

APPENDIX GA36d

LEVEL 7 ASSESSMENT SPECIFICATION

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UWTSD DBA

Qualitative Research Methods

Assignment - Written Research Article

Lecturer: Dr. Tamara Savelyeva

Name of Student: Lee Chun Ming

Student Number: 1916325

Date: 5 November 2020

Dear Dr. Tamara Savelyeva,

Thank you for your great sharing in the class and the knowledge you taught to me is extremely useful and valuable.

I would like to give my sincere thanks to you and I wish you and your family good health.

Yours sincerely,

Lee Chun Ming

1. Overall abstract

The Hong Kong Insurance Authority (“IA”) has just been established in according to the Insurance Companies (Amendment) Ordinance and it is a new Hong Kong insurance regulator which independent from the Hong Kong government. Insurance Company Ordinance is the major insurance regulation in Hong Kong. With reference to Insurance Authority official website, their objectives are to modernize the regulatory infrastructure, to facilitate the stable development of the Hong Kong insurance industry, provide better protection for policyholders and comply with the requirement of the International Association of Insurance Supervisors that insurance regulators should be financially and operationally independent of the government and industry.

IA took over the regulatory functions of the “Office of the Commissioner of Insurance (OCI)” on 26 June 2017, which was a government department and responsible to regulate insurance companies in Hong Kong. Before IA in place, we previously adopted Self-regulatory regime and the 3 Self-Regulatory Organizations are responsible to regulate insurance intermediaries in Hong Kong. IA took over the regulation of insurance intermediaries from the three Self-Regulatory Organizations (“SROs”) in last year dated 23 September 2019. These three SROs are the Insurance Agents Registration Board established under The Hong Kong Federation of Insurers, The Hong Kong Confederation of Insurance Brokers and Professional Insurance Brokers Association.

Being an insurance professional in Hong Kong insurance industry, I have been advised by different industry practitioners that they worry about the implementation of new insurance intermediary regulations and received many enquiries from the consumers to clarify why the new insurance premium levy is required and the reasons for establishing new insurance regulator. Many new codes and regulations will be proposed and implemented in the coming years and both insurance company and insurance intermediaries are preparing for these changes. Some new regulations or requirements have just been proposed and implemented in the last 24 months.

Given the new independent insurance regulator has already established in Hong Kong, this research is to study whether the previous and the new regulations to the insurance industry in Hong Kong adequately protect consumer interest and evaluate how the new insurance authority to facilitate the stable development of the Hong Kong insurance industry.

This research will target to provide useful and valuable analysis for both insurance industry and consumers in respect of industry development and consumer protection. The support from regulator, trade associations and different insurance organizations to conduct this research are very important to build up critical analysis in this research. We target to spend 18 months for doing this research including all data collection and document analysis process.

Meantime, the qualitative research approach will be adopted in this research and follow by case study, observation and document analysis approaches. The data collection process will through interviews with different industry practitioners, observation from 2 trade associations with focus on relevant regulatory changes and consumer protection activities, 15 insurance compliance or compliant case studies and regulatory document analysis. We thank you in advance for different insurance organizations to sponsor this research and the potential support from insurance industry and the regulator that are highly appreciated. These supports will be very useful for the data collection process and formulate the research analysis. We believe that a lot of meaningful information will be collected from the participants and during the observation in trade association activities. The relevant analysis will be conducted after the data collection process.

The title or topic for this research is **“Study whether the new regulations to the insurance industry in Hong Kong adequately protect consumer interest and facilitate the stable development of insurance industry. “**

Objectives:

1. Study the reasons why the government established “Insurance Authority”.
2. Study the current practice and previous regulations of insurance industry to see how it can protect consumer interest.
3. Study the new practice and regulations of insurance industry to see how it can protect consumer interest.
4. Study how the new “Insurance Authority” and relevant regulations to facilitate the stable development of Hong Kong insurance industry.
5. Study the regulatory framework of insurance industry in other cities or countries such as United Kingdom, Macau SAR and Mainland China to compare how different regulators protect consumers and develop industry.

Statement of the Problem:

1. What are the reasons to establish IA?
2. What are the practice and previous regulations to the insurance industry in Hong Kong?
3. How the general practice and regulations protect consumer interest?
4. What are the new practice and regulations to the insurance industry in Hong Kong?
5. How the new practice and regulations protect consumer interest?
6. How the new “Insurance Authority” and the relevant insurance regulations to facilitate the stable development of Hong Kong insurance industry?
7. How the insurance regulator in United Kingdom, Macau SAR and Mainland China protect consumer and develop industry?

Approach and methodology

Theory:

1. Black letter / doctrinal approach, this approach will be used to explain the new regulations and weigh up academic opinion on the issues that are to be considered.
2. Historical approach, this approach help to provide the background information to the research questions and its development.

3. Comparative research, this is a comparison between the similar regulations in United Kingdom, Macau SAR and Mainland China.

Methodology:

Qualitative research methodology will be adopted in this research. In order to answer the research questions, relevant materials and legal documents including code, rules, regulations and guidelines will be reviewed and the necessary information will be collected through interviews, observation and document analysis. In addition, we will conduct case studies to identify the relevant practical regulatory changes.

Essential features of study design and participant information:

In this research, we shall interview with insurance policyholders, insurance trade associations, insurance organizations, regulator and Self-Regulatory Organizations for collecting the views on consumer protection and insurance industry development support.

Observations will be involved in different insurance trade association activities such as new regulations forum and the meeting with regulator. We will conduct the observations in Hong Kong Chamber of Insurance Intermediaries and Hong Kong Certified Insurance Practitioners to identify the changes of sales practice and the impact of new regulations. The reasons why we choose these two insurance trade associations because they represent both intermediaries and other insurance professionals and they have over 1,500 members in Hong Kong including both corporate and individual members.

In order to identify the changes of regulations, we will review and evaluate the previous and new rules, codes, regulations and guidelines to see how the new regulations protect consumers and support industry development. Case studies will also be conducted with focus on new compliance requirements and complaint cases in different insurance organizations to evaluate how the new regulations protect consumers.

We will compare different insurance regulatory frameworks in different cities or countries to benchmark whether Hong Kong has good consumer protection and industry development support. We target to compare U.K., Macau and China Insurance regulatory frameworks in this research. In fact, continental law is applied in Macau and China but common law is applied in Hong Kong. Therefore, it is interesting to find out the difference for the relevant insurance consumer protection and industry development regulatory difference. Assuming that Hong Kong's insurance regulation should be very similar to U.K. because of the historical reason but we have to review the details and see if anything we can learn for improving or enhancing our current practice to protect the consumer interest and support the industry development.

In general, we believe that the findings of this research will benefit to both insurance industry and insurance consumers with provide valuable ideas to assist regulator in formulating the policies in insurance industry.

List of keywords: Insurance, Regulations, Consumer Interest, Development and Protection.

2. Evaluation of a current research article

- **Full citation of the article.**

Nickell, D., Rollins, M., Rutherford, B. (2014). The Role of Mentoring on Outcome Based Sales Performance: A Qualitative Study from the Insurance Industry. *International Journal of Evidence Based Coaching and Mentoring*, 12(2), 119-132.

- **Description of the research philosophy and theoretical perspectives, which author(s) selected to ground their study.**

Having reviewed the captioned research article, I found that the authors explored the role of mentoring on outcome-based salesperson performance in insurance industry. Authors believe that mentoring is an important role within corporations especially its role on insurance salesperson performance. Therefore, authors adopted qualitative research approach to evaluate the influence of a mentor on the sales performance. In this research article, authors conducted telephone interviews with sales people who work in the sponsoring international insurance company to understand the relevant research topic of mentoring and outcome-based sales performance by trained and experienced researchers.

The research design of this research article adopted case study approach and it was supported by a large international insurance company and this international insurance company has presence in the 50 U.S. states. This sponsoring insurance company is consistently rated as one of the top five insurance company in the U.S. This insurance company offered mentoring program but it is informal arrangement with no officially assigned to new sales people. Referring to the sales person structure of this international insurance company mentioned by the authors, I believe that this insurance company is a very famous life insurance company in U.S. and this is not a general insurance company.

The sales person's performance data had been collected from the sponsoring insurance company. In total, 27 semi-structured depth interviews were conducted from different levels

of sales people in this insurance company including sales associate, district manager, regional manager and state manager.

The findings in this research advised that informal mentoring contributes to sales person performance in different areas. The respondents provided information pertaining to the mentoring they receive as well as the mentoring they perform. It would be benefit to both employer and sales person if mentoring salespeople take place in the early stage of a sales person's career. Usually, mentees will become a mentor to contribute the industry. Meantime, mentoring plays an important role in reducing turnover and increasing job satisfaction early in one's sales career as they have the support from the mentor.

- **Description of the data collection method(s), which author(s) employed in their study.**

The sponsoring insurance company provided a list of 50 participants for this research. Thirty-three of the sales people finished the semi-structured depth interviews and it represents 66% response rate. The selected employees work at four levels of the organization who are the sales associates, district managers, regional managers and state managers from different locations across in U.S. The sales associates are the junior position and the state managers are the most senior position.

As per the explanation in this research paper, the experience researchers through telephone interview conducted the 33 interviews. In addition, author mentioned that each telephone interview took 60 to 75 minutes and all questions in this interview were open-ended or semi-structured questions. Meantime, the participants in this telephone interview were encouraged to talk freely and openly about the topics. Having reviewed the interview guide in appendix, this interview guide contained such as prior employment history, goals for the future, training, mentoring, and support related question areas. The authors highlighted that all telephone interviews were recorded and transcribed. In addition, 6 respondents were finally removed from the analysis because they did not mention any mentor relationship therefore 27 telephone interviews were analyzed in this research.

For these 27 participants, authors identified that eight participants are high performers, eight participants are medium performers and the remaining eleven participants are low performers. Meantime, the relevant mentors themselves were district or regional managers. State manager is the most senior level among four levels of salespersons. In general, the mentors are the person who recruited the prospective sales agent, thus having a larger stake in the agent's success. Usually, the sales person want to follow the mentor to have success career and maintain good relationship with the mentor throughout their career.

Three tables were established in this research to show the name of participants, different levels of sales performance, whether they have Mentor at the insurance company and tenure at insurance company. With reference to these tables, the high performance sales associates are mentored.

Meantime, based on the responses in the telephone interviews, it demonstrates the important role of mentoring sales representatives that can help the junior sales to improve performance and step forward. In addition, authors highlighted that mentoring plays an important role in reducing turnover and increasing job satisfaction. This study is focus on informal mentoring, which may have a different impact on mentees than formal mentoring.

- **Critique of the qualitative research methods and procedures that author(s) used in their study.**

Strengths:

1. Authors adopted appropriate research methodology in this research article. Qualitative research approach is suitable for the education related study. The interview guide and sample questions are clear and details.
2. The objectives and problems in this research article are clear. The respondents answer the interview questions and provide relevant information to the research topic. The examples for the responses quote in this research is meaningful.

3. The value for this research article is reasonable and it can help to encourage mentoring in insurance industry especially for the sales person performance related training.
4. Case study approach is applicable and comparatively easy to manage given the sufficient support from the sponsoring insurance company.
5. Telephone interview is convenience to both researcher and interview participants.

Limitations:

1. The interview participants are only from one sponsoring insurance company that is not sufficient and the comments provided by the respondents may be too subjective.
2. 50 respondents are not sufficient. The sponsoring international insurance company should be able to provide more potential participants for this research in order to ensure this research result is meaningful.
3. Telephone interview may be interrupted if the network is not stable. Different format of interview should be allowed in order to collect more comments from different respondents.
4. The reason for removing 6 respondents is not convincing and we may consider to widen the participation and record the negative comments in this research to reflect different scenarios.
5. The focus of this research is informal mentoring only. Therefore, we may consider covering both formal and informal mentoring in this research article.

My suggestions to this research:

1. It would be better to interview with different sales people from different insurance companies or insurance organizations and widen the participation of the interview.

2. Apart from telephone interview, we may consider to conduct the interview by using focus group or face-to-face interview in order to collect more views from different sales people respondents.
3. We may also include the comments from the 6 removed respondents even they did not mention any mentoring. We may collect their views on mentoring but subject to some assumptions and see if they have any suggestions or comments.
4. We may also study the sales performance impact for the role of formal mentoring or non-sales role that did not cover in this research. It will benefit to the whole sales people training and education planning for the insurance organizations.
5. We may cover insurance intermediary organizations or other professional insurance organizations in this research and widen the participation. e.g. Insurance broking firms, agency companies, reinsurers, loss evaluation companies and Insurance third party administration company.
6. We may consider to cover both life and general insurance sectors. The research is only focus on life insurance industry with focus on life insurance sales person.
7. As this is an outcome based performance research, I would suggest the authors to provide the indications of the sales performance definitions. High, Mid and Low performance are not very clear. It would be better if we can advise the estimate gross premium or commission as a reference of performance indication.
8. The exact guidance from the mentor should be explained in detail and it can help the readers or relevant stakeholders improve their quality of mentorship programme and provide more guidelines to train the relevant mentors.
9. We may propose an exact mentoring guidance activities based on the comments from the respondents. It can benefit to different parties and bring up positive value to the insurance organization.

10. We may consider to interview mentors and see whether they have different comments in respect of the research topic. If the mentor is relatives or direct supervisor of the mentee, we may consider to highlight the difference of comments because we may see very different value or result to these selected mentor and mentee.

3. Research proposal

Introduction

The Hong Kong Insurance Authority (“IA”) has just been established in according to the Insurance Companies (Amendment) Ordinance and it is a new Hong Kong insurance regulator which independent from the Hong Kong government. Insurance Company Ordinance is the major insurance regulation in Hong Kong. With reference to Insurance Authority official website, their objectives are to modernize the regulatory infrastructure, to facilitate the stable development of the Hong Kong insurance industry, provide better protection for policyholders and comply with the requirement of the International Association of Insurance Supervisors that insurance regulators should be financially and operationally independent of the government and industry.

IA took over the regulatory functions of the “Office of the Commissioner of Insurance (OCI)” on 26 June 2017, which was a government department and responsible to regulate insurance companies in Hong Kong. Before IA in place, we previously adopted Self-regulatory regime and the 3 Self-Regulatory Organizations are responsible to regulate insurance intermediaries in Hong Kong. In last year, IA took over the regulation of insurance intermediaries from the three Self-Regulatory Organizations (“SROs”) on 23 September 2019. These three SROs are the Insurance Agents Registration Board established under The Hong Kong Federation of Insurers, The Hong Kong Confederation of Insurance Brokers and Professional Insurance Brokers Association.

Reasons for this Research:

Being an insurance broker in Hong Kong insurance industry, I have been advised by different industry practitioners that they worry about the implementation of new insurance intermediary regulations and received many enquiries from the consumers to clarify why the new insurance premium levy is required and the reasons for establishing new insurance regulator. Meantime, consumer protection and industry development are the hot topics in our industry as we face many challenges in Hong Kong and we really hope to have a stable growth for our industry.

Given the new independent insurance regulator established in Hong Kong, this research is to study whether the previous and the new regulations to the insurance industry in Hong Kong adequately protect consumer interest and evaluate how the new Insurance Authority facilitate the stable development of the Hong Kong insurance industry.

The findings in this research may assist the regulator to provide better support for the industry development and identify necessary protections for consumers. This research will provide useful and valuable analysis for both insurance industry and consumers in respect of consumer protection and industry development. I have confidence to get the support from regulator, trade associations and different insurance organizations to conduct this research. If possible, I hope that this research can be approved by the University as my doctoral dissertation. The tentative research schedule will be target to start from early 2021 and finish by late 2022.

Theoretical Background

As Insurance Authority has taken over the regulation for both insurance companies and insurance intermediaries, many new rules, codes and regulations are proposed and effected. In addition, Insurance Authority started to collect a premium levy from policyholders in accordance with the insurance law in Hong Kong since 1 January 2018. Therefore, we have to justify the value of Insurance Authority and draw the support from both industry and public. The findings in this research may assist the public to understand why Insurance Authority established and their exact value to consumers.

In order to evaluate whether Hong Kong provide sufficient consumer protection and industry development support, we will also benchmark with United Kingdom, Macau and China insurance regulatory framework to find out our strengths and weaknesses. The findings in this research may assist the industry practitioners to understand why the new rules and regulations are required and how we can in line with the international standard. Meantime, this research may provide additional

value or meaning ideas for different insurance organizations including regulator, insurance company, insurance broker, insurance agency and policyholders.

Research Topic:

Study whether the new regulations to the insurance industry in Hong Kong adequately protect consumer interest and facilitate the stable development of insurance industry.

Objectives:

1. Study the reasons why the government established “Insurance Authority”.
2. Study the general practice and previous regulations of insurance industry to see how it can protect consumer interest.
3. Study the new practice and regulations of insurance industry to see how it can protect consumer interest.
4. Study how the new “Insurance Authority” and relevant regulations to facilitate the stable development of Hong Kong insurance industry.
5. Study the regulatory framework of insurance industry in other cities or countries such as United Kingdom, Macau SAR and Mainland China to compare how different regulators protect consumers and develop industry.

Statement of the Problem:

1. What are the reasons to establish IA?
2. What are the general practice and previous regulations to the insurance industry in Hong Kong?
3. How the general practice and regulations protect consumer interest?
4. What are the new practice and regulations to the insurance industry in Hong Kong?
5. How the new practice and regulations protect consumer interest?
6. How the new “Insurance Authority” and the relevant insurance regulations to facilitate the stable development of Hong Kong insurance industry?
7. How the insurance regulator in United Kingdom, Macau SAR and Mainland China protect consumer and develop industry?

Literature Review & Bibliography

Official Consultation Paper & Conclusion

1. *Proposed Establishment of a policyholders' protection fund –consultation paper. FSTB*

This paper was issued by the Hong Kong Financial Services and the Treasury Bureau (“FSTB”) to consult the public on the proposed establishment of a Policyholders’ Protection Fund. It provides the reasons why the government department would like to introduce “PPF” for insurance industry. It can help us to understand the historical development of the relevant topic in Hong Kong and how it can protect the consumers in Hong Kong.

2. *Proposed Establishment of a policyholders' protection fund – consultation conclusions.- IA*

This paper sets out the consultation feedback and conclusions on the proposed establishment of a Policyholders’ Protection Fund (“PPF”) in Hong Kong, and the Administration’s final proposals which will form the basis for preparing the enabling legislation. This paper provides the feedback from the public and the insurance industry. It can help us to understand the feedback from the public and insurance industry in respect of the proposed establishment of “PPF”. It provides the comments from the public and the insurance industry how the “PPF” can protect the consumer interest and what they want to amend from their perspective.

3. *Key legislative proposals on establishment of an independent Insurance Authority (“IIA”) – consultation paper. - FSTB*

This paper is issued by the Hong Kong Financial Services and the Treasury Bureau (“FSTB”) to consult the public on the proposed establishment of an independent Insurance Authority. It can help us to understand why the government department would like to propose the new “IIA” and how they consider “IIA” is good for the insurance industry and the consumers especially in the area of consumer interest.

4. *Proposed establishment of an independent insurance authority consultation conclusions and detailed proposals. - FSTB*

This paper sets out the consultation feedback and conclusions on the proposed establishment of an independent Insurance Authority and the Administration's detailed proposals including the functions, powers, funding mechanism, governance and organization of the proposed independent Insurance Authority. It can help us to understand the feedback from the public and the insurance industry. It provides us the ideas how the insurance industry and consumers consider the "IIA" can provide better arrangement for the insurance industry and how "IIA" can provide a better protections for consumer interest.

Previous and New Regulations:

5. Code of conduct (Hong Kong Federation of Insurers, Professional Insurance Broker Association and Confederation of Insurance Broker Association)

Hong Kong Federation of Insurers, Professional Insurance Broker Association and Confederation of Insurance Broker Association previously are the semi-regulator in Hong Kong, they regulate the license issuance for insurance agent and insurance brokers. The code of conduct recommend the best practice for the insurance intermediaries in Hong Kong and it can help to understand the previous arrangement on regulate the insurance intermediaries in Hong Kong.

6. Regulation to the Insurer and Insurance Intermediaries – Insurance Authority

This paper advised the new regulations for the insurer and insurance intermediaries in Hong Kong including license requirement, continue professional education requirements and other regulations. It can help to understand the current role of the "Insurance Authority".

7. Chapter 41 Insurance Company Ordinance, Hong Kong

This ordinance advised the current regulations for insurance companies including the capital requirement, establishment, license requirement and scope of business. It can help us to understand the current regulations for insurance company and see whether it is sufficient to protect the consumer interest in Hong Kong.

8. The Macau Insurance Ordinance, Decree-Law No. 27/97/M, Macau – AMCM (Macau Insurance Regulator)

This ordinance advised the current regulations for both insurer and insurance intermediaries in Macau SAR including the license requirement, commission rate, capital, auditing and other necessary regulations. It can help to understand the insurance practice in Macau SAR and it gives a reference to compare with the current and new insurance practice in Hong Kong SAR.

9. Consumer Insurance (Disclosure and Representations) Act 2012, UK

This paper advised the regulations for the consumer insurance in United Kingdom. It can help to understand the insurance practice in United Kingdom and it gives a reference to compare with the current and new insurance practice in Hong Kong SAR.

10. Insurance companies and insurance intermediaries regulations, China

This paper advised the regulations for both insurance companies and insurance intermediaries in mainland China including the license requirement, capital, auditing and other regulations. It can help to understand the insurance practice in mainland China and it gives a reference to compare with the current and new insurance practice in Hong Kong SAR.

Books

1. Official textbooks - Chartered Insurance Institute (CII)
2. Official textbooks - Australian and New Zealand Institute of Insurance and Finance (ANZIIF)

I would like to study the relevant insurance organization operation or marketing related books in the captioned institutes and see whether I can find some industry development and consumer interest related academic theories.

Journals and Articles

1. Nickell, D., Rollins, M., Rutherford, B. (2014). The Role of Mentoring on Outcome Based Sales Performance: A Qualitative Study from the Insurance Industry. *International Journal of Evidence Based Coaching and Mentoring*, 12(2), 119-132.
2. Ioncica, M., Petrescu, E., Ioncica, D., Constantinescu, M., (2012). The Role of education on consumer behavior on the insurance market. *Procedia – Social and Behavioral Sciences* 46 (2012) 4154 – 4158.
3. Hallatt, W., Thomas, G., Cassidy, H., Geiser, D., (2019). The New Regulatory Regime for Insurance Intermediaries in Hong Kong – Are you ready for 23 September 2019? *Legal Briefings - Herbert Smith Freehills*.
4. Keady, R., Zhuang, J., (2020). Hong Kong passed bills to help grow the insurance sector. *Dentons Flashpoint*.

More Journals and Articles related to the research topic will be studied to ensure sufficient academic support in our research.

Web Sites

1. Insurance Authority Hong Kong Official Website

www.ia.org.hk

This is the official website of the “Insurance Authority”. It provides all insurance regulations, codes, guidelines and compliance requirements for insurance industry in Hong Kong.

2. SRO Website - IARB

www.hkfi.org.hk

This is the official website of the “Hong Kong Federation of Insurers”. Although insurer previously was self-regulate in Hong Kong but it provides all relevant information about the recommended “Code of Conduct”, insurance license requirement for insurance agent.

3. SRO Website - CIB

www.hkcib.org

This is the official website of the “Hong Kong Confederation of Insurance Broker Association”. One of the previous self-regulation body for insurance broker who regulate the license issuing and complaint of insurance broker.

4. SRO Website - PIBA

www.piba.org.hk

This is the official website of the “Professional Insurance Broker Association”. One of the previous regulation body for insurance broker who regulate the license issuing and complaint of insurance broker.

Cases

1. Compliance or complaint cases provided by Self-Regulatory Organizations (e.g. CIB, PIBA and IARB).

2. Compliant cases provided by Insurance Complaints Bureau.
3. Compliant cases provided by insurance organizations, insurance companies and insurance intermediaries.

Miscellaneous resources for this research

1. Media Interview. – Insurance Authority and other insurance organizations
2. Newspaper and online news.
3. Insurance Forum. – Asia Insurance Review
4. Other Public Information or Material.
5. Annual report – Insurance Authority
6. Annual report – Self- regulated organization
7. Newsletter – Hong Kong Federation of Insurers

Methodology

Approach and methodology

Theory:

1. Black letter / doctrinal approach, this approach will be used to explain the new regulations and weigh up academic opinion on the issues that are to be considered. This is mainly applied in regulations document analysis.

2. Historical approach, this approach will help to provide the background information to the research question and its development. This is mainly to study the historical background for the changes of regulations and the regulatory framework.

3. Comparative research, this will be a comparison between the similar regulations in United Kingdom, Macau SAR and Mainland China.

Methodology:

Qualitative research methodology will be adopted in this research. In order to answer the research questions, relevant materials and legal documents including rules, codes, regulations and guidelines will be reviewed and the necessary information and views will be collected through interview, observation and document analysis. In addition, we will conduct case studies to identify the relevant practical regulatory changes.

Qualitative research, as a set of interpretive practices, privileges no single methodology over any other. As a site of discussion, or discourse, qualitative research is difficult to define clearly. It has no theory, or paradigm, that is distinctly its own. (Denzin & Lincoln, p.3)

Research strategy, study design, data collection and participant information:

Qualitative Research

We will use qualitative approach in the research, we will interview with insurance consumers or policyholders, insurance trade associations, insurance organizations, regulator and Self-Regulatory Organizations to collect the views on consumer protection and insurance industry development.

Black letter / doctrinal approach and history approach

In order to identify the changes of regulations, we will review and evaluate the previous and new rules, codes, regulations and guidelines issued by IA to see how the new regulations protect consumers and develop industry. We target to compare previous and new regulations with focus on industry development and consumer protection.

Ethnographic Approach

Observation will be involved in different insurance trade association activities such as regulatory changes forum and the meeting with regulator. We will have observation in Hong Kong Chamber of Insurance Intermediaries and Hong Kong Certified Insurance Practitioners to identify the changes of sales practice and the impact of new regulations. We target to have observation in 2 insurance trade associations and these observations will take 6 to 9 months for processing.

Case study approach

Case studies will be conducted with focus on new compliance requirements in different insurance organizations to evaluate how the new regulations protect consumers. We target to have at least 15 case studies from different insurance organizations.

Comparative approach

We will also compare different insurance regulatory frameworks in different cities or countries to benchmark whether Hong Kong has good consumer protection and industry development support. We target to compare U.K., Macau and China Insurance regulatory frameworks in this research. We target to have at least compare insurance regulatory framework for 3 cities or countries.

Data collection and analysis procedures:

We will start from document analysis and legal framework comparison follow by observation and case study. As we need to seek the ethical approval and consent from the trade associations and participants, it may take few months to confirm the approval and consent. Therefore, we plan to proceed the preliminary document analysis and legal framework comparison while we are waiting for the approval and consent. The official commencement for this research will be start when received the approval from the University.

Ethical consideration

- Ethical approval will be applied before starting any research activities.
- We will follow the standard format for the application for the research ethical approval and I will seek the advices from supervisor.
- Consent form and information sheet for this research will be provided to participants to seek the consent. The consent form will also be provided to the University for approval.

Draft Interview Questions:

(Regulator, SROs and Insurance Organizations – Semi structured interview)

Introductory Question

Can you tell me about your name, position, job nature and the experience in the insurance industry?

Key Focuses:

1. What are the reasons to establish IA?
2. What are the practice and previous regulations to the insurance industry in Hong Kong?
3. How the general practice and regulations protect consumer interest?
4. What are the new practice and regulations to the insurance industry in Hong Kong?
5. How the new practice and regulations protect consumer interest?
6. How the new “Insurance Authority” and the relevant insurance regulations to facilitate the stable development of Hong Kong insurance industry?
7. How the insurance regulator in United Kingdom, Macau SAR and Mainland China protect consumer and develop industry?

Interview Guide – Draft Only

Theme	Questions
About Participant	Can you tell me about your name, position and job nature?
Your Career	Can you tell me about your experience in the insurance industry and the future expectation for the insurance industry? or Can you tell me about your experience in the regulator and future expectation for the insurance industry?
Think back the previous insurance regulations	How did you become aware for the changes from Self-Regulatory Regime to Regulatory Regime? Reasons for the changes? Any challenges, benefits, support or opportunities in the past?
Industry development support	How did you become aware the establishment of Insurance Authority? Any support to the industry development and the implementation of new regulations?
Tell me about your plan for managing new insurance regulations	What is your plan for preparing the regulatory changes? • Training • Guidance • Contract • Practice • Compliance • Finance
Tell me about your target development support in insurance industry	What is your expectations for the insurance industry development support? • Funding • Compliance • Regulations • Training and Education • Recruitment

	• License
What is your expected insurance consumer protection?	What are the new regulations to protect consumer interest? • Purpose • Timeline • Guidance • Education and Training Any difficulties, opportunities and challenges? • Requirements • Cost • Training • Implementation • Disclaimer • Legal advice

Observation Guide – Draft Only

e.g. Hong Kong Chamber of Insurance Intermediaries Association	Length: 3 hours Location: TBA
Activity: New Insurance Intermediary Regulations Forum	
Descriptive Notes	Reflective Notes
Speaker sharing	Code, Rules, Regulations
Member questions	Transitional period, Grandfathering arrangement, Exemption
Speaker response	• Arrangement for existing insurance intermediaries • Arrangement for the new insurance intermediaries • New continuous professional education requirement (CPD) • New licensing requirement

Implications for research

The reason why we use different approaches in this qualitative research because we target to collect different views from different stakeholders to ensure the feedback are not too subjective and fair. If we only collect views from the regulator, the result will be exactly match the purpose why the insurance authority establish in their official website. Therefore, we have to include different stakeholders in the industry to ensure the result or recommendations in this research is meaningful and reasonable.

The quality of the researcher and the interview question guide are important for the success of this research as these are the key information to find out the answers of the research questions and formulate the research findings. Therefore, we try to widen the participation and collect more views. Therefore, we believe that the approaches and data collection process are the effective and efficient way to conduct this research as we cover different views from wide range of related stakeholders.

Target time schedule for this research

1. Formulate the research methodology March 2021
Formulate the best research methodology and structure of this research and seek the approval and comments from the University and Supervisor.
2. Literature review May 2021
Study different materials that we mentioned in the captioned Literature session such as papers, regulations, books, journals and website to do the document analysis.
3. Theoretical framework September 2021
Analysis different materials by using appropriate theories and seek the comments from the supervisor to ensure everything is fulfilling the required academic standard and in the right track before doing any interviews.

4. Compare the current and the new regulations December 2021
Compare the different arrangement between the previous and new regulations. Study how the new arrangement protect the consumer interest and evaluate the different with the general practice.

5. Compare the new regulations with other countries January 2022
Compare the relevant insurance regulations with United Kingdom, Macau SAR and Mainland China. Study the best practice for protecting the consumer interest.

6. Evaluate the impact to the Insurance Industry and Public (Interview, Observation and Interview) March 2022
Evaluate the impact to the Insurance Industry and Public.

7. Answer to research questions and finalize the research December 2022
Answer all the research questions, achieve the objectives and provide conclusions & recommendations. Finalize the research and seek the final comments from the supervisor.

We will analyze and evaluate the data as per our research plan and seek the comments from the supervisor on regular basis. Therefore, we have confidence to finish this research as per our selected research approaches and target timeline.

Given the support from different insurance organizations and regulator, we will have sufficient information to conduct this research and we will ensure the quality of our analysis is up to the professional academic standard and we will seek the advice from the supervisor on a regular process.

Significance

I have over 20 years of experience in Hong Kong and Asia Pacific insurance industry and our industry face serious challenges in the last 2 years such as significant typhoon losses, local social issues and U.S. China trade war.

Therefore, we have to ensure the stable growth in Hong Kong industry especially we can protect our consumers with balance the industry long-term development. I believe that the value of insurance protection is very meaningful but the consumer interest protection and industry development are the key success factors for our long-term growth.

If we want to establish risk management center and captive insurance hub in Hong Kong, we have to ensure relevant insurance regulations support the industry growth and the relevant consumer protection regulations are in line with the international standard that will strengthen the attractiveness for the large corporations to establish their self-insurance and captive insurance hub in Hong Kong.

Insurance industry definitely can contribute to the success for the whole economy in this region and support the financial growth in the Greater Bay Area. If we only rely on the investment from the industry that will not be sufficient and it may not efficient.

The support or investment from the government and the necessary legislative approval of the relevant regulatory changes are extremely crucial factor for the long-term economic success and the insurance industry development that's why we propose this relevant research topic.

From the public and policyholder perspective, insurance levy is required by the insurance authority since 2018 to support the necessary funding to establish IA that means consumers are required to spend more cost to purchase insurance policy. Therefore, it is important to identify how insurance authority protect consumer interest and justify the value of IA.

In Hong Kong, self-regulatory regime had been adopted for many years but it had been replaced by regulatory regime. In this transitional period, many changes and new requirements are different with the previous regulations that's why we have to ensure the new regulations are meaningful and reasonable to facilitate the industry growth.

Why this research is important?

1. The Insurance Ordinance in Hong Kong has been amended and implemented in the last 24 months. The current Insurance Ordinance and its subsidiary legislations are the principal legislation to regulate the insurance industry in Hong Kong. The regulatory framework applicable to insurers and insurance intermediaries in Hong Kong are set out in the Insurance Ordinance. The Insurance Ordinance sets out the requirements for the authorization licensing, ongoing compliance and reporting obligations of insurers and insurance intermediaries. From the perspective of insurance industry and the public in Hong Kong, it is important to understand why we have new regulations and what the exact values to both industry and consumers.
2. As per the information in the website of Insurance Authority, the Insurance Authority ("IA") is a statutory body set up to administer the Insurance Ordinance. In accordance with the Insurance Ordinance, the principal functions of the IA are to regulate and supervise the insurance industry for the promotion of the general stability of the insurance industry and for the protection of existing and potential policyholders. Therefore, it is important to understand how Insurance Authority to regulate and supervise the insurance industry for the promotion of the general stability of the insurance industry and for the protection of existing and potential policyholders. From both industry and consumer perspective, we have to justify and demonstrate the worthiness for establishing Insurance Authority.
3. As Insurance Authority has taken over the regulation for both insurance companies and insurance intermediaries, many new rules, codes and regulations are proposed and effected. In addition, Insurance Authority started to collect a premium levy from policyholders in accordance with the insurance law in Hong Kong since 1 January 2018. Therefore, we have to justify the authorizations of Insurance Authority and draw the support from both industry from public. The findings in this research may assist the public to understand why Insurance

Authority established and their exact value to consumers.

4. In order to evaluate whether Hong Kong provide sufficient consumer protection and industry support, we will also benchmark with United Kingdom, Macau and China insurance regulatory framework to find out our strengths and weaknesses. The findings in this research may assist the industry practitioners to understand why the new rules and regulations are required and how we can in line with the international standard.

Limitations

Any limitation in thinking about this approach?

The research has few limitations.

1. Interviews

As we will have interviews with different stakeholders such as consumers, insurance trade associations, self-regulated organizations, insurance organizations and insurance regulator, we may not ensure whether they accept our interview invitation in this stage.

2. Observation

As we planned to have a detail observation in two insurance trade associations, it is very crucial that we are allowed to do the observation and disclose our findings.

3. Case Study

Cases study will be conducted with focus on new compliance requirements in different insurance organizations to evaluate how the new regulations protect consumers. It is important that we have sufficient cases related to our research topic to evaluate.

4. Document Analysis

As we will review and evaluate the current and new regulations to see how the new regulations protect consumers and develop industry, some information may not allow to disclose or difficult to explain the implications.

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