EMPLOYEES' PERCEPTION OF HEALTH INSURANCE: INFLUENCES COMPANY PERFOMANCE: A CASE OF HEALTH INSURANCE COMPANIES NHIF, NSSF AND IPP MEDIA GROUP, BAKHRESA FOOD PRODUCT.

By

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A Dissertation Submitted in Fulfillment of the Requirements for Award of the Degree of Master of Business Administration (MBA) in Corporate Management of Mzumbe University

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CERTIFICATION

We, the undersigned, certify that we have read and hereby recommend for acceptance by the Mzumbe University, a dissertation entitled, **the employees' perception on health insurance; influence the company performance.** The Case of Insurance agencies NHIF and IPP media group, in fulfillment of the requirements for award of the degree of Master of Business Administration of Mzumbe University.

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Major Supervisor

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Internal Examiner

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DECLARATION

AND

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I, Gloria Josephat Mugelle, hereby declare that this dissertation is my own origin work and it has not been presented and will not be presented to any other university for a similar or any other degree award.

Signature**…….....**

Date: **…….....**

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Any shortcomings or errors in this study remain my own responsibility and should not be associated with any of those acknowledged above.

ABSTRACT

This study seeks to find out the employees' perception on health insurance influencing the company performance. A joint methodology of questionnaire survey, documentation observation and interview were used for data collection. The research method used consisted of self-administered questionnaire and interview which were set with IPP employees, employers and NHIF, NSSF employees on managerial position. This paper combines a significant literature review with primary data collected from various employees. In this research about 80 respondents identified that health insurance has influence on company performance and major impact into their daily life, which include increase of their productivity in their companies, cost reduction on turnovers and enable them to work confidently in good working environment. However, there were many possibilities for employers to gain more advantages by covering their employees with health insurance into their companies. but they were having obstacles which hinder many companies/ organization to purchase health insurance to their employees these were due to high turnover of employees especially the offices/ companies found in rural areas, high costs introduced by the insurance agencies as the employee and employer has to contribute, the employers found the running cost of the companies are high compared to output hence tend to reject health insurance for their employees. Therefore this result suggested that these employees require support from the government as the health insurance must be provided to all employees in the company. This support could be in terms of education, developing new tools and methods to manage all employers to purchase health insurance for their workers, and the insurance companies to do not consider it as a profit gaining company, especially the social fund NSSF and NHIF.

The study puts forward recommendations to both employers and national health companies. There should be a well-articulated policy which will focus to encourage employers to purchase health insurance to their workers and self -employed should purchase health insurance for themselves and their families.

The researcher really hopes that the output from this research study will be of practical use to Employees and employers.

ABBREVIATIONS AND ACRONYMS

NHIF	National Health Insurance Fund
NSSF	National Social Security Fund
CHF	Community Health Fund
MoHSW	Ministry of Health and Social Welfare
PMO-RALG	Prime Minister's Office Regional Administration and Local Government.
IOM	Institute of Medicine
HIPAA-	Health Insurance Portability and Accountability Act
P4P	Pay for Performance
WHO	World Health Organization
SPSS	Statistical Package for Social Scientist

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter introduces employees' perception on health insurance; influence company performance, it includes the background of the study, statement of the problem, objectives of the study, research questions, and significance of the study, limitation and assumption of the study.

1.1 Background of the study

Grossman (2000) argued that health, as a consumption good yields direct utility to individuals, while health as an investment good increases the number of days available to individuals to participate in market and non-market activities. The allocation of resources for the maintenance of good health status and the relationship between the economy and the health sector are important questions which demand attention, for the overall growth of our economy.

People's good health is important for the wellbeing and socio-economic development of any country. Good health is one of the key measures of the well being of a person/country. To ensure good health, it requires concerted efforts and full co-operation of individuals and the state. From the economic view point, good health contributes to economic growth in a number of ways. For instance a healthy population can be more productive at work and hence generate more income, freed resources which would have otherwise been used for treatment of illnesses can be invested somewhere else to make a nation more prosperous. Furthermore, good health promotes the mental growth of children, which is essential for creating an educated nation. An educated nation of healthy people is more prepared for new technological innovations and the demands of continuing development (WHO, 2003). Conclusively, the idea of health insurance came

on a long way, specific for creating a nation with good health to enhance the economic productivity.

Health Insurance, popularly known as Medic aim, is nothing but an Insurance which covers expenses related to necessary Hospitalization due to a Sickness or an Accidental Injury. A standard medic aim covers comprehensive costs of Hospitalization, which include: Investigation costs before the hospitalization like Medical Tests, Doctor Fees; it includes cost for ambulance all costs while in the hospital which include room charges, surgery charges, diagnostic tests etc. Costs incurred post hospitalization for complete recovery, for example follow up doctor visits, diagnostic tests, medicines connected to the Hospitalization, example of Tanzania Health Insurance Company is NHIF, NSSF, strategies insurance Tanzania Limited etc, NHIF is a compulsory health Insurance Scheme in that the Membership is stated in the Act establishing the Fund. The Scheme is administered by an independent and autonomous body which is accountable to the Minister of Health. The Management of the Fund is vested on the Director General who is the overseer of the daily operation of the fund. (http://www.tanzanian-tanzania.com/insurance).

Health status is a multidimensional concept. It includes aspects of organ functioning, the capability of human beings to perform physical activities and to play a normal social role, as well as a subjective feeling of well being (WHO, 2009). Thus, it is the state of complete physical, mental and social wellbeing, and not only the absence of diseases (handicap). So for any employee being fit for his/ her job needs assurance of the health and thus where the health insurance was introduced. These enabled employees have access to hospitals even if they don’t have enough money to cover their bills

Health insurance is a type of insurance coverage that covers the cost of an insured individual's medical and surgical expenses. Depending on the type of health insurance

coverage, either the insured pays costs out-of-pocket and is then reimbursed, or the insurer makes payments directly to the provider. In health insurance terminology, the provider is a clinic, hospital, doctor, laboratory, health care practitioner, or pharmacy. The "insured" is the owner of the health insurance policy; the person with the health insurance coverage. In countries without universal health care coverage, health insurance is commonly included in employer benefit packages and seen as an employment perk.

Melissa Jeffries 2002 from his book of Understanding Health Insurance, defines health insurance is insurance against the risk of incurring medical expenses among individuals. By estimating the overall risk of health care and health system expenses among a targeted employee, an insurer can develop a routine finance structure, such as a monthly premium or payroll tax, to ensure that money is available to pay for the health care benefits specified in the insurance agreement. The benefit is administered by a central organization such as a government agency, private business, or not-for-profit entity.

In Tanzania business sector many people are struggling to have health insurance especially in private companies, employee needs health insurance but they don’t get from their work place, they only depend on their salary in order to make payment on medical treatment, medical care is required in company employee for better performance of the company, it was supposed patient should be able to concentrate on getting better, rather than wondering whether he/she has got the resources to pay for all the bills for medical treatment. Jeffries 2002

Most of the companies complaining on high charges of health insurance which usually provided by NSSF, NHIF,AAR etc, they reject the issue of health insurance to the employee as a result of high costs associated with health insurance schemes, put off many Tanzanians from accessing the vital cover services, Many stakeholders said by insist that government needs good policies and programs that control cost increases to

enable more people access health insurance services in the communities around the society.

Melissa further argues that, the national health system is probably not functional, at least not the way it should. If we want a functioning health delivery system that provides equitable services we have to change it completely. First, money that is being invested into health insurance must be ploughed back into public health facilities.

It appeared health insurance combine high charges which lead many companies not being able to afford those charges and lead them to reject health insurance to their employee. In 2010, Tanzania country manager of Resolution Health East Africa Limited, Mr. Dennis Lumula, was speaking in Dar es Salaam recently at the official launch of the company's operations in the country, about the high charges that have been implemented by the health insurance and the importance of health insurance to company performance. Currently, only about ten per cent of the country's population has access to health insurance services such as personal accident, critical illness.

Wang Hong, (2011), argues that, many companies are struggling to give their employee health insurance due to high cost of health insurance, majority of company employees' health is low and is characterized by considerable variation between types of organization/company, employee ranking and between social economic groups, almost every government department has been enrolling employee into contributory health insurance schemes but most of the companies they seems not to act very seriously on the side of health insurance and private sectors complain about Private health services in the country are becoming extremely expensive. Meanwhile peasants and uninsured workers endure lack of medicines, overcrowded hospital wards, procedures and operations that get dropped for lack of one thing or another, and the list goes on. From the overview of what is happening the study will based on the perception of employee health insurance influence company performance.

Performance is the art of performing/ doing something successfully, using knowledge as distinguished from merely processing it. A performance comprises an event in which generally one group of people (performer/ performers) behaves in a particular way for another group.

It appeared that employees who have health insurance through their employers have better rates of task performance than those who are not covered, most of the employees who receive adequate compensation and rewards from their employers are more likely to put extra effort into their work, which could boost their company's bottom line. Employee wellness programs on health insurance have been shown to provide workers with invaluable information on healthy living and stress management, which can result in reduced healthcare costs. However, they can't do much good if workers don't use them.

Performance indicators or measures are either qualitative or quantitative metrics for assessing the quality or efficiency of the execution of an activity, or demonstrating progress toward a goal or desired outcome, in any company the performance of the company can be indicated with productivity as market in general, and number of turnover.

Company performance can be identified with different performance indicators such as productivity, the increase of productivity in the company it’s facilitated by the healthier workers of that particular company.

Also performance is identified by the market as the performance indicator, Also the demographic analysis of individuals (potential customers) applying to become customers and the levels of approval, rejections, and pending numbers can be the indicator of a particular company performance.

Performance must be guided by job satisfaction; company cannot meet its targets if the employees are not satisfied with their job, so for any company performance there must be job satisfaction. Job satisfaction is defined as an individual's reaction to the job experience (Berry, 1997) and in order for, there are various components that are considered to be vital to job satisfaction and they include the following: pay, promotion, benefits (health insurance), supervisor, co-workers, work conditions, communication, safety, productivity, and the work itself. These variables are important because they all influence the way a person feels about his job though each of these figures into an individual's job satisfaction differently. Meanwhile, one might think that pay is considered to be the most important component in job satisfaction especially as it has been affirmed that money motivates people; and in job situations, money motivates behavior when it rewards people in relation to their performance and when it is perceived to be fair, equitable, and providing rewards that employee truly value (Bernadine, 2007; Katz In Tella, Ayeni and Popoola, 2007).

Emotional intelligence is defined as an aptitude at identifying and managing emotions in a way that is healthy and constructive; there are four factors that influence emotional intelligence: self-awareness, self-management, social awareness and relationship management to worker performance. The first component involves being more aware of one's own emotions and what effect they have on actions and thoughts. Part of this knows personal strengths and weaknesses. Self-management is the skill to control negative responses to stressful or challenging communications and or situations. It involves handling feelings and situations in a way that yields positive results. These two

aspects are integral for employees dealing with intense workplace stress. Workers need the skills and health care to build good relationships with co-workers. Social awareness is the ability to recognize how others may be feeling and respond appropriately. Relationship management mostly helps to influence, manage and inspire their employees.

1.2 Historical perspective of NHIF in Tanzania

The National Health Insurance Fund is a statutory health insurance scheme which was established by Parliamentary Act No.8 of 1999, in order to facilitate access to health services by the principal members and their dependants. The main objective for the establishment of the Fund was to administer the scheme and to formulate and promulgate policies for sound administration of the scheme. The Management of the Fund is vested in the Board of Directors. However, the day to day operations of the Fund are executed by the Director General on behalf of the Board of Directors.

Generally, employers and employees in the public sector are obliged by the Law to register themselves and contribute to the Fund a total of (6%) six percent of employee's salary, equally shared between the employer and the employee, except uniformed service men whose contribution is 6.25% and where paid by Government. The Fund covers members, their spouses and up to four children and/or dependants. The Membership size of the Fund has increased from 332,650 in June 2009 to 373,326 by June 2010, an increase equivalent to 12.2%.The beneficiaries have been increasing gradually from 1,830,375 in June 2009 to 1,971,251 as of 30th June 2010, equivalent to an increase of 7.7%.

Extension of membership coverage has been made possible through the amendments of the NHIF Act, which extended the coverage to include all public servants instead of the previous Central Government employees. The following groups were taken on board namely public servants, councillors, and members of the Police force, Prisons,

Immigrations, Fire and Rescue as well as other groups of persons. As the scope of membership and beneficiaries increases, the Scheme is expected to ultimately assume its national role as the major universal social health insurance provider.

The Fund's benefits package comprising of Registration and Consultation Fees, Outpatient Services, Medicines, Diagnostic Tests, Inpatient Services, Surgical Services, Physiotherapy and Optical Services. An important inclusion and enhancement in the package was the introduction of the Retirees benefits for the rest of their lives, a great stride in the Scheme's milestones. The services are provided to beneficiaries through the Fund's accredited health facilities which include Government, Faith Based and Private facilities that are located throughout the country.

Management and Administration of the Community Health Fund.

Community Health Fund (CHF) is a voluntary scheme established by the Act No. 1 of 2001. The scheme was first introduced in the Country as a pilot in 1996 in Igunga District. CHF is a pre-payment council's based scheme aimed at facilitating the community to access health care at an affordable premium that is determined by the community itself.

At the beginning, it was the Government through the MOHSW and PMO-RALG who was administering the scheme until July, 2009 when they deputized their role to the NHIF, a decision that was in line with Cabinet 37/2007 decisions which directed activities of the mutually related funds i.e. NHIF and CHF to be rationalized.

NHIF Vision

The Fund envisions becoming the leading Health Insurance Scheme of choice in the Sub-Saharan region in terms of sustainability and quality of services

NHIF Mission

The fund is dedicated to providing support to our beneficiaries to access health services through Principal/Contributing members, their spouses and up to four Children and/or dependants.

Membership

Beneficiaries of the Scheme are provided with Identity Cards for identification and verification to facilitate access/ utilization of health services at accredited facilities anywhere within Tanzania. The Identity Cards come in two colours, Brown and Green Cards which currently constitute 96%, and 4% of the total Identity Cards, respectively.

Green cards are issued to senior members of the public service, whereas Brown cards are issued to other categories of employees. Members are allowed to access services at any accredited health facility within the country regardless of the type of identity cards they carry. However, while Green Card holders have direct access to specialized hospitals without following the referral system, the Brown Card holders need referral letters to access services at specialized hospitals, when need arises. Notwithstanding the difference in Identity Cards' colour, the service package is the same both for you.

A retiree, who was a member of the Fund, is entitled to continue his/her membership, together with the spouse for the rest of their lives. Children and/or dependants of the retiree do not benefit as dependants after retirement of the employee. However, for a retiree to benefit under this arrangement, he has to meet a set of qualifying conditions.

Benefits Packages.

The National Health Insurance Fund's benefits package consists of ten benefits which are: Registration and Consultation Fees, Outpatient Services, Medicines, Diagnostic Tests, Inpatient Service, Surgical Services, Physiotherapy, Optical Services, Orthopedics

and Dental Services. The providers issue medicines based on the National Essential Medicines List and an additional list drawn by NHIF in regard to the regulation of using Generic formulations, adherence to the mutually agreed NHIF Medicines Price Schedule. The price schedule is prepared after taking into account macroeconomic changes such as price index (Inflation) and any other relevant economical indicators. Diagnostic Tests are carried out when a patient visits a health facility. Surgical Services include Minor, Major and Specialized surgical services performed from health centres to the Referral level. Inpatient Care Services are provided in accordance with the agreed NHIF Inpatient Care Fee Schedule at health facility levels allowed for admissions. The Fund also provides Orthopedic Appliances, Spectacles, Physiotherapy and Dental Services. The provision of services and reimbursement costs depend on the level of facility.

Cessation of Membership

Membership shall cease if the employment of a member is determined by one of the following circumstances:-

(i) Death of an employee
(ii) Termination from employment
(iii) Retirement from employment
(iv) Dismissal from employment
(v) Any other act that may terminate the employment of a member.

However, a person who was a beneficiary of the Fund shall be entitled to the benefits package for a period of three months after the occurrence of any of the above circumstances.

1.3 Historical perspective of NSSF in Tanzania

The National Social Security Fund (NSSF) was established by the Act of Parliament No. 28 of 1997 to replace the defunct National Provident Fund (NPF). NSSF is a compulsory scheme providing a wider range of benefits which are based on internationally accepted standards. NSSF covers different categories of employers and employees without consider is a government sector or not,

The areas in which NSSF covers are Companies, Non-governmental organizations, Embassies employing Tanzanians, International organizations, organized groups in the informal sector, parastatal organizations, self employed or any other employed person not covered by any of the scheme

NSSF VISION

The Fund envisions becoming a leading provider of social security services in Africa.

NSSF MISSION

The Fund is committed to promptly meet members' evolving social security needs using competent, innovative, results-oriented and dynamic human resources and state of the art technology

Scheme's financing

The scheme is financed through contributions at the rate of 20% of employees' salary. The employer is required to deduct from employee's gross salary the amount of contribution not exceeding 10% of the employee's salary. The employer adds the remaining balance to make the required contribution rate of 20%.

Registration

The National Social Security Fund Act No. 28 of 1997 provides for registration of both employers and employees. Section 11(1) of the Act provides that every employer, unless such employer has been registered under the existing Fund, shall register with the NSSF within one month. The period of one month begins upon the commencement of the Act or the date when the concerned person becomes a contributing employer.

The registration of employees is provided under Section 11(6) of the Act. The Section provides that every contributing employer who is registered by the NSSF shall register as an insured person every person who is an employee in his firm by notifying the Director General of the particulars of such employees as may be prescribed. The registered insured person automatically becomes a member of the Fund.

Registration of an employer and employees must be done first before payment of contributions begins and the activity is accomplished at NSSF field offices.

Benefits Packages.

NSSF with the main on providing relief to the employees and employers on the medical expenses has offered different benefits packages such as Maternity package, funeral package, and health insurance package in which it offered different benefits services,

which is categorized into two outpatient services and inpatient services, outpatient services provided are consultation with clinical / Medical officer, specialist or consultant, Basic and specialized investigations, Minor surgical procedures, Dispensing of drugs in the essential drug list, referral to higher level and special hospitals. Also the Inpatient services offered are Accommodation, consultation with clinical/ Medical officer, Specialist or consultants, basic and specialized investigation, Minor and major surgeries, dispensing of drugs in the essential drug list, Dispensing drugs/ Discharge and referral to higher levels and special hospitals. These are the benefits that are covered by the NSSF on health.

Different from NHIF, NSSF found to provide benefits to all the people either employed by the private sectors or self employed, with this scheme all employers have to purchase health insurance to their employees without facing any obstacles, as long as one has the followed the following Qualifying Conditions, At least 3 months contributions on the scheme, 3 months access of service after stoppage of contributions, 6% deduction of pensions for pensioners willing to join after retirement.

1.4 Statement of the problem

Health insurance is a type of insurance coverage that covers the cost of an insured individual's medical and surgical expenses. Depending on the type of health insurance coverage, either the insured pays costs out-of-pocket and is then reimbursed, or the insurer makes payments directly to the provider. In health insurance terminology, the provider is a clinic, hospital, doctor, laboratory, health care practitioner, or pharmacy. The insured is the owner of the health insurance policy; the person with the health insurance coverage.

Insurance against loss by illness or bodily injury, Health insurance provides coverage for medicine, visits to the doctor or emergency room, hospital stays and other medical expenses. Policies differ in what they cover, the size of the deductible and/or co-payment, limits of coverage and the options for treatment available to the policyholder. Health insurance can be directly purchased by an individual, or it may be provided through an employer of a certain company. Medicare and Medicaid are programs which provide health insurance to elderly, disabled, or un-insured individuals, there are a number of companies which provide private health insurance, including PPF, NSSF, NHIF and other companies which provide health insurance as an added service from what they get from the client in order to motivate the client.

Wang Hong, 2011, Health Insurance, "Having health insurance is important because coverage helps people get timely medical care and improves their lives and health. Some may believe that people always have access to medical care because they can always go to an emergency room. But even areas with well supported safety-net care do not remove barriers to access to the same extent as does having health insurance. "Coverage matters," concluded the Institute of Medicine (IOM) during a recent multiyear appraisal. Indeed, the prestigious IOM estimated that lack of coverage was associated with about 18,000 extra deaths per year among uninsured adults. Several points deserve emphasis".

Health insurance is something that all of us must avail at some point of time in our lives. For this reason you must plan ahead and purchase a health insurance program intelligently for yourself and your family. Acting wisely in this decision will ensure you secure the most appropriate health insurance plan from the different companies available. It's important to make the right choice and if you aren't certain where to start, then this decision can be confusing, hence you should be sure you understand the difference between all the plans that you've seen. This step is important when selecting the ultimate health insurance to suit your needs.

According to employees majority believe, company shareholder reject health insurance to the employees as one way of avoiding unnecessary cost, Employee believe current employer based on its health care benefit offerings made them feel as though their employer appreciated their worth to the company but few permanent employee gets health insurance while majority doesn't get, company stake holders rejects and indicate high cost in providing each employee health insurance.

The economic and social cost of employee health insurance to company is high, Deterioration of employee health insurance leads to excess maternal and poor thinking which considerably contribute to the burden of disease and negatively affects the ability to perform at work. In spite of the stressed importance of employee health insurance to company performance, majority of company employees' health is low and is characterized by considerable variation between types of organization/company, employee ranking and between social economic groups. Furthermore, studies focusing on importance of employee health by empirical measures by using the recent Tanzania labor survey are scarce with the few available focusing more in theoretical approach.

Intervention of company that focus more on employee productivity to enhance individual innovation will need to take employee's health into consideration as a cornerstone for the company growth in order to make efficiency use of available human capital, most of the company reject health insurance, worker doesn't understand the importance of health insurance.

1.5 Research gap

Current situation of the health insurance in Tanzania have been the expensive thing to purchase for the employees and for personal, and this has been associated with the charges and structure of management, this has been a problem for many companies especially private to afford purchasing health insurance for their employees, example of

a vivid company that does not provide health insurance to their workers is Erolink Tanzania Limited. Also there are limited number of schemes or funds that are providing health insurance, for example NHIF its only provide health insurance on the minimal contribution of 6% from the employer and employee contribution and which allow only the public servants to enroll in the scheme, which is different from other scheme such as NSSF which a member has to contribute 10% from the employer and employee salary for the health insurance benefits but it is accepting all people as long as you are above 18 years old and you are able to contribute on each month.

Despite of the cost provided by the insurance companies to their customers still the service provided is poor compared to the costs which companies incur, there limited number of hospitals that are providing the postpaid services with the health insurance company, and so many being withdraw the service from their hospital as the insurance companies tends to delay on doing the payments for their customers.

Also the service has been categorized as the service provider depends on the customer's personal income, for example with NHIF there are Green cards which are provided to the employees on high position in the office (managerial) and the brown cards which are provided to the rest of the employees, this brought so many conflicts and leads to high population on the doctors that are serving brown card members since its found being a large group of people.

This service should be equally distributed without considering the profit gained on it, as so far with the service being provided its either the insurance company (ies) gained more profit due to monthly income the members are contributing in which does not correlate to the number of people visiting the hospitals., Health insurance in Tanzania is characterized by problems of moral hazard and adverse selection, which lead to market failure. It should be noted that health care providers, such as medical professionals and insurers, despite being agents of the patients' wellbeing, also have financial interests

related to medical care. This results in the problem of not providing the optimal amount of health care services needed by the society. Thus imperfect competition among health care providers and economies of scale in health care production are the other causes of market failure in the health care industry. The existence of market failure induces a gap between social and private values of health services, thus calling for government intervention in the provision of optimal levels of health care services (World Bank, 1993)

Conclusively, all the companies should cover the health insurance for their workers as this gives the employee strongly assurance of their health at work environment and their families, and this is so applied with the industrial workers, apart from joining NHIF as all the public sector do, private organizations can join with the PPF, NSSF and GPRF for the health insurance for themselves and their employees.

Also government should introduce strong policy to all employees must be registered on any of the pension funds or NHIF scheme for them being provided with the health insurance for themselves and the families. Nevertheless, it should be recognized that any policy that increases the availability of health insurance coverage outside of employment might induce retirees to drop insurance from previous employers

Jobs with health care tend to also pay higher cash wages; these wages would be even higher if health insurance were not offered. The constraints mentioned in the text limit the ability of employers to reduce cash wages in order to pay for health insurance and to tailor wage-health insurance packages to match particular employee preference

1.6 Main Objective

The research will be focusing on the employees' perception on health insurance; influence company performance

1.6.1 Specific Objective of the study

The main objective of this study focus to examine the employees' perception on health insurance; influence overall performance of an organization, specifically the study aims;

(i) To explore the variation of job types and risks associated with lack of employee's health insurance in company performance.

(ii) To assess the employees' perception on health insurance influence company performance.

(iii) To examine why companies reject health insurance without considering the stability of their worker.

(iv) Examine how companies perceive health insurance.

1.7 Research Questions

The structure of questions combined to semi structured and unstructured question:

(i) What are the variation of job types and risk associated with lack of health insurance in company employee performance?

(ii) How dissimilarity of job types and risk associated with lack of health insurance in company performance?

(iii) What is the impact of employee's health insurance to company performance?

(iv) Why companies reject health insurance without consider the stability of their worker?

1.8 Significance of the Study

On the accomplishments of the research study, Society will come up with relevant and important measures in order to overcome the existing predicament in the society as following:-

(i) Data of the study helps to understand factors that hinder the performance of employee as a result of lack of health insurance in the companies.

(ii) The research study helps to comprehend the factors that may influence individual

performance within an organization in order to suggest policies to enhance the organization performance.

(iii) It help understand how variation of job types and risk associated with lack of health insurance in today's company performance

(iv) It makes awareness about the company's rejection on health insurance without consider the stability of their worker while make suggestion on the appropriate strategies and implementation to control the existing circumstance.

1.9 Rationale of the study

This is a question of fundamental importance. The possible motives for doing research may be either one or more of the following:

(i) Desire to get a research degree along with its consequential benefits;

(ii) Desire to face the challenge in solving the unsolved problems, concern over practical problems initiates research;

(iii) Desire to get intellectual joy of doing some creative work.

(iv) To earn knowledge and skills concerning research and implement appropriate strategies on how to conduct research.

(v) Desire to be of service to society;

(vi) Desire to get respectability.

However, this was not an exhaustive list of factors motivating the researcher to undertake research studies. Many more factors such as directives of government, employment conditions, curiosity about new things, desire to understand causal relationships, social thinking and awakening, and the like may as well motivate researcher to perform the study effectively.

1.10 Limitation of the study

In conducting this study, the researcher encountered various limitations that hinder effectiveness in conducting the study. The major limitation in this study was the

availability of data capture health insurance impact in Tanzania. It was not easy to capture the impact trend due to the fact that employers do not have the tendency of recording the health status of their employee continuously. However, the effort to get mirror data (proxy) from the respondent was successfully. Further to this, bureaucracy particular in government institutions and departments whereby data are treated as confidential for unnecessarily reasons hence become difficult to measure the intended impact accuracy.

Likewise, time involved in conducting study was another limitation whereby the reviewing, making comparison and analysis has been the constraint with reference to accomplishing time of the study. Also, the study was not cost effectively as more money was used during the data collection process and photocopying during the reviewing purposes to get reliable data.

1.10.1 Time constraint

This study carried out for a short period to follow the deadline of the academic calendar. Time constraint may affect both, the quality and quantity of the research study.

1.10.2 Financial limitation

Lack of adequate finances affected the quality and quantity of data collected during the study. This hamper the researcher to conduct the study effectively because the researcher was not able to interview many respondents.

1.10.3 Inadequate empirical literature

Local empirical literature on the employees' perception on health insurance; influence company performance lacking, as a result, the researcher relied mostly on literature from developed countries while making comparison with data from our country. This did not give a true picture of the situation on the ground.

1.10.4. Lack or minimal responses

The researcher was anticipated minimal / lack of responses from some of the health Insurance employees due to the fear of the company's management suspecting the researcher to be one of the employee from health insurance, they don't want to be caught rejecting health insurance and asked some of their weakness on the companies, but this one based only on companies which doesn't have health insurance to their worker.

1.11. Case and scope of the study

The study involved 100 respondents from Kinondoni municipality. These respondents are Bakharesa food product, IPP media, NHIF, NSSF, The study focused on the above group of people because they have information about the health insurance to the employees and how it influence the company performance which was relevant for the study. The study was limited to Kinondoni municipality; the findings were used to provide conclusions which employees' perception on health insurance; influence company performance.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

Literature review concern with materials related to the research problem under investigation; the section introduces the conceptual definitions and reviews of the available literature coupled with empirical and theoretical studies. The purpose of doing literature review is to make the researcher be familiar to the problem in studies so as to come up with the solution through experience gained from literature. It is the important part of research undertaking because it assists the researcher to clarify the research problem. It helps the researcher to pinpoint its strength and weakness and to identify the research gaps

2.1 Understanding the concept of health insurance

Health Insurance in India, popularly known as Medic aim, is nothing but an Insurance which covers expenses related to necessary Hospitalization due to a Sickness or an Accidental Injury. A standard medic aim covers comprehensive costs of Hospitalization, which include; Investigation costs before the hospitalization like Medical Tests, Doctor Fees, it includes cost for ambulance all costs while in the hospital which include room charges, surgery charges, diagnostic tests etc. Costs incurred post hospitalization for complete recovery, for example follow up doctor visits, diagnostic tests, medicines connected to the Hospitalization.

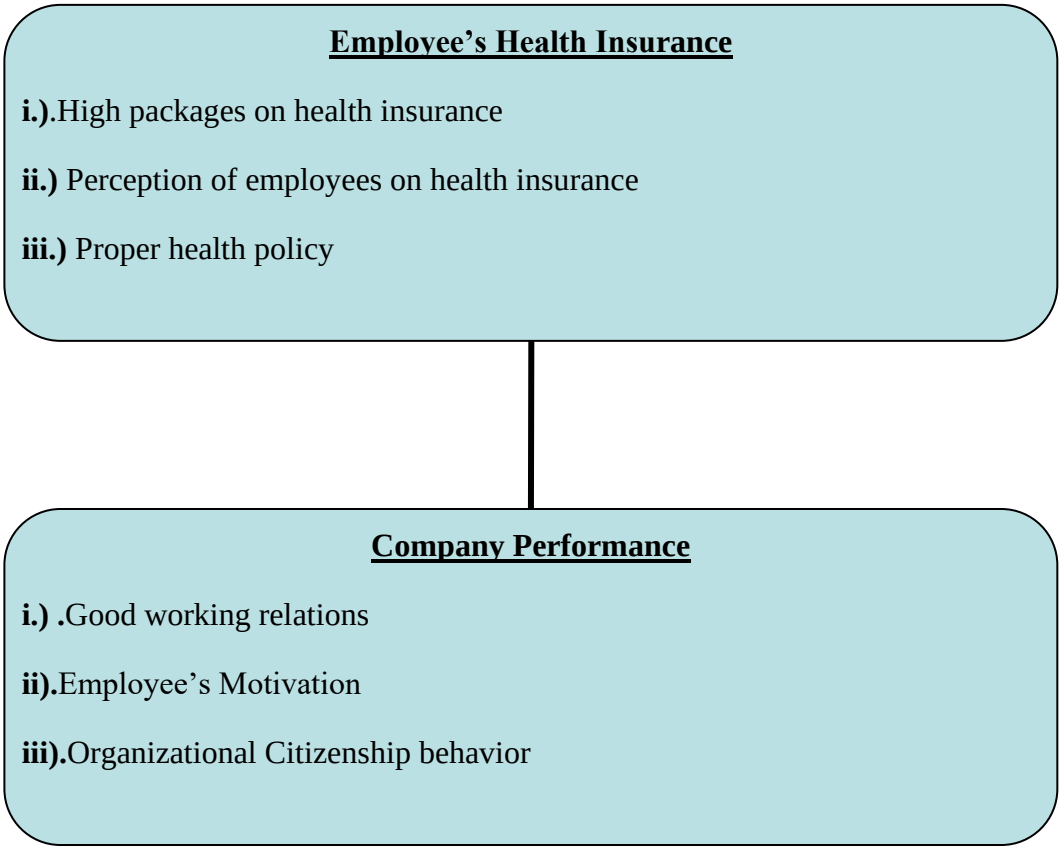
2.2 Conceptual Framework.

Health insurance is something that most people don't think about very often and yet it is something that when comes foremost to mind when a loved one is sick. Health Insurance coverage varies across the world, even across the different region across the globe. Health insurance is a very specific type of insurance. With this type of insurance the insurer pays the medical costs of the insured if the insured becomes sick due to covered

causes, or due to accidents. The insurer may be a private organization or a government agency. Health Insurance can protect a family from financial devastation in case of serious illness.

A variable is something that can be changed, such as a characteristic or value. Variables are generally used in psychology experiments to determine if changes to one thing result in changes to another, JoAnn C. Rowell, *(*2001), Understand health insurance.

Figure 2.3. 1: Model showing how employee's health insurance influence company performance.



Source; Author compiled from literature review

The employees' perception on health insurance; influence company performance, the independent variable is employee's health insurance while dependent variable is company performance. Today, according to statistics approximately 85% have some form of health insurance. Many people, about 60%, are insured through their place of employment or through health insurance acquired personally. For about a quarter of the population, federal or state government agencies provide the insurance. These agencies may include Medicare and Medicaid as well as various state funded health insurance plans.

Stephen Joseph William, (2002) Introduction of health insurance, argues that, the following section should go a long way toward clearing up any uncertainty that may remain. Today, health insurance costs are rising, which is a concern to many people. Because of ongoing advances in medical care and in technology, medical treatment is more expensive. These advances help people to live longer. Today there are more senior citizens than ever before our population is aging. The elderly population is more frail and prone to illness thus requiring more medical care than a younger population that is healthier. This also causes an increase in the price of health insurance".

Health insurance costs are also rising due to personal health choices made by individuals. Poor eating habits, smoking, drug and alcohol abuse, a lack of exercise, obesity are some of these poor health choices. In addition, there are still rural areas where there is a lack of health professionals including doctors.

The provision of health care to promote good health is a much needed basic service, which is essential for the fight against poverty. The wellbeing of a society is assessed based on issues such as nutrition, preventable morbidity, child and infant mortality, and longevity, all of which are related to the health of the society (WHO, 2006). With this all we will reduce the number of absenteeism at work, and will have productive employees who will work hard for the better of the company. Reducing infant and child mortality

by two-thirds between 1990 and 2015 is one of the eight Millennium Development Goals that countries around the world are supposed to attain, Tanzania inclusive (URT, 2006). To ensure good health it is imperative that developing countries, like Tanzania, design and implement effective policies for improving health quality in order to attain their development goals in particular and the MDG's in general (WHO, 2006). And the health quality can be improved by the introducing strong policies on implementing health insurance to all employees.

Traditionally, health services were primarily provided by the government**.** However, as a result of reforms, health and medical services began to be also provided by the private sector/ schemes such as Strategies, AAR, Medex, religious groups and Non-Governmental Organizations (NGOs). Furthermore, the government set out to increase revenue for health care, decided to introduce the health insurance policy in order to create a financially autonomous and sustainable health care system, by increasing the burden of medical costs borne by the public. The plans were accomplished through the phased introduction of cost sharing, regarded cost sharing as is the contribution of both employee and employer as the employer has to contribute for your health likewise., followed by the establishment of community health funds, drug revolving funds, and national health insurance schemes (URT, 2000)

Stephen Joseph William, (2002) argues that today, health insurers offers discounts and incentives to people who love a healthy lifestyle. Often, a person will provide health information and a personal medical history when buying health insurance. This history may address questions such as smoking, weight, drug use, and disease history. The incentives offered by health insurance companies today may encourage individuals to quit smoking or make other positive changes in their lifestyle. Many times, heath

insurers will not insure pre-existing medical conditions. The medical history provided will screen out such applicants

Because of the concern over pre-existing medical conditions, there are now state and federal laws that help ensure that those individuals with pre-existing conditions can acquire or maintain health insurance, even if they need to change plans or providers. The Health Insurance Portability and Accountability Act (HIPAA) is a federal law ensuring that all health insurance plans nationally have a common set of standards. In addition, states can also have laws regulating health plans including group health insurance and individual health insurance. This means that the laws regulating your health insurance protections may vary from state to state. Keep in mind, that even with these laws, access to health insurance may not be protected in all situations.

Dickerson, (2004) argues that Pay-for-performance and value-based purchasing are terms used to describe health care payment systems which reward doctors, hospitals, and other health care providers for their efficiency. Efficiency is usually defined as providing higher quality for a lower cost. Pay-for-performance is usually discussed in the context of health care reform. The federal government has begun efforts to implement P4P in its Medicare program, but these efforts are in the very early stages and have not yet yielded enough data to determine whether P4P is effective in reducing or containing healthcare costs.

The adaptation of performance system, under our current healthcare system, providers are paid for each service performed. This gives healthcare providers a strong financial incentive to perform as many services as possible. This, combined with providers' understandable reluctance to expose themselves to potential lawsuits, may lead to over prescribing and over utilization of healthcare services. Furthermore, some health policy experts believe that our current payment system is lacking because it neglects the role that preventive care can play in improving health and reducing healthcare costs. Today,

providers receive more money for treating a diabetic patient who suffers kidney failure than they would for working with the patient to try to prevent the kidney failure, through better blood glucose control, in the first place. This seems backwards too many health care reformers.

A new payment system which rewards providers for maximizing the impact of preventive care may help to contain rising healthcare costs. Pay-for-performance has been proposed as such a system. It would reward doctors for providing care that has been proven to improve health outcomes and would encourage them to minimize waste whenever possible.

The biggest challenge in implementing P4P is getting everyone to agree on quality standards. Quality standards are objective measures used to determine whether providers are offering high quality care. For example, one possible quality standard would be for doctors to test A1C levels in patients with diabetes four times a year. In a P4P system, doctors who meet this standard would be rewarded appropriately. The problem is that many health care providers believe that the practice of medicine is as much an art as it is a science, and that boiling everything down to checklists and treatment algorithms would do a disservice to patients. Also, providers sometimes disagree on the proper course of treatment in patients with the same diagnosis and similar medical histories. These disagreements will have to be resolved before P4P can be fully implemented

Dickerson, (2004), argues that it is difficult to say what the impact of pay-for-performance will be, since it's so early in the game. However, because Pay for performance is primarily concerned with how physicians, hospitals, and other health care providers get paid for their work, it is not likely to have a great effect on individual patients. Over the long haul, the hope is that if P4P is fully implemented, patients may enjoy better health care without having to pay more for it.

It appeared that employers are doing a lot more to encourage the wellbeing of their employees. Many are using a combination of workplace health services and financial incentives to improve the health of their employees, while also reining in health care costs. But workers they want more help from their employers in getting and staying healthy. To improve employee health and productivity, employers are increasingly offering such programs as biometric screenings, health risk assessments, on-site clinics and pharmacies and employee assistance programs.

Good working conditions are inextricably linked to an employee's sense of personal well-being. Additionally, the survey consistently found that wellness was also tied to engagement. Health care at workplace may lead to stronger employee performance, no matter what the region. However, the majority of workers are not engaged in their jobs, appears to be among the nations with higher rates of employees who are happy and dedicated to their work while provided health care system. Employee engagement should try to foster good inter-office relationships. Additionally, good communication, a clearly defined job role and matching employees with positions appropriate for their skills and health care can all encourage dedication and positivity in the workplace. Employee wellness programs (heath insurance) that provide tools and resources for stress management have also been shown to reduce workplace stress, while strengthening employee performance and improving staff health.

2.3 Empirical Literature Review

Healthcare benefits play a big part in employee satisfaction and retention, though many organizations do not see the importance, according to a recent survey conducted by insurance company MetLife. 75% (seventy five percent) of employees who say they have good healthcare benefits also report high job satisfaction, and 71% of those workers are loyal to their employers. Conversely, only about one-fourth of employee members who are dissatisfied with their benefits are happy and loyal to their organization. Additionally, retirement benefits are highly important to 64 percent of the

surveyed employees, while only 38 percent of companies reported that they believe such extras contribute to loyalty and satisfaction.

"Employers need to look at their benefits offerings differently – through a new holistic lens – in order to maximize their effectiveness as a retention tool for their unique workforce while meeting other business objectives," said Dr. Ronald S. Leopold, vice president of U.S. Business at MetLife. Results of the survey point to a need for employers to review employee health benefits in order to retain employee members improve employee performance and reduce workplace stress.

Dickerson, (2004) Argues that health insurance is something that all of us must avail at some point of time in our lives. For this reason you must plan ahead and purchase a health insurance program intelligently for yourself and your family. Acting wisely in this decision will ensure you secure the most appropriate health insurance plan from the different companies available. It's important to make the right choice and if you aren't certain where to start, then this decision can be confusing, hence you should be sure you understand the difference between all the plans that you've seen. This step is important when selecting the ultimate health insurance to suit your needs.

Price alone is not the best way to select the most appropriate health insurance. While expensive options may cover a broader range of options, consider that depending on your particular needs the cheaper policies may cover the essentials of private health insurance or family health insurance. The first thing to do is evaluate every extra that is included before choosing and consider the health insurance waiting period, which determines the time at which you are given full coverage after enrolling with the health fund. The importance of health insurance in every individual's life is paramount, for both the primary covered and the dependants of the individual. We've can all take our health for granted. Should something go wrong, then we might not have the fall back options we need without health insurance plans to take charge.

Health insurance covers every health related complication that may be experienced throughout our lives. If there is a time when we may need to be under medication for a considerable period of time, then in each situation, health insurance plans will help to save our money and cover the expenses related to the injury or illness sustained. Of course, to cover this protection, you will need to pay a premium each year. The premium is determined by the insurance company relating to a number of different factors, such as your age, pre-existing conditions and so on. Cost will not usually alter significantly, but if you suddenly fall ill or meet with an accident, the expenses of medical treatment could be huge. It is for this reason that in such situations your health insurance will protect you from a potentially difficult financial and health situation.

Different companies offer different health insurance plan and for this reason the costs can vary. Instead of going purely by costs, you should consider the clauses mentioned in the insurance. These points need to be well understood and evaluated carefully to prevent any confusion. If there are elderly people in the family then you should take out health insurance for them as well. If they need any medical assistance at any point of time, then the health insurance plan would cover their needs and will include nursing and other added care.

Rowell, (2001), argues that hospital bills for very small to considerably large ailments are a pain, as people of a low standard life cannot afford to pay the hospital bills from their own pocket. It’s difficult to meet such costs on our own without burning a hole in our savings. Also, with medical costs escalating, some even compromise on quality healthcare, because of affordability. It is then that the importance of health insurance comes into the picture. Health Insurance provides us with the ability to afford better healthcare facilities for ourselves and our loved ones. What’s more, you can also enjoy tax benefits. Today, health insurance expert, Mohair Chopra takes us through the A-Z of health insurance.

2.4 Theoretical arguments

Grossman (2000) argued that health, as a consumption good yields direct utility to individuals, while health as an investment good increases the number of days available to individuals to participate in market and non-market activities. The allocation of resources for the maintenance of good health status and the relationship between the economy and the health sector are important questions which demand attention, for the overall growth of our economy.

Mechanic David, (2002), indicates that health insurance industry is a very large and integrated industry in the U.S. economy. Health insurers, sometimes called managed care companies, are often thought of as the gate-keepers to American healthcare. They tend to control what doctors can be seen and how often, how much you will pay, and what the doctors and hospitals will receive. As such, these companies are perhaps the most important aspect of the American healthcare system today.

Health insurers come in various forms and offer diverse products that distinguish themselves from other insurance companies as well as other businesses. It is often said that this is the only business where the consumer (the person receiving the healthcare) has no active role in the decision-making process, and the provider (the doctors or hospitals providing the care) has no say in how much pay they receive for a service. Thus the health insurer has gained control over the "healthcare equation". These companies set the pay structure they will grant to providers for specific services, and set the rules for the consumers on how they can use the services provided. It seems to be a great role to be in from an investor standpoint - controlling your destiny is advantageous to controlling your success.

Not all health insurers are alike, there are many categories of health insurance companies and the products offered to consumers, but health insurers can be categorized based on pay or structure. Payor include private companies, individuals and government entities. Many health insurers cater to all types of pay or but some specialize in individual categories. The largest U.S. health insurers generally have a diverse pay or mix, although some may be more heavily weighted towards one.

Pay or mix is important to understand because it often points toward the risk and timing of cash flows and profitability. In general, government entities (Medicare, Medicaid and others) are considered the largest payer, but they are slow and can increase risk of profitability as these entities often change the payment structure for specific services, impacting health insurance companies' bottom lines. Individuals are generally considered undependable sources of cash flow as well. Private companies tend to be the most stable, Rowell, (2001).

Within private companies, there are two types of products insurers offer. The first is ASO, or self-insure, administration-only products. These products require that the private companies take responsibility for the underwriting risk; the insurer only acts as an administrator for the plan by providing statements, paying the doctors, etc. Under this product, the insurance companies get paid on a contract basis and those fees are very stable and virtually risk-free.

The second product is a full service or at-risk product where the insurance company does all the underwriting and takes on the risks associated with that underwriting. In this product, the insurer is responsible for all aspects of the insurance claims, and this product makes money on a spread basis. The insurer bets that the medical costs will be lower than the premiums received based on its underwriting skills. The higher the spread, the more profitable the company is. In general, large multistate or multinational

companies tend to use the ASO product, while smaller or mid-sized companies tend to use the full-service option, Rowell, *(*2001).

Assessing Investment Potential, as mentioned previously, with the differing pay or mix and diverse product offerings, financial results vary among these companies. Despite this, there are key financial ratios that are comparable among all the health insurance companies. Insurers who focus predominately on private company customers generally have two main lines of revenue generation - ASO and full service. Government customers generally fall in the full-service category. The steady but slow growing ASO business pays a flat fee based on a contract. The contract can include some stipulations that may minimally affect the revenue, such as number of members served or performance requirements. While investors are not privy to the individual contracts that a company holds, it is generally a profitable business, but not one with huge margins.

Corporate performance management on health insurance, they defined it as all of the processes, methodologies, metrics and systems needed to measure and manage the performance of an organization. Performance management comprises the complete management cycle, from planning to executing, measuring to analyzing, and then re-planning. Its merits are found in the seamless way decision-makers can move among three fundamental business questions: at its heart, it is about the cross-functional use of information, and usage that encompassed plans, reports, dashboards, and metrics. Monitor, measure, and track performance against, Strategic objectives and benchmarks, obtain improved and timely visibility into issues, Identifying and rapidly correcting them.

Health insurance is attracting more and more attention in low and middle income countries as a means for improving health care utilization and protecting households against impoverishment from out-of-pocket expenditures. The health financing mechanism was developed to counteract the detrimental effects of user fees introduced

in the 1980s, which now appear to inhibit heath care utilization, particularly for marginalized populations, and to sometimes lead to catastrophic health expenditures. The World Health Organization (WHO) considers health insurance a promising means for achieving universal health-care coverage. Various types of health insurance are available. National or social health insurance is based on individuals' mandatory enrolment. Health insurance is often put forward as a health financing mechanism that can especially benefit the poor. Countries wishing to introduce health insurance schemes into their health systems should be aware of how their impact varies.

The impact of health insurance in low-and-middle-income countries has unfortunately been documented only partially, the evaluation whether the different types of health insurance can, mobilize resources, i.e. generate sufficient and stable resources for adequate functioning of health services; provide financial protection to clients against catastrophic health expenditures, improve utilization of health-care services by all socioeconomic groups, improve health care quality, improve social inclusion, i.e. the provision of health services in alignment with the needs of various population groups, especially the poor and vulnerable, and improve community empowerment, i.e. involvement of the community in the organization of health services.

Conclusively, the health insurance coverage seems to be so important to everyone and this has been found globally, as everyone in the society need the health insurance without considering the ranking position, age, and gender. Also with the employees whose employers does not offer health insurance should find an option of having the health insurance personally, for a person who want to purchase health insurance can visit the insurance agency and discuss with them according to her/ his budget, or the person can use the insurance brokers on purchasing the health insurance. The other option in which a person can use is by purchasing the health insurance by considering his / her family.

CHAPTER THREE

METHODOLOGY

3.0 Research Methodology

In this chapter the detailed methodology of the research was discussed. The chapter provided details of the design and approaches for the research, types of data collected, the tools used for data collection, as well as the techniques used for data analysis. These are discussed briefly in the following sub-sections,

3.1 Research Design

C.R Kothari, Research Methodology, "A research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure, In fact, the research design is the conceptual structure within which research is conducted;" it constitutes the blueprint for the collection, measurement and analysis of data, Research design also encompasses the methodology and procedure employed to conduct scientific research, Donald (2006) Proposal and thesis wiring an introduction Pauline's publication Africa. A Research design was concerned with turning a research question into a testing project (Robson, 1993).

Experimental design refers to the framework or structure of an experiment and as such there are several experimental designs. We can classify experimental designs into two broad categories, informal experimental designs and formal experimental designs. Informal experimental designs are those designs that normally use a less sophisticated form of analysis based on differences in magnitudes, whereas formal experimental designs offer relatively more control and use precise statistical procedures for analysis. The research study was a case study of descriptive nature. The design was recommended because it has some flexibility in the methods of data collection, less expensive and data collection is manageable rather than survey design and experimental design.

A cross sectional survey design was used to generate data on employee's health insurance influence company performance. It was quantitative and qualitative in nature because the study is numerical and descriptive respectively. Qualitative research is important in the behavioral sciences where the aim is to discover the Underlying motives of human behavior, through such research we can analyze the various factors which motivate people to behave in a particular manner or which make people like or dislike a particular thing. It may be stated, however, that to apply qualitative research in practice is relatively a difficult job and therefore, while doing such research, one should seek guidance from experimental psychologists.

3.2 Research Population

Population refers to the total numbers of cases from which a sample was taken (Rowell, *(*2001). As far as my study is concerned, it was conducted in Kinondoni in Dar es Salaam; this study cover three areas including the area is popular with large employees and suggested, the study used 60 participants and 40 (management) employees including top management for data collection.

3.3 Sampling Size and techniques

Sample is a subset of a population that is used to represent the entire group as a whole. It is often impractical to survey every member of a particular population because the sheer number of people is simply too large. In order to make inferences about characteristics of a population, researchers can use a random sample. Being able to take a broad view of the targeted population, the sample consist of about 100 respondents, with exportation, research and planning, administrative employees and others who fit in the field of study. The two main methods of sampling are probability sampling and non-probability sampling.

The sample of respondents was 60 employees and 40 management members within the same institutions and/or organization, in which it make a total of 100.

Table 3.5.1: Respondents Sample;

Type of respondents	Management employees	Employees with and without health insurance
Bakhresa Food and Company,	10	15
NSSF,	10	15
NHIF	10	15
IPP Media Group (Management)	10	15
Total	**40**	**60**

Source; Researcher's construct

In probability sampling, Simple random sampling used where by a whole list of the population is drawn up and members are selected at random until the sample size is met. (One problem associated with this method is that a complete list of the population is needed - and this may not be available, depending on the nature of the research and the population identified).

In non-probability sampling, Non-probability samples are easier to set up, less complicated to administer and can be especially useful for piloting a questionnaire prior to wider use amongst a wider population. In non probability sampling the research will use Convenience sampling where the researcher simply chooses respondents from those closest to hand until the sample size has been obtained Also known as accidental or opportunity sampling. Also Quota sampling is similar to stratified sampling where The population is divided up into groups with similar characteristics (for example, males and females) then members are selected randomly from within these groups - but the numbers selected are in proportion to their occurrence within the whole population

3.4 Data Collection Methods

The researcher used various data collection methods as follows:

3.4.1Questionnaire

Questionnaires were used to collect data from the respondents. A number of questions was constructed and consists of closed and open-ended questions so as to facilitate coding and data analysis. The questionnaire have advantages over the other methods of data collection as they are cheap and often they have standardized answers that make it simple to compile. Further, the results are simple sharply limited by the fact that respondents were able to read the questions and respond to them within a limited time. The respondents were required to answer the questions base on instruction from each question.

3.4.2 Documentation

Documentation method was used during the collection of secondary data. In this study preference and attention was drawn to secondary sources due to the fact that, secondary data can be easily obtained rather than primary data which involves going to field and there are much money and time consumer. In regarding to the time that involved in this study, documentation have been considered to be more reliable since they have obtained from reliable sources and because of its permanence can be revisited and concerted easily any time and by any other interested researchers.

3.4.3. Observation

Observation, this method implies the collection of information by way of investigator's own observation, without interviewing the respondents. The information obtained relates to what is currently happening and is not complicated by either the past behavior or future intentions or attitudes of respondents. (Kothari 1990) in this study the researcher

obtained valuable information through observation of the organization's operations and its advertisement program. It was facilitated through participation in various activities carried out in the organization. Also was participated by observing the effectiveness of the employees on doing their works especially on industrial work

3.4.4. Interviews

Interviews conducted to some employees and employers (management) to obtained their expression and true feelings on their perception on health insurance. It is necessary to understand how employees perceive health insurance, and whether the health insurance influences the overall performance of the company. Also on how employees feel about their job and whether they are glad to be purchased with health insurance with their employers, and if the health insurance influence company performance, the researcher used unstructured interviews which enabled to get in depth information from the interviewees which were quite beneficial for findings evaluation. This method helped in acquisition of primary data inform of ideas, views and opinions from interviewee of the site selected.

The interview schedule was prepared containing a set of questions that helped a researcher in the data collection. The sample for interview comprised 100 interviewees of whom 40 were management from NHIF, NSSF and 60 other employees from Bakhresa and IPP Media. Such sample size is acceptable in qualitative studies in order to be able to manage the enormous amount of information generated (Kothari, 1990).

Interviewing employers and employees enabled to get answers to questions on researchers mind or speculations from what have been observed because as human beings sometimes we tend to unintentionally see things in a wrong way or translate

things differently from what they really are. This was the chance to clear all that up and be sure whether what researcher thinks she has seen is really it or not, and why some companies reject health insurance.

3.5 Types of Data collected

The types of Data collected from this study were primary and secondary type. The idea was to have a valid and comprehensive study that might take into consideration the ongoing health perception so as the historical stand of health demand and supply.

3.5.1 Primary Data

Primary data are original data collected at the first sight within the homogeneous population. This are happened to be the unique character collected through questionnaires, observation, interviews, and participatory. Within this study, data were collected from the chosen respondent randomly from the preferred institutions.

3.5.2 Secondary Data

According to Saunders et al. (2009) secondary data is the one that has been collected for some other purpose. Voss (2006) identified that collection and use of secondary data is a good starting point in any study. It can provide useful source from which partly answer the questions being posed within the objectives of the research. This data is important in any research design in order to analyse the general theories that exist (Saunders et al., 2009).

In this study, articles, company's journals, previous studies on the topic and books were used by the researcher in digging for more information on the topic. Through this search,

the researcher was able to gather data and discover previous works of other people on related to this.

3.6 Data Quality

To ensure collection of quality data, a reliability and validity test was carried out through the use of scientific methods. Content validity was established by subjecting the modified instrument to my supervisor for modification. Construct validity was tested using factor analysis. The crombach alpha value with a measure of 0.7 and above average was used to measure reliability of the instrument during pre-testing survey where by all the outcomes ensure to be accuracy.

3.6.1 Validity of the instrument

The research instruments were tested for validity. Content validity was established by subjecting the modified instrument to my supervisor for modification. Construct validity was tested using factor analysis

3.6.2 Reliability of the instrument

During the study, the crombach alpha value with a measure of 0.7 and above average was used to measure reliability of the instrument during pre testing survey; also five measures were taken to ensure the validity of the study. First, in order to have valid descriptions, all in-depth interviews were recorded. This was done to ensure data are accurate and complete as expected. Second, the questionnaire was pre-tested in a pilot study in order to validate the questions. Another measure achieved through the pre-testing of the questionnaire was to get the point of view of the target population.

Third, during the data collection process, both survey and in-depth interview data were equally considered so as to be able to come up with alternative explanations where necessary. This strategy was important in order to work towards theoretical validity as well as to guard against researcher bias. Fourth, the researcher took several

precautionary measures including the confidentiality assurance; this was given to encourage interviewees to talk without fearing that readers would identify them. This was done for to ensuring the truthfulness of data. Another precaution taken was visiting the interviewees at least twice during the data collection process; this created an informal and relaxed atmosphere.

Actually, in some instances, there were up to three visits for those selected for interviews. After the first telephone call, an appointment was made depending mainly on the interviewee's availability. On the day of the appointment, the questionnaire was handed to the interviewee after a briefing on the same. Another day was normally fixed for collecting it. This procedure enabled the interviewee to have adequate time to prepare his responses. The fifth measure is the collection of baseline information through structured questionnaires; this enabled the researcher to organize the data in simple statistics.

3.7 Data Processing and Analysis

After field work, data analysis involved tabulation of the results and where applicable some graphics were used to illustrate some important outcome of the research. Also, the data collected was analyzed using a Statistical Package for Social Scientist (SPSS). This is a special package for data analysis as it has an advantage of being used for questionnaires with many questions including close ended questions and open ended questions (Kothari 1985). It was hence used to determine the frequency in order to analyze the number of respondents belonging to each variable as well as other important outcomes of the research.

Conclusively, the data collected on this study used accurate methods which facilitate on having accurate data which become easy for the researcher on analysis, also despite of the questionnaires being distributed and filled personally still there are number of

employees who refuse to give accurate data on scaring of the researcher if is from the insurance company.

CHAPTER FOUR

PRESENTATION AND ANALYSIS OF FINDINGS

4.0 Introduction

In this chapter, relevant data regarding the study were collected from primary and secondary source to give the answer on the perception of employee health insurance to company performance. The concern is if the health insurance provided to employees influence the company performance. The chapter is divided into various sections. Section one presents some descriptive statistics for specific questions within the questionnaire, followed by the progression analysis base on facts and lastly compares the results of this study with those of other similar studies that have been carried out. The information obtained in each variable was analyzed to provide meaningfully result to the reader of this research. The analysis and findings are as follows:-

4.1 Descriptive analysis

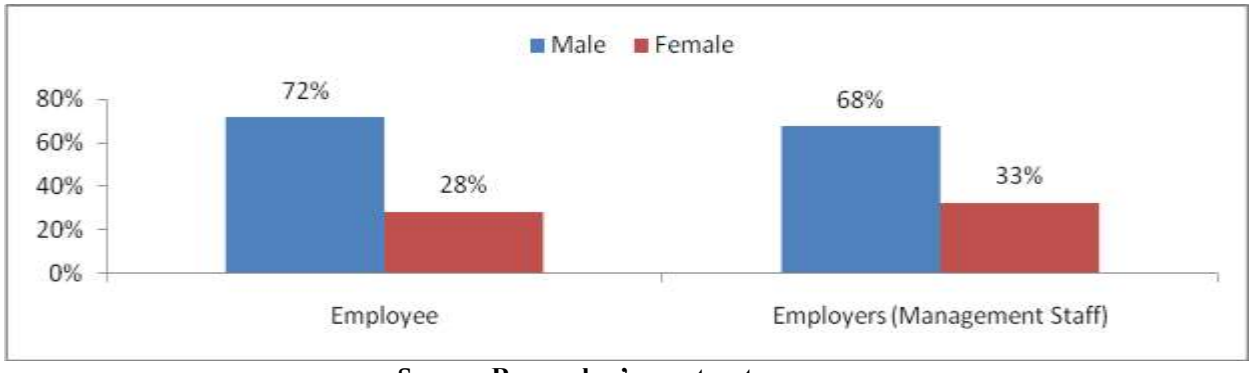
In this section the features of data that are not the main consent of the study are discussed before undertaking the progression analysis. Normally, the progression analysis is aimed to capture the variation of staff performance (i.e. productivity) with reference to health insurance provided by the institution. Therefore, it is useful to have a preliminary look at the variation of all variables to be explained and compare it with population by which the sample where drawn. Moreover, many of the problems (unexpected results) which might emerge at the level of multivariate analysis can often be traced back to individual variable data. Hence, conducting descriptive analysis before undertaking progression, analysis helps us to learn much about the relationship between variables at prior. The descriptive analysis carried out in this section mainly depends on summary statistics.

Data shown in this report are weighted to reflect the actual proportion of Dar es Salaam residence within the specified institution. Below is the breakdown of questionnaire respondents by the participants' base on; gender, age, marital status, level of education, job function, industry, gender, years within the organization and perception of the employer;

4.1.1 Sex profile of the respondents

Sex of respondents was sought to examine the employee perception base on gender, as how does the two groups perceive health insurance. The question has also sought to cover gender disparities within the population consent. Out of 60 employees selected, 43(72%) were male and the other 17(28%) were female. The counterpart employers within the randomly population, 27(68%) were Male and 33% were female see figure this implied that there is gender imbalanced within the corporate organization as the questionnaire was distributed to the respondent randomly. With this data found that there is poor respondent of female within the chosen population, as the female respondents were few and they tend to felt sick monthly basis compared to men.

Figure 4. 1.1 sex profile of the respondents

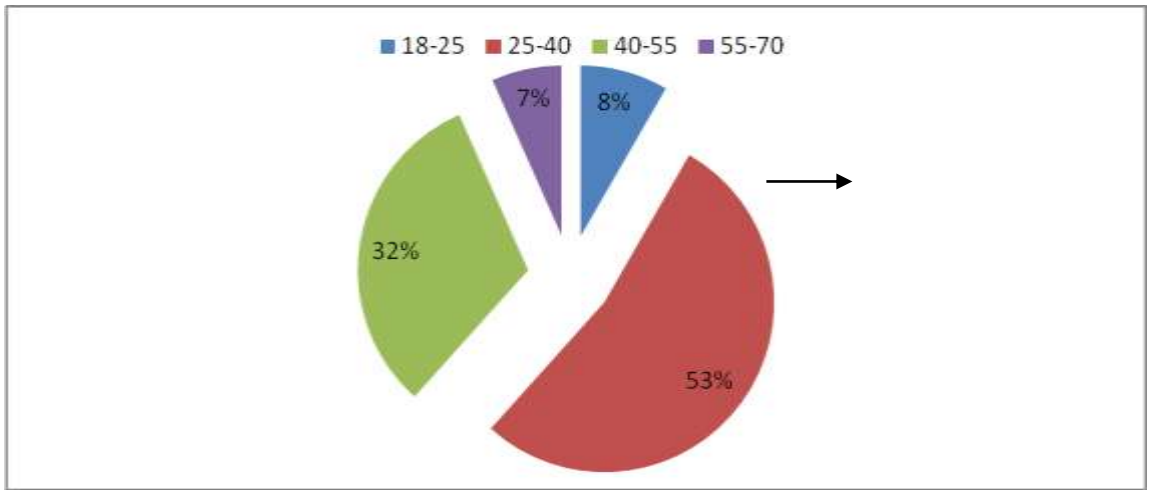


Source; Researcher's construct.

4.1.2 Respondents Age profile

The question was asked to all respondents about their age. This aimed to capture the perception of employees on the importance of health insurance with responds to their age. The idea was based on the reviewed literature that older age are pessimistic on their health compared to young, since as they tend to be weak and fell sick mostly and for this reason they attend to value health insurance more than their counterpart younger. Basing on respondents, majority of the respondent where young (i.e. 25-40 years old) that implied its more likelihood for being employed within these organizations in young ages. Out of 40 NHIF and NSSF management respondents, more than 60% were at the age of 55-70 that implied there is correlation between age and managerial level (ranking) within the organization. This agrees /matches with the literature reviewed on African countries, age is the necessary condition for being a manager even if the respondent is well experienced to being capable of delivered, with the data shows that older people who tends to be sick more are few compared to young ones, and the aged people need health insurance most.

Figure 4.1.2 Age Respondents

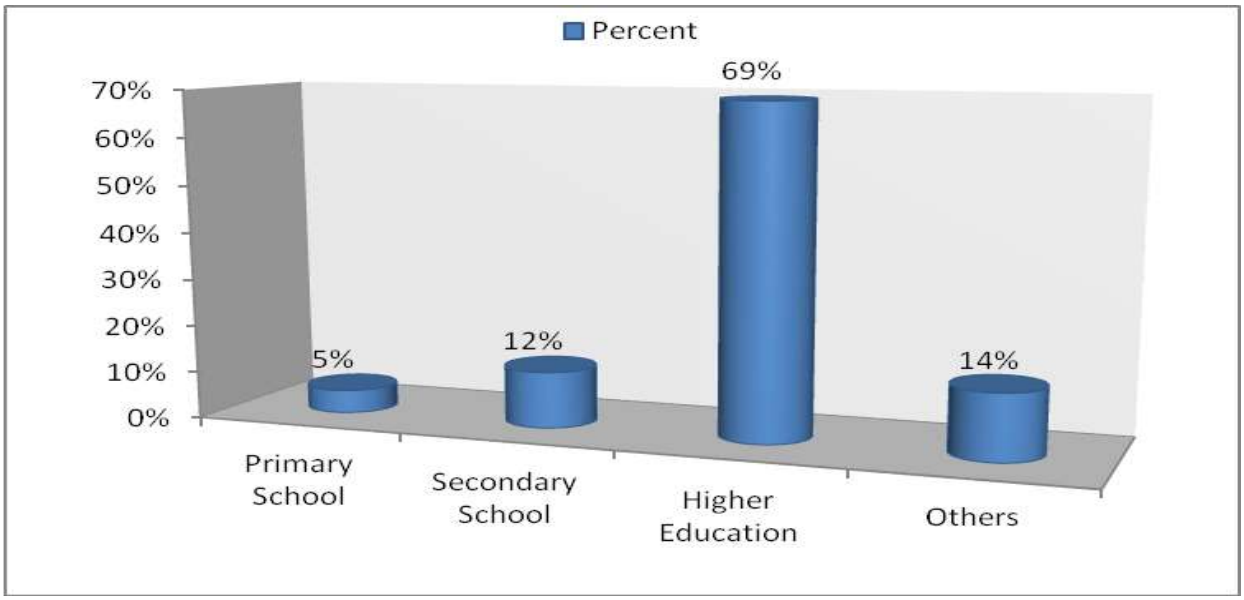


Source; Researcher's construct.

4.1.3 Eeducation Level Attained by the Respondents

Education level was termed to capture the differences within the population with reference to importance of health insurance. Reviewed has shown that, education was the key factor during the negotiation skills of the respondents. Employers are sceptic to provide health insurance to educated employees base on their education as observed health investment is direct proportional to education status. By overcoming the cultural constraints and prohibitive social norms, educated employees are in a better position to appreciate the value of health services, owing to their health knowledge. A comparison of the coefficients of different levels of education shows an increased effect with increased education, with the higher education showed being skeptic of having the health insurance. Out of 100 respondents, more than 70% were graduates from different institutions. This showed that, it is more likelihood for being employed within the chosen institutions if you are a graduate while the primary education level where at minimal to all the respondents (i.e. 5%).

Figure 4.1.3 Respondents Education Status.



Source; Researcher's construct.

4.1.4 Organizational Performance and Profitability

Organization performance and profitability was termed to capture the factors that lead the performance in the organization, as the health insurance being the main factor on increasing productivity in the company. The research found that perhaps the most important impact of health insurance is its effect on firms' productivity and profitability, although these effects were not directly tested. Similarly, no studies compared the quality or ability of workers employed by firms providing health insurance with workers at firms that did not offer insurance. However, the evidence those firms offering health insurance paid their workers higher wages than those who do not offering health benefits suggests that insured workers may be more productive than uninsured workers. A complementary explanation is that workers with health insurance also received a wage premium, or an efficiency wage.

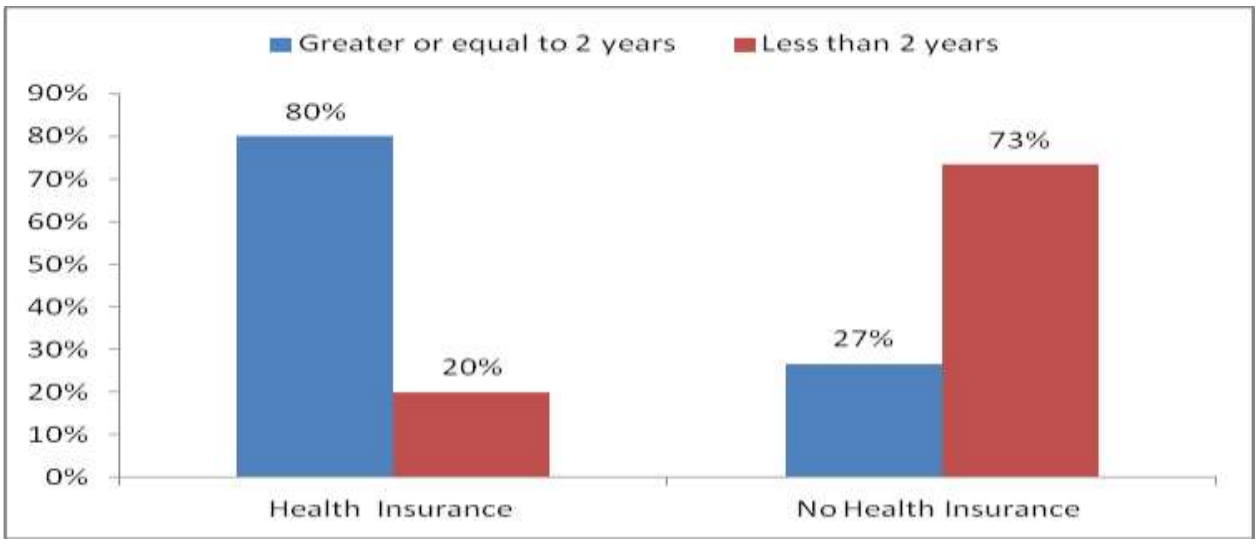
Some analysts make a similar argument with regard to pensions and productivity: The strength and durability of the wage/pension relationship across different data sets and empirical procedures support the view that pensions enhance productivity, more remains to be learned about how health insurance fits into a compensation structure that enhances work effort. However, the fact that firms making a wide range of investments in workers typically start with health insurance suggests that health coverage comes to mind first when employers consider making human capital investments in their workforce.

The number of years the employee is willing to work within the organization has been captured as a proxy for the company performance. The employees' that has a long run relation with the employer is termed to impact positively within the organization compared to the counterpart who has no willing to work rather than fetching the opportunity outside. Employees' experience within an organization can lead into trusteeship that creates the working morale within the company productivity. The study revealed that majority of the respondent who has shown the short run relationship within

the organizations has no health insurance as their counterpart from the organization which provides the health insurance.

Figure 4.1.4 below shows that out of 60 employees interviewed, 40 employees (67%) has been insured by their employee and the rest 20 employee (33%) has no health insurance. Out of 40 management employees health insured with their organization; eighty percent (80%) revealed that they wish to remain within the organization for more than two years from then while it is only (20%) twenty percent that were willing to move fetching for other opportunity. Further, out of the 20 employees who have no health insurance; 73% revealed that they have no intension of continued to work within the organization in more than two years while it is only 27% that have the intension to work within the organization for more than 2 years. Conclusively, health insurance has proved to be the major determinant for the employee long run relationship within the organization.

Figure 4.1.4Employee Long Run relationship within the organization Vs Health Insurance

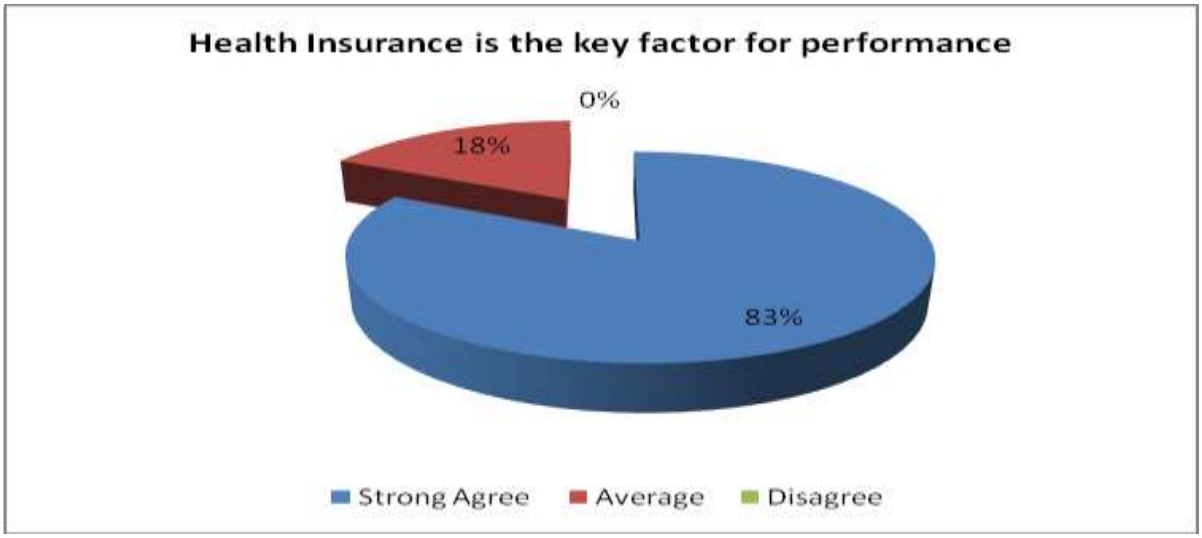


Source; Researcher's construct.

4.1.5 Company's Perception on Health Insurance

Majority of the management interviewed reveal that health insurance has been the cornerstone to the overall companied performance. Within the current competitive environment, health insurance has shown to be the necessary condition to attract the performers. Out of 40 management members interviewed has ranked the perception of health insurance to their companies' perception which more than 80% of the interviewed strongly agree health insurance to be their key performance factor, see figure below

Figure 4.1.5 Companies Health Insurance Perception



Source; researcher's construct.

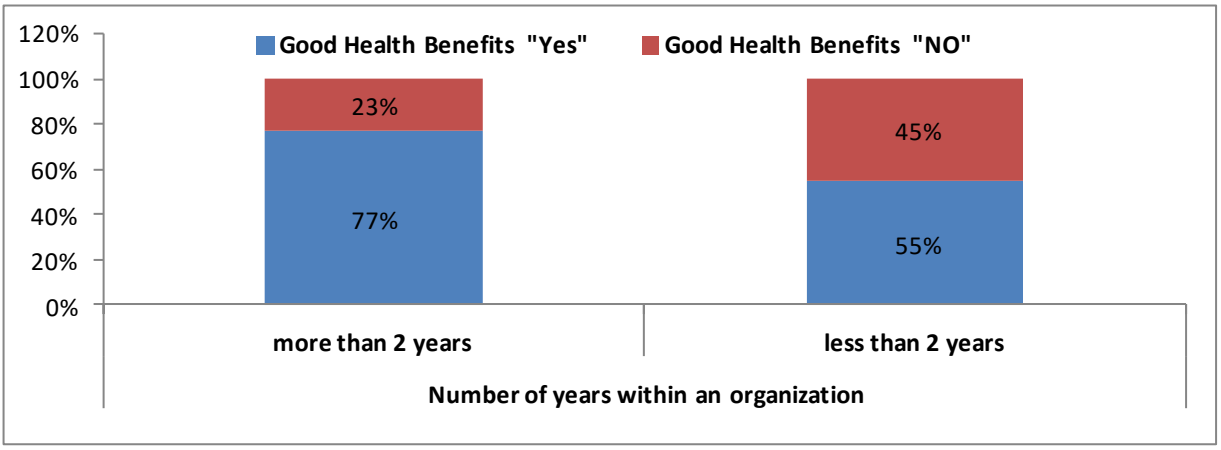
4.1.6 Employee's perception on health insurance

Perception of employees health insurance was termed to capture if the employee themselves need the health insurance and find it necessary in their own, and to what extent does the employees value the health insurance provided to them by their employers

The health workforce is more productive compared to illness person. Employees with health insurance are out sick from work fewer days and continue working. Health benefits played a big role in employee satisfaction and retention though some of the

employers do not see the importance. More than 75% of the employee who works with the organization more than 2 years reported that, good health benefits more within their performance, see figure below. This confirmed with the previous discussion that, employee are willing to stay within the organization if their health cost is guarantee with their employers in a long run.

Figure 4.1.6 Employee Health Perception Vs Years of experience within the institution



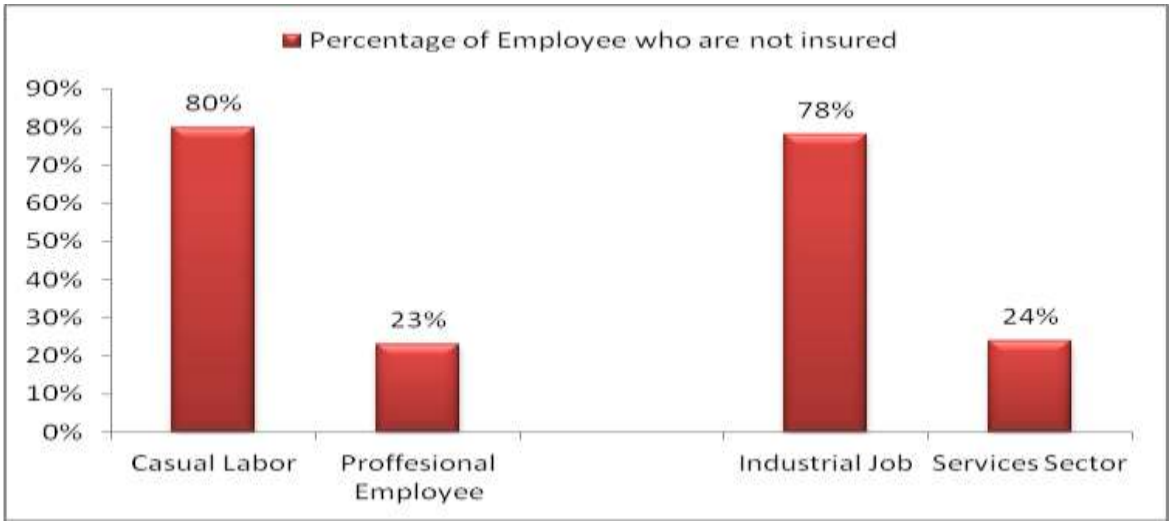
Source; Researcher's construct.

4.1.7 Differences in Health Insurance

This question has been included to capture the discrimination exist within the health insurance coverage. It was observed that the coverage has been relied often with the position on organization that is to say those within the high ranking are covered while the lower position who mostly are disadvantages group are not covered. Out of 60 employees interviewed it showed that only 40 employees were covered by their employees. Further to employees' position, there have been some disparities within the industries. Surprisingly, majority of the employees who were not employed works within the high risking industries as compared to lower risk environment. Out of 20 employees who were not employed, 80% were casual labors and the rest 20% are professionals who works under the short term basis. From the industrial point of view;

out of the 20 employees not covered 78% were from the industrial job and the rest were from the services sectors (i.e. banking industry and Media services) see figure below for illustration.

Figure 4.1.7 Percent of Employee who are not covered with the health insurance Vs Employers industry



Source; Researcher's construct.

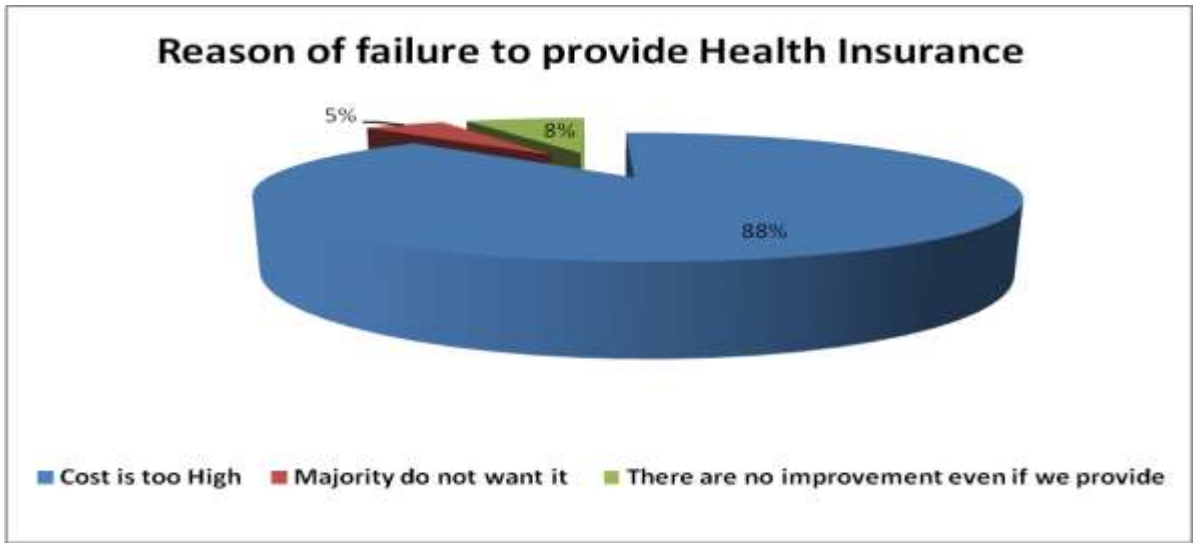
4.1.8 Companies' Failure on Providing Health Insurance

There are a number of reasons why employers are less likely to offer health insurance especially those who work for the high risk environment and small companies and/or institutions. Majority of the employers explained that, the relatively high cost of underwriting and administering policies for a small number of employees makes it too costly to provide coverage. Furthermore, mostly of employees who work at the lower level are always taking it as alternative source of income in case of difficultness and work under the short term basis for the case of workers draught hence making it difficult to provide incentive of staying to enhance vacate after the intended task. Additional,

small companies or institutions often argue that many of their employees would never acquire coverage anyway, since turnover rates are relatively high and there is usually a waiting period before benefits kick in for new employees. Conclusively small businesses have a higher failure enhance tends to limit “fringe” benefits in order to keep costs under control.

From this study, it has been observed that the costly charged of health insurance in Tanzania was the core factor for mostly of employers prefer not to cover their employers with the health insurance. The reason for this is mostly termed due to the moral hazard and supply induces demand. This is a situation where patients has being forced himself / herself seeking for health care for a situation where is not necessary or the health supplier is forced to treat a patient at higher cost to enhance the cash flow even if the services is not necessary at that particular time and ill. The study revealed that out of the 40 management interviewed, more than 80% of the respondent revealed that cost of covering the health insurance was the highest factor of not to provide the health insurance to all their employee see figure below.

Figure 4.1.8 Reasons that hinder institutions not to provide health insurance to all the employees



Source; Researcher's construct.

4.2 Reasons for the companies not providing health insurance

There are number of reasons why small employers are less likely to offer health insurance than larger employers. First, it is relatively high cost of underwriting and administering policies for a small number of employees enhance making it too costly for them to provide the coverage. Second, small employers frequently state that their employees have access to other forms of coverage (e.g. through a working spouse), making it unnecessary to offer health insurance in order to attract workers.

Third, small business owners often argue that many of their employees would never acquire coverage anyway, since turnover rates are relatively high and there is usually a waiting period before benefits kick in for new employees. Finally, since small business have a higher failure rate than larger firms; small employers tend to limit "fringe" benefits in order to keep costs under control.

Also when employer offers health insurance to its employees, usually some conditions are attached, such as a waiting period before benefits takes effect for new employees, a

requirement that the employees be full time or worked a specified number of hours per week, and a requirement that employees pay a portion of the premium. Small employers with predominantly low wage, workers are much less likely to be offered health insurance since the greater cost of underwriting and administering coverage for each enrollee in a small workforce add to the cost of the premium. Since smaller firms face higher rates of employee turnover, it is likely that a smaller percentage of their workers will fulfill the waiting period required for enrollment. Also, since small business experience higher rates of business failure than larger firms do, they have greater incentives to keep their cost of doing business low. Finally the lack of coverage at such firms may reflect the weaker preferences of small- firm employees for compensation in the form of health insurance benefits compared to wage income.

CHAPTER FIVE

SUMMARY, CONLUSIONS AND RECOMMENDATIONS

5.0 Introduction

The chapter gives the conclusions and recommendations to the study in relation to the findings, while conclusions are based on the objectives of the study and the recommendations have been carefully analyzed based to on the research questions and the findings.

5.1 Summary

Healthy insurance is vital for company performance and development. This implies that purchasing health insurance is not only crucial for individuals/ employee's health status, but also crucial element for company performance and overall economic development plan. The contribution of health insurance to company performance depends on how health is perceived by an individual. If people demand health service because they want to be healthy and sickness-free in the future in order to raise their productivity and income, then good health is demanded as good investment**.** A good example is when very wealthy people spend their wealth on improving their health and lengthening their lives regardless of whether they earn more by staying alive much longer. This is a case where good health is aimed to increase productivity. The contribution of health insurance to company performance is how employers make decision on either to purchase the health insurance for their employees or not. With reference to this study the causality run from the health insurance to company performance.

Further to company employees' productivity, the study has also revealed that health insurance improves employees truthful within the organization which in the long run is

the key factor for the company sustainability. Apart from the said health insurance impact, employees' truthiness proved to be the cornerstone for the company image that has the direct causal effect to company outstanding performance. Conclusively, this study has proved that for the entire respondent interviewed, health insurance coverage has the positive effect to the company performance.

5.2 Conclusion

This study is the first systematic review to broadly examine the impact of different types of health insurance schemes in low and lower middle income workers to the company. The review points to an incomplete evidence base. Despite an increasing volume of studies, especially in recent years, the generated knowledge is patchy and of variable quality, from the finding of the research study it appeared few workers on various companies receive their health insurance coverage through their workplace. Almost all large firms offer a health insurance plan, and even though they face greater barriers to providing coverage, so do the majority of very small firms.

They have indicate Despite employers' role in the health insurance market, however, very little attention has been paid to employers' motivations for providing health insurance to workers. Employers might benefit from providing health insurance, for example, if it allowed them to recruit and retain high-quality workers. Perhaps employees who demand health benefits have other qualities that employer's value; they might be forward-looking or less mobile. Thus by offering health insurance, the firm could attract employees who anticipate establishing a long-term employment relationship. Firms might also provide health insurance if health insurance improves workers' health, by increasing their productivity at work and reducing absenteeism and turnover.

They emphasize by saying Moreover, workers in good jobs are happier and more productive. Rather than having only some workers insured or having wide variation in the extent and quality of coverage as would likely happen if workers were left on their own to purchase insurance employers could benefit from having all or most of their employees covered under plans with standard minimum benefits. They believe Health insurance may enhance workers' effort and productivity because of the psychosocial aspects of having a "good job." Most workers recognize that good health coverage is necessary to ensure access to medical care and protect economic well-being. Consequently, the simple fact of its offering health insurance may increase satisfaction with a job. Conversely, the lack of insurance imposes burdens on workers and their families. For the uninsured, the financial consequences of a serious illness can quickly exhaust the additional wages provided to workers not offered employment-based health coverage.

Workers who do not have to worry as much about their own illnesses or those of family members covered by health insurance may also be more productive. The economic theory of efficiency wages may justify an employer's decision to provide health benefits. The theory of efficiency wages suggests that employers who pay their workers more than the going market rate are likely to have more productive workers. Employees who would have a difficult time finding a better-paying job if they left or were fired from their current job work harder than do workers who could easily move to another job that paid equally well.

Also a company providing health insurance can lower the insurance costs as Businesses can usually get better rates for insurance than individuals. The more people in a group health insurance plan, the lower health insurance costs are for everyone. Risks are spread across a larger group of people, which ensures costs stay low. It's therefore advantageous for a business owner to extend coverage to employees to benefit from lower health insurance co

Moreover the company can get the tax advantages as the Businesses offering health insurance can deduct their portion of the contribution toward their employee plan as a business expense and get a tax advantage. If the business is incorporated, the business owner's insurance and the coverage paid for employees are deductible. And this can lead to good performance of the company

Thus, some employers pay above-market wages in order to reduce turnover, improve morale, and obtain the best performance from their employees. Most employers' investment in their workers extends beyond wages to include education and training, health coverage, and other compensation and work-life benefits. Many analysts "accept as fact that investments made in human resources, employee services and general workplace environment have a positive impact on productivity." Consequently, firms' expenditures for health coverage and services can be viewed as a "complex investment" designed to maintain and improve health.

They also indicate health insurance may contribute to workers' and firms' productivity, as healthy workers are usually more productive than unhealthy workers. Since workers with health insurance may be more likely to seek regular preventive care and get needed treatment for illnesses and injuries, those with health insurance may be less likely to miss work and to miss fewer days of work when they do fall ill. Workers' absences are expensive to employers finding temporary replacements which are costly; the operation of production teams may suffer; and assets may be left idle and sick employees may be less productive when they are at work. Similarly, other workers in the firm do not feel obligated to work harder to compensate for employees who are absent or unproductive at work. Unhealthy workers also may quit or retire early, creating a costly source of turnover. The benefits to employers of having healthier workers may also lower other labor costs, especially the cost of short-term and long-term disability insurance and workers' compensation.

It is also indicated that providing health insurance to employees will lead the company lading in competitive markets its operate or increasing competition as . Increases Competition Business that offer health insurance as part of their employee benefits package are able to attract more qualified applicants than those who don't. This is especially true when industry competitors of like size in the same general area offer health insurance benefits, as most of the people will prefer work with the company that can offer them health insurance even if they are paid low.

It may simply make more sense for employers to provide health insurance because it is good business for their workers to have more or less standard health insurance benefits. Workers seeking coverage on their own may end up with different levels of insurance protection. Even if those differences reflect the workers' varying preferences, they may not meet their employers' needs, and many workers may end up without insurance and face high out-of-pocket bills or difficulties getting needed medical care.

There is very little evidence on the impact of health insurance on quality of care and community empowerment, and no (strong) conclusions can be drawn in this regard. Nonetheless, these domains are of critical importance to the performance of health insurance schemes. Many believe that health insurance schemes, through increased utilization patterns and subsequent income generation, can improve the quality of care, and that this, in turn, can lead to higher health insurance enrolment. Research is needed to explore this mutual reinforcement. Such schemes have large potential to explicitly involve of the company involvement on health services, and whether this actually happens is a question deserving more attention.

5.3 Recommendations

This section represents recommendation reflecting the problem and analysis discussed in the previous chapters and sections. The program for implementing recommendation

deemed to be of immediate value of health insurance on influencing company performance, government should also support the health insurance to all the employees especially on private sectors as all employees to be granted with the health insurance and make them being productivity to their organizations/companies.

There is a need to understand the health insurance needs of different categories of poor people in Tanzania, the sources and types of risks confronting the poor and the different arrangements and strategies (informal, market-based and public) for risk reduction, mitigation and coping used by individuals and the government. In order to have a real picture of the inequities in the distribution of resources and incomes in contemporary Tanzania, we must understand the extent of redistribution across generations and within a generation in both conventional and non-conventional health insurance schemes and programmes. Furthermore, health insurance funds must create awareness to the public and make awareness to the transactions and hidden opportunity costs involved in informal risk sharing arrangements.

A researcher found that the general public lacks awareness on importance of health insurance in the influence of company performance and its potential contribution to national development. There is a need to provide education about health insurance and being regarded as must to all employees, particularly this can be done in all level of organization.

Government must emphasize social security funds without based on one or two social funds, both of them must elaborate in details about health insurance and beneficial impact to the company workers and how people will benefits from it, they must use various type of media and communications means without concentrate much in one means of communication (television, newsletter or radio stations) in order to influence many people in the communicate as it appeared few people are in social security funds,

It’s time for the government to create strategies and means of implementations in order to come up with strong ideas in order to make awareness to the community especially in companies, in order to be aware of the beneficial impact of health insurance to the worker and how it will create and improve performance at their work place.

Appendix I
QUESTIONNAIRE FOR COMPANY MANAGEMENT/STUFF

MZUMBE UNIVERSITY

Dear respondent, this questionnaire is about the study on the perception of employee's health insurance influence company performance. This survey is administered by a student of the Mzumbe University who is conducting a research for partial fulfillment of the award of the degree of masters of Business Administration Corporate Management (MBA-CM). The information collected will be treated with utmost confidential and used solely for academic purposes only.

Put a tick to the correct answer in the brackets.

1. Please tick your sex
   (a) Male [ ]
   (b) Female [ ]

2. Tick your age group
   (a) 18-25 [ ]
   (b) 25-40 [ ]
   (c) 40-55 [ ]
   (d) 55-70 [ ]

3. Please tick your level of education
   (a) Primary school [ ]
   (b) Secondary school [ ]

(c) Higher education [ ]

(d) Others [ ]

4. Do you know anything about health insurance?

(a) Yes [ ]

(b) No [ ]

5. How companies perceive health insurance

Specify

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6. Do you provide health insurance to your employees in the company?

(a) Yes [ ]

(b) No [ ]

Specify

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7. Why companies reject health insurance without consider the stability of their worker?

(a) Yes [ ]

(b) No [ ]

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8. Why some employees get insurance and others doesn’t get health insurance?

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9. What is the relationship between health insurance and company performance?

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10. Do you have anything to annotations concerning health insurance and worker on various companies?

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Thank you for your participation in this research and your answers will be kept as confidential.

Appendix II

QUESTIONNAIRE FOR EMPLOYEES

Put a tick to the correct answer in the brackets.

1. Please tick your sex

   (a) Male [ ]

   (b) Female [ ]

2. Tick your age group

   (a) 18-25 [ ]

   (b) 25-40 [ ]

   (c) 40-55 [ ]

   (d) 55-70 [ ]

3. Please tick your level of education

   (a) Primary school [ ]

   (b) Secondary school [ ]

   (c) Higher education [ ]

   (d) Others [ ]

4. Do you know anything about health insurance?

   (a) Yes [ ]

   (b) No [ ]

5. How companies perceive health insurance?

Specify

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6. Do you get health insurance from your employer in the company?

(a) Yes [ ]

(b) No [ ]

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7. Do companies reject health insurance without consider the stability of their worker?

(a) Yes [ ]

(b) No [ ]

Give reasons

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8. What is the impacts employee health insurance to company performance?

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9. Why some employees get insurance and others doesn’t get health insurance?

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10. What is the relationship between health insurance and company performance?

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11. Do you have anything to annotations concerning health insurance and worker on various companies?

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12 How do you (employee) perceive health insurance

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Thank you for your participation in this research and your answers will be kept as confidential.

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