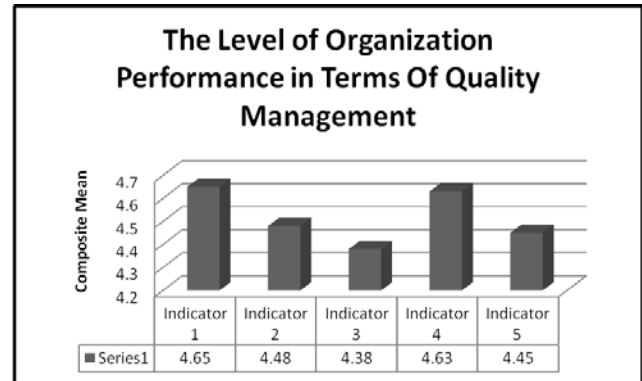
In series 1 represents the indicator of the variables while series 2 the composite mean. Graph5 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of process management. From the overall weighted mean of 4.57, means very high level.

Graph 6. What is the level of organization performance of Insurance Company in terms of: **Service Design?**



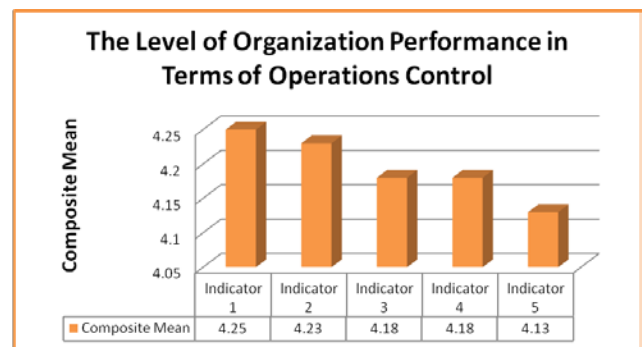
In series 1 represents the indicator of the variables while series 2 the composite mean. Graph 6 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of service design. From the overall weighted mean of 4.18, means high level.

Graph 7. What is the level of organization performance of Insurance Company in terms of: **Quality Management?**



In series 1 represents the indicator of the variables while series 2 the composite mean. Graph 7 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of quality management. From the overall weighted mean of 4.52, means very high level.

Graph 8. What the level of organization performance of Insurance Company is in terms of: **Operations Control.**



In series 1 represents the indicator of the variables while series 2 the composite mean. Graph 8 illustrates and compares the data of the assessment of respondents on the effectiveness of service operations management in term of operations control. From the overall weighted mean of 4.19, means high level.

Conclusions

On the basis of the significant findings of the study, the following conclusions are drawn: First the problem revealed diversification of insurance in Bahrain influence by availability of forces, government regulations and policies. Second distribution channels for insurances services and availability of workforce resources. And lastly, business risk due to uncertain to facilitate

investment in the insurance company. In the recommendations first conduct further studies to focus on variables which are likely influence of a customer satisfaction of clients in the building insurance program. Second, conduct monitoring and evaluate method to measure the effectiveness of the adopted diversified strategies and lastly, collaboration by the various stakeholders in ensuring implementation of strategy that driving the factors to increase insurance uptake

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Author

An Assistant professor of College of Administrative and Financial Sciences and formerly a Department Head of the E- Commerce in AMA International University-Bahrain, and formerly Department Head of Accounting and Control. He is teaching in the undergraduate and also in the Graduate Studies, several international research publications and attended local and international conferences.

He began his teaching career at PATTS College of Aeronautics as full time faculty member in the College of Business Administration, Office Administration, Air Transportation, Avionics, Engineering and Tourism and Hotel and Restaurant Management from 1990 to 2008. He was appointed as Department Head of Social Sciences, Director for Alumni Affairs, VP Director for Research and Development and Dean/Chairperson of Bachelor of Science in Tourism Management. He is also a consultant to private colleges and companies, guest speaker, and a lot of conventions, seminars, trainings and conferences attended.

Aside from that he is a member of organization affiliations such as of United States Association for Small Business and Entrepreneurship (Hayland Hall, Whitewater, WI53190), World Cultural Tourism Association WCTA (Honan University, Korea), Philippine Institute of Certified Public Accountants, Bahrain Chapter, the Association of Strategic Marketing (Lorman Business Center Inc.), United States of America Member, Association of Administrators of Hospitality, Hotel and Restaurant Management Educational Institution (AAHRMEI) Philippines, Member, Technical Panel for Business and Management, Philippines.