

## **DEVELOPMENT OF THE SYSTEM OF PERSONNEL MOTIVATION OF INSURANCE COMPANIES**

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Features of the sale of insurance products, individual characteristics of each employee, diversity of purposes of the insurance company, constant changes in the economic environment make motivation of sellers of insurance rather complex and important task. Top managers of insurance companies agree that the motivation of staff, who sells insurance, plays an important role in their implementation. So for successful, profitable, efficient conduct of insurance business, it is necessary to develop an effective system of motivation.

Highly motivated personnel that works for the goals and brings a business result – is the dream of every employer. However, workers want to feel the value of their work, and to see recognition of their achievements. A consensus between managers and subordinates can be achieved only if the company introduces a system of motivation not only based on their capabilities, but also taking into account the real needs of their employees.

In Western Europe, studies show that 69% of companies that are participated in the survey use material rewards as the main tool of motivation. Survey results also indicate the fact that only 15% of respondents expect from sales of insurance services from employer the material rewards.

HR theory suggests that there are two basic types of motivation: material and immaterial. Each insurance company must it consider, because the role of non-financial incentives and other items should not be underestimated in the fight for highly effective sales and insurance services. The proposed system of motivation of employees insurance companies, which combines these two types, and can therefore simultaneously be used for newly established insurance companies that are not able to give the material motivation and, for leaders in the insurance industry, which by combining these two types of motivation can achieve the best guarantees of a success and healthy climate in the team.