

Summary of the doctoral dissertation of Angelika Kuligowska:

*Financial aspects of the use of insurance protection by communes in Poland*

The commune is the basic unit of local self-government appointed to carry out the tasks of local administration. The extensive structure and variety of decisions and actions undertaken by communes are associated with an extremely wide scope of responsibility for these units. The responsibility arises from, among others, the extend of municipal assets and their management. It also arises from performing community tasks – own, commissioned and entrusted. Communes, as part of restricting and minimizing the financial effects of random events, may transfer part of the risk on insurance companies. It is one of the methods, assessed as the best known, the simplest, effective economically (the cheapest) and commonly used. Inability to match insurance to expectations and needs is usually caused by a lack of basic knowledge about insurance and difficulties in understanding and comparing competitive offers. The assistance is usually provided by specialists - insurance brokers (most often insurance agents and brokers). Despite the popularity of insurance as a risk transfer method, in the face of a natural disaster, the main source of financing are actually the share of funds from the communes and state budget.

The main research problem of this doctoral dissertation is the assessment of importance of insurance among methods of hedging against risk by local government units in Poland. The main purpose of the work was to show the quality of insurance coverage purchased by communes. This quality was expressed by five financial and non-financial indicators. In addition, the following specific objectives were formulated:

OBJECTIVE 1. to show the differences in the way communes purchase insurance depending on the intermediary they use,

OBJECTIVE 2. identification of the relationship between the type of commune and the number of inhabitants, and the method of purchasing insurance protection,

OBJECTIVE 3. examining and assessing the degree of compliance with the basic insurance principles (feasibility, universality and completeness) of the commune's insurance protection,

OBJECTIVE 4. determining the structure of sources of financing the effects of damages in communes (resulting from both typical and catastrophic events),

OBJECTIVE 5. determining the impact of insurance mediation on the amount of insurance share among sources of financing damages,

OBJECTIVE 6. Identification and assessment of internal and external factors affecting the decision on how to purchase insurance by communes.

The first stage of primary research was conducting a multiple case study based on open interviews with representatives of communes who were injured in the storm of August 11, 2017. The conclusions drawn from the study allowed for the hypothesis to be put forward and became the reason for the next stage of research. The second stage of the research was based on a questionnaire developed by the author. The spatial scope of the survey covered the entire country, because the questionnaire was addressed to all communes in Poland.

The first chapter refers to the characteristics of the commune as a risk entity. This risk results from the structure of the commune, the tasks it performs, and from the fact that it owns communal property it manages. The second chapter presents aspects of the commune as an insurance protection entity. The third chapter focuses on the catastrophic risk occurring in Poland. The chapter outlines natural hazards to which communes are exposed. Legal procedures and regulations that are related to catastrophic risk management were also discussed. The role of the state in financing the effects of catastrophic damage were determined. Chapter four focuses on insurance mediation. Both legal aspects of this issue and analysis of the importance of brokering were presented. Chapter five is a description of insurance intermediaries in Poland: insurance agents and brokers. Chapter six is devoted to the methodology of empirical research. Firstly, the research procedure and research instruments were carefully described. It was followed by justification of the choice of sample for the survey and the choice of subjects examined in the case study. Chapter seven is a discussion of the results of research carried out to achieve the set goals and to verify hypotheses.

Based on the analysis and evaluation of the results of the survey, it was determined that there are no grounds to reject the following hypotheses:

H1: In communes that use the services of an insurance broker, the share of the value of expenses for removing damage from the commune's budget is lower.

H2: Damage due to fortuitous events of a non-catastrophic size in municipal property is mainly covered by insurance.

H3: Insurance is not the main source of financing the effects of catastrophic damage to municipal property, which results from the lack of insurance coverage for road infrastructure.

Research clearly indicates a significant difference in the quality of insurance coverage depending on the services of different intermediaries. The scope of the brokerage service provided is the opportunity to obtain support in shaping the content of insurance contracts and proper protection of the interests of local government units, as well as in the field of liquidation,

organizational and training proceedings. Research also indicates the need to deepen insurance awareness among employees of these entities and to a limited use of the insurance potential in the event of catastrophic damage.

In summary, the results of the research can be used by local government authorities to improve the quality of insurance coverage and more efficiently spend public money. Conclusions and reflections resulting from the conducted research can be used by agents and insurance brokers to adjust their offer to the needs of local government units, as well as to improve their services.