Chapter - 8
The Findings of the Study
The Agents Survey

Changing media environment and evolving customer needs pose a challenge to the typical role of a life insurance agent. Due to media revolution, new generation customers are continuously updated with new product introductions, price trends and industry information. Competitors regularly update customers with new product features and benefits in their regular sales encounters. Customers equipped with this knowledge expect a lot from the sales people. This changed scenario forces sales people to adopt better customer and product orientation. The life insurance companies have to meet these expectations by training their agents on the same lines.

The job of today’s agents does not end with the selling of the product, but also includes after sales services that holds the key to success. Building a long term relationship with the customer for the regular and repetitive sales has become vital.

Thus, considering the fact that agents have to work in a highly dynamic and competitive environment, it becomes necessary to train them. Undoubtedly, proper sales training programmes result in improved productivity and better long-term relationships with customers.

People buy what they want, but they must be sold those life insurance plans that they need. Successful agents form the habit of doing two basic activities, calling for appointments and making effective sales presentations. To implement these in the field, the agents must be well trained. Agents who are well trained, who regularly attend training programmes develop confidence, self –reliance, personal initiative and concentration of efforts. Training focuses that the agents develop the skills which will help them to successfully generate leads. Lead generation helps in client building process. The building of satisfied clients require an understanding of six clearly defined, totally independent sales processes from setting an appointment to getting a referred lead. Training is something that is given on a regular basis to the agents.
Accordingly the relevant questions have been formulated and were asked to the agents of both the public and private sector life insurance companies to find the need for training in life insurance business.

[1]. There is a mix of male and female agents where the majority of the agents are male. The agents are from different age groups, educational background and have varied work experience which is evident from the responses received from the agents of both the public and the private sector companies.

[2]. It is evident from the responses that the agents work either on full time or part time basis. It is clear from the result that in the public sector life insurer LIC and private sector life insurers (Bajaj Allianz Life, HDFC Life, Bharti AXA Life) majority of the agents prefer to work part time. LIC has a higher number of full time agents in comparison to the private life insurers. The agents work on a part time basis as they are engaged in other activities and it provides flexibility in working hours. Due to the extra earning opportunity they take up this career. Many young people have started working as full time agents as they were not employed.

[3]. The analysis reveals that majority of the agents of both the private and public sector life insurers like to attend training sessions. The agents who work on a part time basis do not regularly have the time to attend the training sessions. Training sessions are conducted regularly to develop the knowledge and skills of the agents. The 50 hours regulatory classroom training is conducted for a full 7 days. However there is also an online training option. Need based training sessions are conducted as per the suitability of the agents who are working on a part time basis.

[4]. Majority of the agents of both in the private and public sector life insurers were of the opinion that training is beneficial and helpful. Training is crucial for the development of a sound technical knowledge. Unless the agents are aware of these basic fundamentals they will not be able to pass the IRDA exam and get a license and a code number which is a regulatory norm to start working as agents.
It has been observed that majority of the agents of both the private and public sector life insurers were of the opinion that training session is well planned while some had mentioned that more planning is required. The training sessions must be well planned in advance to ensure maximum participation. There must be proper communication to make all the participants aware of the schedule of the training sessions and the trainers must play a proactive role.

Majority of the agents of both the private and public sector life insurers agreed that training sessions are of sufficient duration while only some of them said it was not so. The training modules have specific objectives and cater to the needs and requirements of a particular group of agents. Accordingly the time is scheduled as per the contents that are to be delivered. Often the agents who are working as part time have some issues with the duration of the training sessions. The trainers are well experienced to address such concerns of the agents and provide some alternatives.

Majority of the agents of both the private and public sector life insurers were of the opinion that the trainers provided the right kind of training to implement new ideas and methods acquired by them. The training sessions help the agents to develop the necessary knowledge and skills which are mandatory to succeed. This not only helps the agents to pass the IRDA exam but also to implement the learning from the training sessions in the practical field by sourcing policies and develop a customer base which will contribute to a good earning source regularly.

The analysis reveals that a majority of the agents of both the private and public sector life insurers were of the opinion that training helps the agents acquire technical skills and knowledge. The objectives of the training sessions are to make the agents learn which will help them to earn. It broadly includes product knowledge, selling skills and financial basics, which will help them to convince the customers and provide need based solutions. Training aims at providing knowledge and skills required to perform the job.
[9]. Majority of the agents of both the private and public sector life insurers prefer a combination of both classroom and on the job training. The agents prefer a combination of both on the job and classroom training. This gives the agents support during sales presentation and helps them to clarify their doubts. Moreover, the challenges faced while meeting the prospective customers can be elaborately discussed in the classroom sessions.

[10]. Maximum number of agents of both the private and public sector life insurers were of the opinion that training helped them to overcome their weaknesses and improve their strengths. The training sessions develop the knowledge and skills of the agents. Special care and attention is given so that the agents improve upon their technical, behavioral and attitudinal aspects which will help them in the field while dealing with customers. Some agents take less time to develop while some takes more time.

[11]. Maximum agents of both the private and public sector life insurers agreed that training helps the agents in diagnosing and analyzing the clients’ need and help them to provide with appropriate solutions while some agreed to it to some extent. Need based selling practiced by the agents will benefit the customers in buying the right product. The concept of need based is taught in the training sessions with the help of role play and case studies. IRDA emphasizes on the need based selling approach to minimize mis-selling and cancellations of policies by the less informed customers.

[12]. Majority of the agents of both the private and public sector life insurers were able to transfer the learning in training sessions into the practical field to obtain business while some of the agents could implement the learning to some extent only.

[13]. The analysis reveals that maximum agents of both the private and public sector life insurers agents agreed that training helped the agents to understand the job responsibility and accountability in a better way. In today’s scenario, relationship marketing is the biggest asset for the agents to achieve success. Training programme ensure that the agents understand their job responsibility. There are different modules with various activities through which training is given to
the agents to get the work done effectively and smoothly to ensure maximum output with an objective to improve personal and professional performance.

[14]. It has been observed that majority of the agents were of the opinion that the materials / handouts given during training session were helpful & informative in clarifying doubts and handling customer queries. The company information booklets, product brochures, annual reports, and product comparison handouts help the agents to clarify doubts and handle the various objections of the clients. It helps to build trust and convince the prospective customers to buy the products. The agents are asked to prepare a sales kit having all the relevant information and they are trained on how to effectively make a presentation with the help of this sales kit. These days agents are encouraged to use laptops which are a useful sales tool.

[15]. The three most important attributes which the agents of both the private and public sector life insurers agents agreed with regard to training sessions and which would help them to succeed in the marketplace are:
The mode of communication in training sessions was easy to understand and is ranked first, followed by the methodology used by the trainers was ranked second while trainers knowledgeable about the subject and the ability to clarify doubts was ranked third.
It is essential for the trainers to be knowledgeable on the subject as it will help them to clarify the doubts of the agents and to communicate effectively so that there is a clarity in understanding the concepts and to succeed in the marketplace. The trainers should use an effective methodology and ensure that transfer of learning is taking place. This is important especially as the agents are not from a sound academic background and there is a variety of profile of agents in the training sessions. A well designed, easy to understand course material and handouts will help the agents to refer and understand the concepts better.

[16]. The top three attributes in training sessions of the agents of both the private and public sector life insurers as agreed by them are that training has helped them to pass the
IRDA exam which is ranked first, followed by the trainers having motivated them to pass the IRDA exam is ranked second and to succeed in this business is ranked third. Attending the 50 hours training is a mandatory regulatory norm before appearing for the IRDA online exam. Without passing this exam the agents will not get their license and will not be able to work as an agent. Thus it will not be possible for an agent who does not attend the training programme to pass the exam.

The trainers motivate the agents and provide the right kind of guidance to develop their knowledge and skills. This is one of the reasons why agents regularly attend the training sessions and which helps them to pass the IRDA exam. The trainers guide the agents in sourcing their first few businesses successfully by guiding them in the field during sales presentation with the customers and clarifying the doubts.

In the private sector life insurance companies on the job training to help the agents source their first few businesses successfully is an important part of the KPI (Key Performance Indicator) of the trainers. However in the Public sector life insurer LIC, on the job training is not a part of the trainers Key Responsibility Areas (KRA).

[17]. The overall top three attributes preferred by the agents of both the private and public sector life insurers agents are the new product training and is ranked first followed by on the job training (observation and demonstration calls) which is ranked second and one to one coaching sessions is ranked third.

The overall top three attributes not preferred by the agents of both the private and public sector life insurance agents are online training which is ranked first followed by workshops, role plays and case studies and full day classroom training which is ranked third.

The online training is not preferred as many agents do not have adequate knowledge of working with computers and access to internet facilities and in the rural areas the infrastructure for using the internet is not well developed. Many agents are not comfortable with workshops, role plays and case studies as they lack the basic communication skills and do not have a sound academic background. The agents who are working on a part time basis do not prefer full day classroom training as they do not have sufficient time.
The results reveal that majority of the agents of both the private and public sector life insurers agreed that that the training programmes had the right blend of concepts and practical applications which would help them to sell successfully while some of the agents disagreed with the same.

Training is an important investment which an organization makes for making its agents to make them more effective and productive. Special attention is given to the contents preparation and delivery and the same is regularly updated to ensure that the agents can handle the various categories of customers in clarifying their doubts and convincing them to buy the products.

It has been observed that majority of the agents of both the public and private sector life insurers have agreed that customers and society are benefited by the training programmes attended by the agents.

The whole idea behind Insurance is that, it is a security tool which is designed to secure the financial status of an individual and also of his/her dependents, in case he/she undergoes an unforeseen loss related to health, property or liability.

Apart from the value of life insurance to individuals, its social value is reflected in its benefit to the community at large.

The results reveal that majority of the agents of both the public and private sector life insurers have agreed that training programme helps agents to spread their business. Training holds a key responsibility by helping agents to upgrade their performance on a continuous basis. Refresher training on various modules gives an opportunity to the agents to equip themselves with the necessary inputs and provide answers to the customers’ objections.

The results reveal that majority of the agents of both the public and private sector life insurers have agreed that attending the training programmes is essential for the agents to convince their customers while some agents have disagreed.

Training programmes provides different modules which will train the agents with the necessary knowledge. Attending the training programmes will develop the agents and
help them acquire the necessary selling skills which are important for achieving successful sales.

[22]. It has been observed that majority of the agents of both the public and private sector life insurers have agreed that their communication skills have improved after attending the training programmes while some have disagreed. Communication skills are one of the most important aspects of achieving success in life insurance sales. It helps the agents to take appointment, interact confidently with the customers and convince them by clarifying their doubts and providing need based solution. Many agents have got jobs in private sector and are continuing as part time agents.

[23]. The results reveal that majority of the agents of both the public and private sector life insurers have agreed that newer methods of training using the upcoming technologies should be adopted by the organisations while some of the agents have a neutral opinion and a few have disagreed. In today’s context, agents must be well equipped to handle technology. This will help them to become more confident and convincing with the customers. Moreover, the service aspect will be of a very high standard when agents start using laptops and tabs, which are important sales tool in the practical field.

[24]. The results reveal that in the public sector life insurer LIC majority of the agents have said that the feedback of the training sessions is never taken from them while some of them said that sometimes the feedback is taken. In the private sector life insurers (Bajaj Allianz Life, HDFC Life, Bharti AXA Life), the results reveal that majority of the agents have said that the feedback of the training sessions is always taken from them while some of them said that sometimes the feedback is taken. Feedbacks are an important tool to understand whether the training programmes have achieved its desired objectives. It also shows what the trainees have understood. Remedial measures through refresher training can be given as per the need. The performances of the trainers are evaluated monthly on the basis of the feedback scores
obtained. Also the test papers must be retained in the branch by the concerned trainers for future audits. This is a regulatory norm and is being followed by all the three private life insurers that have been taken up for the study. The public sector life insurer, LIC has however does not follow such practices religiously after every training session.

[25]. It has been observed that majority of the agents of both the public and private sector life insurers have agreed that training programmes help the agents in sourcing
more policies.
Training programmes are important for the development of the agents and help them to acquire the necessary skills to succeed in the marketplace. It is important that the agents provide detailed information to the customers on the features and benefits of the products as well as provide need based solutions to the customer as per their profile.
This will help the agents to gain credibility and trust among the customers and as a result the agents will be able to source more policies and become successful.

[26]. The results reveal that majority of the agents of both the public and private sector life insurers have agreed that training programmes help the agents in making a career progression and getting promotion while only some have disagreed.
Training plays an important role in the development of agents. The agents who regularly attend training sessions benefit a lot in terms of upgrading their knowledge and skills and this helps to create a favourable impact with the customers. The agents are also able to qualify for the various clubs, earn extra incentives, etc.

[27]. The results reveal that majority of the agents of both the public and private sector life insurers prefer to attend one to one coaching followed by mentoring sessions and participate in discussion sessions with the trainers.
Informal training sessions are as important as formal training sessions. Informal training sessions help the agents to get need based solutions which make them more confident. They can have a detailed interaction with the trainers which will give them lot of information and help them to improve their skills and knowledge.

[28]. The study reveals that majority of the agents of both the public and private sector life insurers have rated the overall training programmes and its content very good,
many have rated it as excellent, some have rated it as good while a few want certain improvements.

For the training programmes to be successful it must provide solutions which help to develop the agents and make them well equipped to source more policies and improve their earnings. Once this is achieved training will always be an inspiration and more agents will participate in various training sessions.

The trainers must be patient enough to train the different types of agents coming from different backgrounds from housewives, unemployed graduates, working professionals, academicians, entrepreneurs and retired persons. In insurance sales, training is of vital importance which will impart the necessary basic knowledge and skills to the agents to develop them and make them source policies regularly and help them to earn a decent amount every month. This will motivate the agents to continue working and gain experience and become self-driven individuals.

**The Findings of the study**

**The Trainers survey**

The trainer’s are of the opinion that training will help the agents to generate awareness of the need of Life Insurance coverage among the people.

There is a strong linkage between training and organisational performance. To improve the efficiency of agents the Training Managers must initiate in creating an environment of acceptance of training interventions in the organisations and suggest training strategies.

After attending the training sessions the agents will get a thorough understanding of the benefits of life insurance, develop effective communication skills and develop self confidence. This will help the agents to communicate effectively with the customers and generate awareness about the need of life insurance and thereby create an interest and desire among the clients to buy life insurance policies.

Accordingly the relevant questions have been formulated and were asked to the agents of both the public and private sector life insurance companies to find the need for training in life insurance business.
In the public insurer, LIC, there are male trainers only whereas in the private sector life insurers (Bajaj Allianz Life, HDFC Life and Bharti AXA Life) majority of the trainers are male and some are female. In the public sector insurer majority of the trainers are in the age group of 51-60 years, followed by in the age group of 41-50 years and there are no trainers in the age group of 30-40 years. The trainers of LICI are almost all senior managers.

In the private life insurers majority of the trainers are in the age group of 30-40 years followed by the age group of 41-50 years and some are in the age group of 51-60 years.

In LIC all the trainers are Graduates and have an Associateship in life insurance.

In the private life insurance majority of the trainers are Graduates and Licentiate followed by Post-Graduate and Licentiate but there is no qualified Associate in the private life insurance companies.

In LIC all the trainers have work experience between 20-30 years.

In the private life insurance all the trainers have work experience between 1-9 years.

A comparative analysis between the public and private sector life insurance companies reveal that in LIC majority of the trainers are of the opinion that training will help agents to generate awareness of the need of Life Insurance coverage among the people.

Training programmes help the agents acquire knowledge and the skills and make the prospective customers feel confident in the products recommended by them.

A comparative analysis between the public and private sector life insurance companies reveal that majority of the trainers were of the opinion that training plays an active role, some of the trainers agreed that training plays a very active role and a few trainers felt that training plays a somewhat active role.

Training programmes play an important role in developing the agents with the right mix of knowledge, skills, positive mental attitude and consultative selling, i.e. how to become client focussed.

A comparative analysis between the public and private sector life insurance companies reveal that in LIC trainers felt that the strategies adopted by the training department need to be improved for activisation of agents although some trainers
thought that the strategies adopted by the training department was effective.

In the private life insurers majority of the trainers thought that the strategies adopted by the training department is effective for activisation of the agents while some trainers thought that the strategies adopted by the training department need to be improved.

The training programmes prepare the agents to face the various challenges in the marketplace. The selling skills teach the agents to learn how to condition the prospective customers to consider the agents’ recommendations logically.

The trainers regularly and effectively follow-up with the agents and provide them with inputs when they are in sales call. This helps in activisation i.e. helping the agents procure their first few businesses successfully.

[33]. A comparative analysis between the public and private sector life insurance companies reveal that in LIC majority of trainers felt that that more such training needs to be provided to the agents to upgrade their skills, some trainers agreed that sufficient training is provided to the agents to upgrade their skills and few thought it to some extent.

In the private life insurers majority trainers agreed that sufficient training is provided to the agents to upgrade their skills and some trainers felt that to some extent such training is provided to the agents to upgrade their skills.

There are various types of training programmes that are regularly conducted to cater to the needs of different segments of agents having different skill sets.

[34]. A comparative analysis between the public and private sector life insurance companies reveal that in LIC majority of the trainers agree that there is proper communication followed by some trainers who felt that communication requires more streamlining.

In the private life insurance companies (Bajaj Allianz Life, HDFC Life, Bharti AXA Life) majority of the trainers agree that there is proper communication although some trainers are of the opinion that communication required to be more streamlined.

There is a proper communication by the trainers to all concerned before the beginning of every training session. The development officers, sales managers and branch heads are informed and they accordingly inform the agents concerned. The regulatory training
sessions have a fixed schedule. The trainers circulate in advance a monthly training calendar to the sales department which helps them to plan and the agents are informed well in advance.

[35]. A comparative analysis between the public and private sector life insurance companies reveal that in LIC majority of the trainers participate in different ‘train the trainer’ programmes while some trainers do not participate regularly. In the private life insurance companies (Bajaj Allianz Life, HDFC Life, Bharti AXA Life) there is a higher participation in comparison to LIC. “Train the Trainer” programmes are conducted on a regular basis to facilitate the trainers to upgrade their knowledge and skills. The training programmes are held locally as well as outside at regional, zonal and national levels.

[36]. A comparative analysis between the public and private sector life insurance companies reveal that in LIC majority of the trainers agreed that “Train the Trainer” programme is important for the development of trainers. “Train the Trainer” programmes are regularly conducted for the development of the trainers. The knowledge and skill development workshops help to develop the trainers become effective in their job. The trainers get an opportunity to interact with one another, discuss how to overcome the various challenges and appropriate methods of delivery of the training contents are taught. “Train the Trainer” programmes provide an opportunity for the development of trainers.

[37]. A comparative analysis between the public and private sector life insurance companies reveal that in LIC the top three attributes as per the opinion of the trainers which are considered very important are:

Maximum trainers were of the opinion that training helps the agents in learning the skills in lead generation and is ranked first followed by training helps the agents to procure business successfully is ranked second and training helps in better understanding of the product and is ranked third.

In the private life insurance companies (Bajaj Allianz Life, HDFC Life, Bharti AXA Life) overall the top three attributes as per the opinion of the trainers which are
considered **very important** are:

Majority of the trainers were of the opinion that training helps in better understanding of the products and is ranked first followed by training helps the agents to handle competition better and helps in understanding the skills of need based selling is ranked second and training helps in lead generation is ranked.

Training has various modules which helps the agents to acquire the knowledge and learn the various selling skills and practice the same while dealing the prospective customers. Lead generation helps in client building process. The building of satisfied clients require an understanding of six clearly defined, totally independent sales processes from setting an appointment to getting a referred lead.

[38]. A comparative analysis between the public and private sector life insurance companies reveal that in LIC and the private life insurance companies the top three attributes as per the role practiced by the trainers to develop the agents with the help of the different types of training attended by the agents **regularly** are

Maximum trainers are of the opinion that Pre Licensing Refresher Training is been imparted to the agents and is ranked first followed by the Insurance basics training is ranked second and the Financial basics training is ranked third.

Training department plays a very important role in the development of the agents. Insurance selling requires a sound knowledge of product, basics of insurance and finance, and basic knowledge of financial and medical underwriting (process of assessing the risk).