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Professional Perspectives on the Implementation Effectiveness of Ind AS 117 in India's Health Insurance Sector: A Comparative Study

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Abstract:
Ind AS 117 changes the measurement and reporting of insurance contracts and requires coordinated accounting, actuarial, data and technological capabilities. This research examined whether perceived implementation effectiveness differed across selected professional categories. A quantitative cross-sectional study was conducted with 185 eligible respondents drawn from seven professional categories. Perceived implementation effectiveness was measured through eight statements on a five-point Likert scale. Descriptive statistics, Cronbach's alpha, one-way analysis of variance and post-hoc comparisons were applied. A significant difference was found across professional categories, $F(6, 178) = 7.406$, $p < .001$; therefore, the null hypothesis was rejected. The responses were favourable overall, but the assessments varied among professional groups. These differences indicate that implementation effectiveness should be evaluated from several professional perspectives. The analysis is limited to professional-category comparisons and does not examine realised effects on financial statements.

Keywords: Ind AS 117; implementation effectiveness; professional perceptions; health insurance; financial reporting quality

INTRODUCTION

Ind AS 117 is intended to establish a consistent basis for recognising, measuring, presenting and disclosing insurance contracts. Its framework separates insurance service performance from financial effects and uses current estimates of fulfilment cash flows, non-financial risk and, where applicable, a contractual service margin. This changes how liabilities, revenue and profit are communicated to users of insurers' financial statements. Palmborg et al. (2021) explain how the measurement model affects the timing and interpretation of reported performance, while ter Hoeven et al. (2024) document the practical effects and continuing diversity observed in the first annual IFRS 17 financial statements of major European insurers. Whether implementation is effective cannot be judged from compliance alone. For professionals working with the standard, the more practical question is whether it gives a clearer account of liabilities, makes financial statements easier to compare, and produces information that managers and other users can actually use. Views on these outcomes are not yet settled. Alhawtmeh (2023), for example, found that

respondents associated IFRS 17 with improvements in accounting measurement, disclosure and reporting quality. Byun and Han (2025), however, detected no clear gain in the value relevance of Korean insurers' information during the first reporting year. The contrast is important: benefits expected from a new standard may take time to become visible, and they may not be experienced in the same way everywhere. The work performed by each professional group also shapes what its members notice. An actuary is likely to look closely at the measurement of liabilities and risk. Accountants and auditors encounter presentation, reconciliation and supporting evidence, while compliance teams are more directly concerned with regulatory consistency. For information technology professionals, a central issue is whether systems can generate dependable information. Senior managers, in turn, may attach greater weight to strategic use and the way results are communicated. Such differences are not merely theoretical. Arce et al. (2023) recorded distinct concerns among the groups that participated in the development of IFRS 17, and Wahyuni et al. (2025) describe adoption as a process shaped by the interaction of several actors. A single combined assessment may therefore hide differences that matter in practice.

Existing research covers several parts of the IFRS 17 experience, including readiness for implementation, anticipated improvements in reporting, institutional adoption and the evidence emerging after adoption (Owais & Dahiyat, 2021; Alhawtmeh, 2023; Byun & Han, 2025). However, it tells us much less about how the people doing different kinds of work within Indian health insurance view the change. This omission is easy to overlook when responses are combined. A satisfactory overall mean, for instance, could sit alongside serious doubts within one function. Knowing where such doubts lie is important because implementation depends on cooperation between teams and may call for different training or support in different parts of an organisation.

For that reason, opinions were compared across seven categories: accounting and finance, actuarial work, audit, compliance, consultancy, information technology and senior management. The questions dealt with transparency and comparability, but also with matters closer to everyday implementation, such as liability and profit reporting, loss-making contract groups, management information and the general quality of financial reports. The results show what the respondents believed at the time of the survey. They are not a test of whether the same improvements can already be seen in audited accounts.

REVIEW OF LITERATURE

Alhawtmeh (2023) surveyed professionals in Jordanian insurance companies and then used regression analysis to study IFRS 17 in relation to measurement, disclosure and reporting quality. Respondents generally linked the standard with improvement. That finding gives useful evidence about professional expectations, particularly around transparency. It must still be kept in perspective, since an opinion recorded in a questionnaire is different from a change demonstrated in published accounts.

A different picture emerges from the Korean evidence. Byun and Han (2025) worked with earnings and book values reported before and after adoption. In the first year, the usefulness of those figures to the market did not show a clear improvement. They also drew attention to the judgement involved in actuarial assumptions. Their study does not imply that IFRS 17 produced no benefit; rather, it shows why an immediate and uniform benefit should not be assumed. This is especially relevant when comparing professionals whose contact with those assumptions differs.

Chmielowiec-Lewczuk (2023) considered another promised benefit, comparability. On the measure used in the study, insurers' information was fairly comparable, although the author noted limitations in the

assessment. Comparability, therefore, is not simply present or absent. It can depend on which part of the financial information is examined and who is reading it. An evaluation based on several aspects of reporting is consequently more informative than a single broad rating.

The European Insurance and Occupational Pensions Authority (2024) reported what changed when European insurers began applying the new requirements. Insurance liabilities were affected by the valuation approach, explicit risk adjustment and contractual service margin, and the report noted links with Solvency II. These are material changes, yet they enter professional work at different points. Valuation staff encounter them directly; compliance teams examine alignment; technology teams have to support the data and calculations. It is quite plausible that their judgements of success will differ.

Cost and understanding add another layer. Basu and Grace (2022) describe the difficulties that accompany a principles-based model and stress the need for audit committees and users to understand how the reported numbers are produced. This matters because technically correct estimates are of limited practical value when the people responsible for oversight cannot readily interpret or question them. Perceived effectiveness may thus reflect both the standard itself and the organisation's ability to make its results understandable.

ter Hoeven et al. (2024) examined the first annual IFRS 17 statements of major European insurers and found changes in equity, measurement choices, contractual service margin reporting and risk disclosures. Even under one standard, companies did not report everything in the same way. Taken with the other studies, this leaves a mixed early record: some evidence points towards better reporting, while some expected gains are not yet clear. Indian health insurance has received little attention within this debate, particularly at the level of separate professional groups. The present analysis addresses that narrower question through views on transparency, comparability, liabilities, profit and the usefulness of information.

RESEARCH METHODOLOGY

Research Objective

To compare how the selected professional categories assessed the effectiveness of Ind AS 117 implementation.

Research Design

The study used a cross-sectional quantitative design. Item scores and the overall construct were first described for the sample. The seven professional categories were then compared to test the stated hypothesis. This design suited the research question because both the respondents' ratings and the differences between groups could be examined numerically.

Population and Sample

The target population comprised professionals with relevant exposure to insurance accounting, actuarial work, audit, compliance, consultancy, information technology or senior management in India's health insurance sector. The sample included 185 eligible respondents: 41 accounting and finance professionals, 24 actuaries, 27 auditors, 23 compliance professionals, 25 consultants, 20 information technology professionals and 25 senior managers.

Research Variables

For this paper, Professional Category was treated as the independent grouping variable, while Perceived Implementation Effectiveness was the dependent variable. Respondent-level scores were computed as the arithmetic mean of the eight items, retaining the original 1 to 5 scale.

Instrument Development and Measurement

Perceived Implementation Effectiveness was evaluated through eight statements. Responses were recorded on a five-point Likert scale ranging from 1 for Strongly Disagree to 5 for Strongly Agree.

Data Collection Procedure

Data were collected from 185 eligible professionals through a structured questionnaire. Respondents belonged to the seven professional categories covered by the study and had relevant exposure to India's health insurance sector. Their responses were used for the descriptive, reliability and inferential analyses reported in this paper.

Reliability Testing

Table 1.1: Reliability Testing

Construct	Items	Cronbach's alpha	Interpretation
Perceived Implementation Effectiveness	8	0.891	Good internal consistency

The Cronbach's alpha value exceeded 0.70, indicating acceptable internal consistency for construct-level analysis.

Statistical Tools and Techniques

Frequencies, percentages, means and standard deviations described the Likert responses. Cronbach's alpha assessed internal consistency. One-way ANOVA compared the construct mean across seven professional categories. Levene's test examined homogeneity Hypothesis decisions were made at the 5 % significance level.

LIKERT-SCALE STATEMENT ANALYSIS

Table 1.2: Likert-Scale Statement Analysis

S. No.	Measurement dimension	D/SD %	Neutral %	A/SA %	Mean	SD
1	Transparency of insurance financial statements	23.78	19.46	56.76	3.535	1.225
2	Comparability of health insurers' financial results	22.16	21.62	56.22	3.514	1.198
3	Clarity in the representation of insurance contract liabilities	25.41	25.95	48.65	3.384	1.255
4	Reporting of profit from health insurance contracts	25.41	27.57	47.03	3.357	1.230
5	Identification and reporting of loss-making contract groups	21.62	24.32	54.05	3.519	1.157

S. No.	Measurement dimension	D/SD %	Neutral %	A/SA %	Mean	SD
6	Usefulness of information for management evaluation	22.16	21.08	56.76	3.557	1.146
7	Quality of information available to financial-statement users	20.00	23.24	56.76	3.638	1.266
8	Overall effectiveness of financial reporting in health insurance	17.30	26.49	56.22	3.643	1.203

Findings from Likert-Scale Analysis

The perceived implementation effectiveness responses were generally favourable but not uniform, with an overall construct mean of 3.518. The strongest item was "Overall, Ind AS 117 can improve the effectiveness of financial reporting in the health insurance sector." (M = 3.643), whereas "Ind AS 117 can improve the reporting of profit arising from health insurance contracts." received the lowest mean (M = 3.357). The spread across items shows that respondents distinguished between specific technical and organisational aspects rather than expressing one undifferentiated opinion.

HYPOTHESIS TESTING

H_{01}: There is no significant difference among respondents from different professional categories with regard to Perceived Implementation Effectiveness.

Variables Used

For testing the hypothesis, Professional Category was used as the independent grouping variable, while Perceived Implementation Effectiveness was used as the dependent variable.

Statistical Test Applied

One-way ANOVA was applied to examine whether mean perceptions differed significantly across the seven professional categories.

Table 1.3: Descriptive Statistics by Professional Category

Professional category	N	Mean	SD
Accounting and finance professionals	**41**	**3.509**	**0.915**
Actuaries	**24**	**4.109**	**0.622**
Auditors	**27**	**3.537**	**0.884**
Compliance professionals	**23**	**2.821**	**0.906**
Consultants	**25**	**3.560**	**0.770**
IT professionals	**20**	**2.981**	**0.802**
Senior managers	**25**	**3.975**	**0.804**

Table 1.4: One-Way ANOVA

Levene F	Levene p	F	df	p
1.008	0.422	7.406	6, 178	< .001

Levene's test was not significant, $F(6, 178) = 1.008$, $p = 0.422$, supporting the equal-variance assumption. The professional-category effect was statistically significant, $F(6, 178) = 7.406$, $p < .001$.

The clearest differences involved actuaries and senior managers, whose scores exceeded those of compliance and information technology professionals. Significant contrasts also appeared between compliance professionals and several accounting, audit and consultancy groups.

Decision

The result was statistically significant at the 5 % level. Accordingly, H_{01} was rejected.

Finding

The seven groups did not assess implementation in the same way. Actuaries and senior managers tended to give stronger ratings, whereas the assessments of compliance and information technology professionals were more reserved. Looking only at the combined mean would therefore miss a part of the result that is directly relevant when implementation work is reviewed or planned.

Hypothesis Conclusion

The null hypothesis is therefore rejected. The evidence shows that professional category was associated with a significant difference in Perceived Implementation Effectiveness.

OVERALL CONCLUSION

The overall mean gives a reasonably positive impression of Ind AS 117 implementation, but it should not be allowed to stand as the whole conclusion. Once the responses were separated by occupation, a distinct pattern appeared. Actuaries and senior managers viewed the implementation more favourably; compliance and information technology professionals were less convinced. The difference was statistically significant and was also large enough to matter in practice. It suggests that some expected gains may be more visible at the level of measurement and management than in compliance work or the systems that supply the information. An implementation review should explore this uneven experience directly. Otherwise, a positive combined score could give assurance while leaving important operational concerns unanswered.

SUGGESTIONS BASED ON FINDINGS

1. Results should be reviewed by professional category as well as for the full sample. In this case, the combined mean concealed a divide that managers need to see.
2. Compliance and information technology teams were the least positive groups. Discussion with them should begin with the practical problems they face in controls, data movement and the production of reliable information, rather than with another general explanation of the standard.
3. The confidence expressed by actuaries and senior managers provides a useful starting point, but it is not sufficient proof of success. Their expectations should be checked against later reporting results and the experience of users.
4. Effectiveness should not be reduced to one headline score. A review needs to show where transparency or comparability improved and whether liability measurement, profit reporting and management information improved with them.

5. Insurers could revisit these questions after each reporting cycle. Repeated evidence would reveal which early difficulties are easing and which promised benefits remain difficult to observe.
6. Future evaluations could also seek the views of external auditors and financial-statement users. Their experience would help show whether positive internal assessments are reflected in the usefulness of published information.

RESEARCH LIMITATIONS

The findings describe professional perceptions at one point in time and should be read on that basis. Professional category was the only basis for comparison. The study did not trace changes over successive reporting periods or test the responses against audited financial statements. Its conclusions are therefore confined to the 185 eligible professionals and the setting covered by the research.

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