

JOB SATISFACTION OF EMPLOYEES IN INSURANCE INDUSTRY- A STUDY OF ANDHRA PRADESH STATE

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ABSTRACT

In India, insurance industry plays a major role for the growing economy of the country in recent years. As the insurance industry is growth-oriented industry, it started to expose the capability after liberalization and privatization of the sector. In order to furnish the requirements and to be a success able player in this competitive world the efficient manpower and effective human development strategies such as employee satisfaction, team empowerment, participative management, and strategic planning are required. A Success of any organization depends on human resources management. Hence, management should satisfy the needs of the employees and motivate them towards the goals of the organization. One of the major problems facing by the insurance sector is talent retention as poaching is high. The study evaluates various factors that contribute for the satisfaction of insurance employees. The researcher selects respondents from life insurance companies working in Andhra Pradesh and present what contribute for employee satisfaction in the insurance industry.

KEYWORDS: *Employee Satisfaction, Team Empowerment, Attrition, Strategic Planning*

INTRODUCTION

Globalization throws a challenge in front of the insurer by making the whole world as a single market. Increased competition, customized products, competitive pricing, enhanced promotion, short of talented professionals etc., made insurance business tough. Strategies in all areas of business are to be designed to stay in the business and achieve goals. Insurance products are not bought voluntarily by the customers unless they are motivated. In the process of attracting customers, employees at all levels have to strive and thrive with all their efforts. Under these situations, organizations need to identify talented human resources, train, develop and retain. Apart from that achieving job satisfaction is a big challenge as a human being by nature demand for satisfaction in relative terms not in absolute terms. Poaching which is high in the insurance sector is magnifying the problem of retention. Under these circumstances, a continuous evaluation of various job -related factors is mandatory to increase employee retention and reduce attrition.

Nancy c. Morse (1997) opines “satisfaction refers to the level of fulfillment of one’s needs, wants and desire. It measures how they are happy with their work and working environment”. Hunter & Tietyen (1997) says that Employees will be more loyal and productive when they satisfy. Potterfield(1999) opines that satisfied employees satisfy the customers and leads to organizational productivity. At the same time, Miller (2006) explains that there is no limit for the employees to reach the full satisfaction and it varies from employee to employee. Bhatti & Qureshi (2007) said that the effective organization should have a culture that encourages the employee satisfaction, Such as good salary, working conditions, good relationships with the colleagues, training and development opportunities, career developments and any another benefit that increases the employee satisfaction. The research aims identifying the role of various factors viz., Leadership and Planning, Corporate culture and communication, Work Environment, relationship with superiors, Training development and Resources, pay and benefit and employee experience in the organization in influencing job satisfaction.

LITERATURE REVIEW

Arpita Singh and Kirti Dharwadkar¹, focused on the job satisfaction of the employees in the life insurance sector with an objective to find the factors causing job satisfaction among the various categories of the employees and level of satisfaction of public and private insurance companies. Through the study, they identified that the managers at both public and private sectors employees are satisfied with their salary but because of more pressure on the managers in the private organizations threatened for the job.

Usha Tiwari² makes an attempt to analyze the job satisfaction and its impact on employee’s performance at life insurance Corporation with the help of percentage and mean tools. He analyzed that the average means score and percentage score of LIC as good. The very good score factors are feeling comfort at workplace and relation with their superiors. The factors which score good are working hours and consideration of ideas of employees. Suggested to offer an excellent career opportunity’ within the organization, to offer attractive and competitive pay to the potential employees, to facilitate healthy work culture and proper implementation of stress coping measure like counseling and meditation.

Ekta Sinha³ (Jan-Feb 2013) the study was conducted to measure the satisfaction level of the employees with a sample size of 150 through systematic sampling, data collected by questionnaire method and analyzed by using IBM SPSS 20. With the help of Kruskal-Wallis and Mann Whitney Rank test, Chi-Square test. Ekta Sinha found that employees are satisfied with their organization and level of satisfaction is differing significantly with regard salary. The satisfaction level is constant regarding training at the same no significant difference in satisfactory level with respect for gender groups and job rotation policy of the company.

Alam Sageer, Dr. Sameena Rafat, and Ms. Puja Agarwal⁴ (Sep-Oct 2012) in their study identify the variables that affect employee satisfaction and their impact on the organization. They are defying employee satisfaction as their happiness at their job and with a working environment like development factors, job security, work task policies of compensation and benefit, promotional and career development opportunities. So study has been conducted on these factors and concluded that there is a need for the organization to develop strategies that strengthen the work environment and increase the employee morale and employee satisfaction to improve productivity.

Singh Anita⁵ (2012) in his study identified the factors which create dissatisfaction to the employees at the workplace along with highlighting the positives things of the organization. By measuring, the job satisfaction, the management can able to understand the psychology of employees and their feel about their jobs. It can also help as a predictor of work behaviors' such as absenteeism, poor performance, attrition rate, motivation level and turnover of the organization. The analysis concludes that the employees prefer job positions with authority in order to make the decisions, challenging projects, the importance of teamwork and care for them.

Afshan Naseem, Sadia Ejaz Sheikh and Prof. Khusro P. Malik⁶ GPHR (Aug 2011) deals with the impact of employee satisfaction on the success of organization and relation between customer experience and employee satisfaction. The study is qualitative research and data collected through the questionnaire and results of principal component analysis based on the correlation matrix. Mainly environmental cleanliness, quality food, and room services have played a vital role in creating satisfaction customers. From the employee's perspective, along with working atmosphere incentives like salary and training are also satisfactory factors.

Mosammod Mahamuda Parvin and MM Nurul Kabir⁷ (Dec 2011) refers to factors affecting employee job satisfaction of the pharmaceutical sector. Based on the results work conditions, fairness, promotion, and pay are the key factors in satisfying the employee. The money is a good motivator; the good pay-back can be one of the key factors affecting job satisfaction. At the same time, good working conditions and environment can also increase employee job satisfaction and try to give their best with the increased employee work performance.

Bente Corneliu Cristian and Bente Florina Maria⁸ proposed to explore the satisfaction of employees on the life insurance industry by using exploratory approach, collected data from 332 employees and tried to identify the gap between the expectations of employees and their perceptions regarding the service quality in the life insurance industry. The test confirmed that is significant differences in the perceptions mean of insurance employees' and the insurance employees' expectation mean.

P. Anbuoli and V.B. Devibala⁹ argue about the employee engagement in the insurance sector is the heart and the mind to which the employees are groomed in terms of job involvement, organization commitment, and job satisfaction. This study examines the factors which influence employee engagement and measures the overall level of employee engagement in the insurance sector with the help of sample size 80 in Madurai. The structured questionnaire is used to collect the data and frequency distribution and chi-square tools are used to analyze the collected data. They concluded that the various factors are influencing the level of employee engagement and suggested to improve the measures for the achievement of organization goals.

METHODOLOGY OF THE STUDY

Need and Importance of the Study

Life Insurance business potential in India is very high and is attracting new players posing threat for existing insurers. Insurers must attract, motivate and retain talented employees to overcome poaching by new players in the market. Poaching in the insurance industry is at peak due to a shortage of talented and experienced professional. In addition the insurance business is influenced by talented employees as customers are rigid in buying insurance products. In India, huge sales potential exists due to low customer awareness levels of insurance. Under this scenario employees play a key role in rising business. Hence it is necessary to hold job satisfaction among the employees and engage. The study is undertaken with the following objectives

OBJECTIVES OF THE STUDY

- To assess the role of organization related factors in shaping job satisfaction
- To understand the employee experience with organization and asses job satisfaction

HYPOTHESES

- **H₀₁**: Job satisfaction is independent of Leadership and Planning
- **H₀₂**: Job satisfaction is independent of corporate culture and Communication
- **H₀₃**: Job satisfaction is independent of Work Environment
- **H₀₄**: Job satisfaction is independent of the relationship with superior
- **H₀₅**: Job satisfaction is independent of Training development and resource
- **H₀₆**: Job satisfaction is independent of Pay and benefits
- **H₀₇**: Job satisfaction is independent of Experience of the employee at workplace

METHODOLOGY

The Study is descriptive in nature and tries to explain the extent of influence of various factors on job satisfaction by measuring the opinions of respondents using survey method. Data is collected from the employees working in private insurance companies by administering the questionnaire. Respondents for the study are identified using referral sources. To be more precise researcher has adopted snowball sampling procedure. A researcher has selected a Sample size of 600. The study adopted various descriptive and inferential statistics for analysis viz., Mean, Standard deviation, Skewness, Pearson Correlation, Analysis of variance and Regression.

RESULTS AND DISCUSSIONS

Data were analyzed using SPSS 16.0. Reliability analysis is carried out for each factor and found Cronbach's alpha higher than 0.5 except for one factor as shown in Table No.1.

Table 1: Cronobach Alpha of Various Factors

Factor	Cronabach Alpha
Leadership And Planning	0.717
Culture And Communication	0.820
Work Environment	0.291
Relationship With Supervisor	0.630
Training And Development	0.627
Pay And Benefit	0.825
Satisfaction	0.836
Overall Experience	0.876

Leadership and Planning

Leadership and Planning in the organization lead the employees towards success. An organization must emphasize the development of effective leaders who can involve in planning the activities of the organization effectively and play a lead role in improving the performance of employees. This eventually improves the morale of the employees and in turn satisfaction. A researcher measures the confidence of respondents, efficiency of planning, follow up and openness to inputs. Respondents expressed their opinion with a mean value of 0.34534 and standard deviation of 0.90195 on five-point scale.

Organization Culture and Communication

Organizational culture and communication impact the employees at the high level by the aspects of values, norms, emotions, behavior, and attitudes. Culture has a significant role in its performance and also satisfies the employees. An organization should communicate and develop a culture that creates a positive attitude among their employees. While the employees have more information about the strategies of the organization they respect the values and norms and improve the morale and satisfaction of employees that leads to productivity. Rich organizational culture with strong communication improves the performance of employees. A researcher measures the frequency, trust, treatment, recognition for work done, the expectation from work, fun at work, honesty and progress of work. Respondents expressed their opinion with a mean value of 3.4640 and standard deviation 0.81343 on five-point scale.

Work Environment

Good working environment increases the efficiency, effectiveness, productivity and job commitment of employees. The organizations must satisfy the employees by providing good working conditions and reduce the turnover of the employee to develop a high-performance workforce. A researcher measures adequate workspace, flexitime, reduced hours and work from home. The work environment in the organization is accepted by the respondents with mean 3.3347 and standard deviation 0.69575.

Relationship with Superiors

The relationship of supervisor with the subordinates affects the performance of individuals and organization as a whole. The bad relationship will lead to low self-esteem and morale. So the positive relationship between the employee and his supervisor leads to employee satisfaction. A researcher measures fair treatment, respect, handling of work -related issues, personal issues, suggestions for work improvement, feedback and trust of supervisor about the individual. Respondents expressed their relationship with the supervisor with mean 3.3854 and standard deviation 0.65771.

Training, Development, and Resources

Training, development, and resources increase the comfort of doing work and facilitate high productivity. Organizations need to design appropriate training and development programmes to enhance the skill set of the employees and facilitate resources to adopt and enhance skill utility. This provides higher satisfaction among the employees as they will be relieved from the stress of performing their job. It was found that the respondents are comfortable with an organization approach towards Training, development, and resources. A researcher measures initial training, ongoing training, resources availability, and promotions. Respondents expressed their acceptance with mean 3.3708 and standard deviation 0.85059.

Pay and Benefits

Employee's prima motive is to earn sustainable and competent pay that recognizes their abilities and experience. Or- ganizations must design an appropriate and competent compensation package to attract, motivate and retain talented employees. The study measures the level of pay, piecerate payments, extra payments, Sunday work payments, performance-based payment, fair pay and satisfaction of employee with benefits and package. Respondents evaluated the pay and benefits of the organization with mean 3.4310 and standard deviation 0.93936

Employment Experience

Perceptions of employees about the organization in terms of job security, the value of the employee, work life balance, use of skills and abilities, proud to work, willing to give extra efforts, read to work a long time with the same organization and refer the friend influences the engagement of employees. Respondent s expressed their experience with employment with mean 3.4611 and standard deviation 0.95468

Table 2: Mean and Standard Deviation of Factors

Factor	Mean	Standard Deviation
Leadership And Planning	3.4534	0.90195
Culture And Communication	3.4640	0.81343
Work Environment	3.3347	0.69575
Relationship With Supervisor	3.3854	0.65771
Training And Development	3.3708	0.85059
Pay And Benefit	3.4310	0.93936
Satisfaction	3.3738	0.95564
Overall Experience	3.4611	0.95468

Influence of Various Factors on Job Satisfaction

Job Satisfaction is positively correlated with all the factors viz., leadership and Planning, Culture and Communication, Work Environment, relationship with Supervisor, Training & Development, pay and Benefits and overall experience as shown Table No.3.

Leadership and planning influences employee satisfaction with r -value 0.314 and p -value 0.0155 at 95 % confidence level. Culture and communication shape job satisfaction with r -value of 0.356 and p-value of .000 at 99% confidence value. Job satisfaction is regressed with all factors and found to be significant with F Static 25.620 and R coefficient 0.779. 78.4% variance in Job satisfaction is explained by the factors which have been considered for the study as shown in Table No.4 & Table No.5

Table 3: Satisfaction of Employees in Relation to Other Factors

	Leadership and Planning	Culture and Communication	A Work Environment	Relationship With Supervisor	Training and Development	Pay and Benefit	Overall Experience
Correlation Coefficient	0.314*	0.356**	0.455**	0.530**	0.719**	0.618**	0.813**
Significance	.0155	.006	.000	.000	.000	.000	.000

Table.4 Regression of Job Satisfaction with Factors

R	R Square	Adjusted R Square	F Change	Sig.
.882	0.779	0.784	25.620	.000

Table 5: Analysis of Variance of Job Satisfaction with other Factors

Model	Sum of Squares	Mean Square	F	Sig
Regression	41.244	5.892	25.620	.000

Predictors: (Constant), Over employee experience, Work environment, Leadershipplg, Pay and benefit, Relationship with supervisor, Culture communication, Training development resource

Dependent Variable: Satisfaction

CONCLUSIONS

Job satisfaction measurement in the organizations which are facing talent shortage is to be reviewed on a continual basis to improve the prospects of retention of employees in the organization. An organization can determine strategies for improvement of job satisfaction among the employees and improve their involvement in the job and enhance productivity and performance. Leadership and planning activities can influence the job satisfaction level among the employees through inspiring and motivating behavior of leaders and strategic planners. Leaders and strategic planners in the organization are having such qualities to influence the behavioral pattern of employees and direct them towards achieving Job Satisfaction.

Culture and communication promote job satisfaction in the organization along with conducive working environment, a fruitful relationship among superior and subordinates. Organizations training and development activities, availability of resources, sustainable pay and overall experience with the organizations also contribute to the development of job satisfaction among the employees.

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