CHAPTER-1

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1.1. Background and rationale

The basic concepts of TQM are: customers-orientation (both internal and external), never-ending improvement, statistical control of business processes, upstream preventative maintenance, participative management, ongoing preventive action, cross functional management and committed leadership and commitment. A model management framework for total quality is prepared by excellent organization on the basis of the following aspects:-

- Defining and communicating mission, vision, value and objectives.
- Collection of external intelligence about markets, customers need and attitudes, competitors and business environment.
- Measuring internal business environment.
- Measuring internal business performance.
- Identification of improvement opportunities.
- Implementation of culture and structural changes by using teams and
- Steering and coordination the total quality programme.
The initiation of these changes is an evolutionary involving steps, management consensus and finally launching TQM for attaining excellence.\(^v\)

**Putting Quality Together**

Japanese companies such as Nippon Denso, Honda, Nissan, Toyota, JVC, Matsushita etc. the UC Companies such as- Motorola, Florida Power and light, Texas instruments, Harley-Davidson, Hewlett-Packard, Xerox, Federal express, IBM, Corning, Cadillac, AT & T Etc. European companies like- jaguar, brutish airways, Mars, Corning glass, Dow Chemicals, colewort laboratory etc. and Indian companies like- Reliance, Philips, Larsen & Turbo, Maruti Udyog, Hero Honda, TVS, TISCO, Grasim, BHEL, EIL, OIL, HPCL, SAIL, Kirloskar, Bajaj Auto, Sundaram fastners,BHEL,Escorts, Ashok Leyland, Hindustan Lever, Infosys, ITC are some of the excellent organizations of the world.\(^v\)

Many of these companies have won several national and international awards for their excellent performance. The prestigious prizes won by some of these companies include: Malcon Balridge National Quality award of the USA, Deming prize of Japan, The European Quality award, and Golden Peacock National Quality award of India.\(^vi\)
Features of Excellence and TQM:-

- Strategy and culture are foundations for excellence in companies/organizations.

- For building excellent organizational culture, six new age skills, viz., creative insight, sensitivity, vision, versatility, focus and patience are needed to be developed among managers and executives.

- Creativity and innovation are the other essential features of excellent organizations.

- Excellent Organizations fare adaptive to innovative changes.

- Customer-orientation, employee-orientation, learn staff and processes, simple organizational structures, flexible policies, value-driven, action-orientation, and entrepreneurship-driven are the some other characteristics of excellent organization.

- Recognition and reward systems are people-oriented in these organizations.

- Teamwork and group activities are encouraged and employees are empowered.

- Leadership in such organizations is transformation-oriented not transaction-oriented. Leaders believe in managing by wandering
around (NBWA) with employees and customers. Leaders lead and inspire change.

- Excellent organizations believe in quality. They have discipline, have unleashed tremendous energy and are result oriented. These organizations make quality pay in lieu of their untiring efforts.

- Finally, Excellent organizations are total management (TQM)-oriented.

All the features of excellent organizations discussed above support total quality. Once the excellent organization attains the world class standards of performance\textsuperscript{vii}, they enter in quality maturity phase and have accelerated improvement. Indian organizations must learn from their Japanese, US and European counterparts to acquire features of excellence and hence increment TQM for becoming world class\textsuperscript{viii}.

**TQM applications in insurance companies**

*Insurance-Socio-Economic relevance*

Risk managers perceive insurance as an economic model for reducing and eliminating risk by a process of bringing together an adequate number of homogeneous groups so that the loss arising out of the risk becomes predictable for the group. In practice, each member of the group substitutes a small part of the certain cost, called premium to meet any uncertain financial loss that would exist but for the contract of insurance\textsuperscript{ix}. 
Insurance-the backbone of an economy

A well developed insurance sector contributes to the economic growth by encouraging risk taking by entrepreneurs. Insurance is also perceived as a tool of wealth management. A well managed insurance industry offers risk-specific and risk-adequate insurance covers at a cost effective to the society. Many developing economies tap the insurance companies as a source of national development and infrastructure financing. In India, the contribution of LIC of India and GIC of India to rural development and investment in the socially purposeful schemes of the government are well known.

Insurance-A-Service

Insurance, both life and non-life fall within the meaning and definition of services, because the buyer can touch, feels and examines the various attributes of tangible product before the purchase. Whereas insurance being intangible, the quality or usefulness can only be experienced. Unlike in tangible products, in insurance, value is created through negotiation and the core value is created at the time of consumption.

Insurance- The Concepts

Any property, human or animal life or any event that may lead to the loss of a legal right, including value, or the creation of legal liabilities is referred as the subject matter of insurance. The basic line of distinction
between a contract of life and non-life insurance is that the former is based on the happening of an event sooner or later, whereas the non-life insurance covers the consequences of events, the happening of which is uncertain.

Insurance is contract of almost good faith. This implies that the parties to the contract are to observe good faith in each other. The proponent is bound to fully disclose to the insurer all information about the contract and not only that which the proponent thinks necessary.

1.2. **Insurance –grouping**

Based on the nature of cover offered globally, the insurance business is grouped into 4 major categories:

1) Life Insurance or Long term contracts

2) Annuities or pensions

3) Group life insurance

4) Non-life or general insurance and reinsurance

**Indian insurance-industry scenario**

In the long history of Indian insurance, the first major transition took place in 1996 with the nationalization of the life insurance business of India (The life insurance corporation of India was set up). This was followed by the nationalization of general insurance industry in 1971 (the general Insurance corporation of India). These two changes insulated the
industry form the freshers of competition, both internal for want of competitors and external due to the policies pursued by the then govt. A major step taken by the govt in 1991 to deviate from the beaten path of the past and integrate in Indian economy with the global economy pooled the curtains down on this non-chalance. The entry of privates sector was open in India afterwards. The insurance regulatory and development authority (IRDA) was contributed as regulatory authority to monitor by the govt. of India.

Currently there are more than 18 life insurance companies operating in India. Some of them are illustrated below:

a) The life Insurance corporation of India (Public Sector)

b) ICICI Prudential Life Insurance company Ltd.

c) Bajaj Alliance Life Insurance Company Ltd

d) SBI Life Insurance Company Ltd

e) Reliance Life Insurance Company Ltd

f) Birla Sun Life Insurance Company Ltd

g) HDFC Standards Life Insurance Company Ltd

h) TATA AIG Life Insurance Company Ltd

i) Met Life Insurance Company Ltd

j) 10-AVIVA Life Insurance Company Ltd
Life insurance preview

Life Insurance-Defined

Life insurance is a contract under the provisions of respective national laws or conventions or commercial practices that agrees to pay a contracted some of money to the persons whose life is insured in the event of death or on the happening of any other event agreed upon by the parties to the contract.

In India, Life insurance is taken as a form of contractual saving.

In India, contract of life insurance draws its legal authority from the Indian contract, 1872. It should be noted that each policy is a separate contract and is treated accordingly. Life insurance is a contract of almost good faith aberrimafide. This means that both parties to the contract have to disclose all information for the fruition for the contract.

There are following types of insurance covers available:

1) **Term Insurance:** This is the pure type of insurance, where insurance cover is available only at the happening of death. If one survives or lives beyond the selected terms, nothing is payable, and one has to sign off the premium paid during the term.

2) **While life assurance**— the sum assured along with the vested bonuses becomes payable only on the death of the assured to the heirs. Subject to certain conditions, some assured may be paid to
the assured if he survives the age of 100 years or the 35th policy anniversary, whichever is later. This is the costlier than term insurance and cheaper than the endowment cover.

3) **Endowment assurance**- This plan provides cover along with the bonuses if death occurs during the term of policy. On survival to maturity, the assured gets the full sum along with the vested bonuses, if any.

4) **ULIP unit Link Insurance plans**- These are market based insurance plans where part of invested money goes to the mortality charges and remaining part invested as per the objective of the funds.

1.2. **TQM in insurance companies**

In financial services, internal operations are carried out somewhat differently from those in manufacturing company. Managers and staff are more closely related. The staff perceives itself as much closer to the management team that in the manufacturing sector. Furthermore, in a manufacturing process the raw materials and the final products are accountable for and control. This enables total quality before the customer gains access to the goods. In a financial service, the degree of intangibility of the service delivered, and intense face to face contacts between employee and customer during the process itself, renders the organization unable to control the quality performance of the service delivered before it is offered to the customer. In the case of financial
products such as life insurance, equity, bonds the design feature concentrates on the packaging of risk, return and liquidity. Kotler (1995) listed the changes that have to occur in the financial sector through quality programmes. He suggested the following 8 steps to establish the quality process:

- Establishing a sense of urgency, examining the market and competitive realities, identifying and discussing potential crises or major opportunities.

- Forming a powerful coalition

- Creating a vision to help direct the change effort.

- Communicating the vision

- Empowering others to act on the vision.

- Planning and creating short term wins.

- Consolidating improvements and producing still more change, and

- Institutionalizing new approaches

This research proposes to examine the motivation and procedures for applying the principles of TQM to life insurers. The basic premise emerges that the essential measures of product and service quality for insurer is the overall financial soundness of the company. The service and financial sectors have been slower in adopting and adopting. The principles of TQM for several reasons:
- The measures of quality and productivity are less clear in the manufacturing sector. Indeed, the very definition of product and product quality need close study.

- Service and financial are often sheltered from international competition by regulation, protective legislations and cultural barriers.

- Financial institutions, insurance companies in particular, deal in promises which often are fulfilled only after substantial time lag. This tends to make the company’s performance harder to quantify on a time basis. Often mistakes come home to roost only after the perpetrators have retired from active management.

- The management philosophy which has evolved as part of TQM, in many respects a profoundly doctrine, stands many cherished percepts and ingrained habits on their heads, calling for a revolution in management style.

Such things do not come about overnight nor, usually without the pressure of stark necessity.

However in the current competitive world where financial solidity of insurance companies is very much required and which is creating an atmosphere that is tolerant of inefficiency in which the important survivors will be world class enterprise. TQM holds the seeds to the solution of the problem. As this consciousness grows, insurance
companies will come under pressure to adopt TQM. Finally, the growing trend towards globalization will create the need to free managers from routine for the more important task of learning and strategic thinking. TQM carries the capability to define, detect and prioritize exceptional conditions which requires management intervention. If managers can direct their attention where it is required and leave alone that which is better left alone, the time saved can be applied to the vital undertaking of learning and coping with the changing environment.

It is generally agreed that successful implementation is not possible without active involvement by the CEO and the corporate staff. It is also cleared that TQM is much more than merely keeping score and interpreting the numbers using SQC methods, involving as it does radical changes in corporate culture and management style. There has been considerable activity and labeling the undertaking TQM. Actually two things are needed before process improvement can be called TQM. Once is global, company-wide commitment to improving quality, the other is a system for keeping score, for quantifying the process improvements in terms of both through put and variability.

IN Insurance Companies application of TQM can be applied in the following areas:

A- Insurance Processing Operations: These are the areas where massive number of premium and claim transactions are entered and processed and where statistical quality control methods can
contribute significantly in terms of process improvement, cost control and employee morale\textsuperscript{xvi}.

**B- Underwriting:** Underwriting has traditionally been the locus of authority in the life insurance company\textsuperscript{xvii}. The underwriter wields the "Pen" and can commit the company’s resource to a risk. Underwriting is the process of evaluation of risk involved in a insurance proposal (both life and general)\textsuperscript{xviii}. For life insurance underwriting, actuarial calculations form the backbone\textsuperscript{xix}. In the context of insurance the underwriting means the methods used by an insurer to assign a value to the risk that is to be covered or underwritten\textsuperscript{xx}. This is an area where a cross-disciplinary solution in the spirit of TQM could be helpful.

**C- Claims:** The claims operations are where the insurance company’s end product is delivered—"the proof of the pudding". All assertions as to product quality are here either affirmed or denied\textsuperscript{xxi}. It is the most important to have designed statistical monitoring systems to highlight the relatively few exceptional claims which falls outside routine and require special attention\textsuperscript{xxii}. The imperative of TQM in this situation is to limit management changes affecting the claims workflow to those which are necessary and warranted by the evidence or which are simply unavoidable\textsuperscript{xxiii}.

**D- Marketing and Sales:** This department has the prime responsibility for staying in touch with the customer and the sales
force xxvi. It is the job of finding what the customer wants, how well the customer's needs are being served, and devising products to meet those needs and finding ways to make them salable xxv.

The marketing function has several methods xxvi. One is market research; another is analysis of customer complaints. In either case it is vital not to be satisfied with merely anecdotal information. Market research must be carried out on carefully designed samples and controlled for non-response and other distortions. Customer (and agent) complaints are a very important source of information xxvii. It is in the company's interest to make the complaint process as convenient for the customer as possible xxviii. The fact is that most people are reluctant to complain, even for a manifestly valid cause, and most worthwhile complaints go unregistered xxix. Complaints should be tallied, categorized and analyzed carefully to see whether they may be indicative of a serious defect of system or whether they might point the way to an important improvement xxx. This is an essential part of TQM process, monitoring customer satisfaction, continually improving products and processes xxxi.

E- Information Processing: Information systems are evolving toward a condition where definitions of data items and the rules for managing them are not a collection of esoterica but a common language for the entire company. Fortunately this revolution is taking place at the time when it is most needed for the implementation of TQM xxxii. There are several important aspects of
the revolution \footnote{xxxiii}. First we can look for significant improvements in data quality as edit checks, underwriting rules, and other such are coded into the software and moved upstream \footnote{xxxiv}. More and more primary data entry will be done by the professionals approving and executing the transactions, so that the clerical and supervisory roles were diminish in importance \footnote{xxxv}. This means that the insurance enterprise will become more professional and less managerial, more collegial and less hierarchical, all this in the nick of time \footnote{xxxvi}.

**F- Research & Development:** One of the chief goals of TQM is to move quality upstream to the R & D \footnote{xxxvii}. All the research and development activities of the insurance company: actuarial research, system development, new product development, financial modeling, investment research are involved under this \footnote{xxxviii}.

The central protocol for managing project R & D bring all concerned parties together and keep them in active communication until the project is brought to a successful conclusion, is also essential to the implementation of TQM \footnote{xxxix}.

**G- Financial Management, Reassurance, Investments:** The job of financial management is to interpret all the monetary information received from operations and the actuarial functions \footnote{x}, to evaluate the insurance company’s performance and to marshal the operating and reserve funds to ensure day to day liquidity and long term
solvency. Integral to this is the chore of estimating the uncertainties in the company’s financial needs and judging whether surplus funds are an adequate cushion against these uncertainties. When the answer is “may not be” the question of reinsurance arises.

Reinsurance is often purchased as a financial convenience to control the company’s risk position and stabilize financial results against random fluctuations. The management of financial risk is central function of insurance, and the consistent rational conduct of the enterprise depends on the ability to characterize and quantify that risk in a way that will support clear-headed decision making.

One function of financial management that does not receive enough attention is cost accounting. This vital and neglected function is also soft-pedaled in most texts and monographs on TQM.

1.4. TQM applications in SBI Life Insurance Co. Ltd

SBI LIFE INSURANCE: Introduction and organizational profile-

SBI life insurance is a joint venture between the state bank of India and BNP Paribas assurance. SBI life insurance is registered with an authorized capital of Rs. 2000 crore. SBI owns 74% of the total capital and BNP Paribas assurance the remaining 26%.

State Bank of India enjoys the largest banking franchise in India. Along with its 7 associate banks, SBI group has the unrivalled strength of
over 14,500 branches across the country, arguably the largest in the world. BNP Paribas assurance is the insurance arm of BNP Paribas-Euro zone’s leading bank. BNP Paribas part of the world’s top 10 groups of banks by market value and part of Europe top 3 banking companies, is one of the oldest foreign banks with a presence in India dating back to 1860. BNP Paribas assurance is the fourth largest life insurance company in France, and a worldwide leader in creditor insurance products offering protection to over 50 millions clients. BNP Paribas assurance operates in 41 countries mainly through the bank assurance and partnership model.

SBI’s life insurance’s mission is to emerge as the leading company offering a comprehensive range of life insurance and pension products to competitive prices, ensuring high standards of customer care and world class operating efficiency.

SBI life has a unique multi-distribution model encompassing bank assurance, agency and group corporate.

SBI life extensively leverages the SBI group as a platform for cross selling insurance products along with its numerous banking product packages such as housing loans and personal loans. SBIs access to over 100 million accounts across the country provides a vibrant base for insurance penetration across every region and economic strata in the country ensuring true financial inclusion.
Agency channel comprising of the most productive force of more than 40,000 insurance advisors, offers door to door insurance solutions to customers\textsuperscript{iii}.

\textbf{SBI Life -Mission Statement} “To emerge as the leading company offering a comprehensive range of life insurance and pension products at competitive prices, ensuring high standards of customer satisfaction and world class operating efficiency, and become a model life insurance company in India in the post liberalization period”.\textsuperscript{iv}

\textbf{SBI Life-Values} 1- Trustworthiness, 2- Ambition, 3- Innovation, 4- Dynamism, 5- Excellence

\textbf{SBI Life-Quality Policy}

The branch of SBI Life, engaged in all levels of business processing, commits itself to satisfying the needs and expectations of its customers and clients, both internal and external, by continually enriching quality of customer experience at various customer touch points and also ensuring fulfilling all legal and regulatory compliance\textsuperscript{v}. This is intended to be achieved by ensuring:

1) Customer focused approach to be adopted in all activities

2) Adherence to turn around time. Ensuring that quantity is handled with quality

3) Systematic knowledge sharing to enhance efficiency
4) Efficient management of vendor activities

5) Ensure financial discipline.

**Professionalism in SBI life:**

The SBIL realizes that each staff member represents the entire organization every time he/she interacts with a customer or potential customer\(^{lvi}\). Professionalism means interacting with every individual, customer and co-worker, with complete respect at all times. It means being prepared, knowledgeable and friendly under every circumstance. It means displaying compassion and patience even in the most difficult of situations. It means dressing and acting in a manner that conveys knowledge, caring and competence. It means going out of our way to make every individual feel welcome to the SBIL\(^{lvii}\).

**SBI Life-customer-centric-organization**

The management of SBILife has always believed in being customer-centric; consequently the needs and expectations of the target customers have been the focal point of all decision-making and activities at SBIL offices\(^{lviii}\). The SBIL aims to satisfy the current and future needs and expectations of the present and potential customers and end-users\(^{lix}\).

SBIL does not limit itself to satisfy the immediate customers, it also considers the needs and expectations of other interested parties and stake-holders like regulators, industry and society at large, which are affected by its activities.
Top management of SBI life is committed to the development and implementation of the quality management system and continually improving its effectiveness by-

- Communicating to the department the importance of meeting customer as well as
- Statutory and regulatory requirements
- Establishing the quality policy
- Ensuring that quality objectives are established conducting management reviews and
- Ensuring the availability of resources.

SBIL continually looks for other ways to interact directly with individual customers to ensure appropriate attention to their unique needs/ expectations is established and maintained.

**SBI Life-QMS Processes**

- Provision of trained manpower, equipment and other resources
- Conducting internal quality audits
- Management review
- Training & Development
• Overall document management, record management, format management and control.

• Customer satisfaction measurement

• Complaint, non-conformity management and closure

• Continual improvement of core & support processes.

**MANAGEMENT RESPONSIBILITY**

**Management commitment**

SBI Life, through its highly committed workforce, is determined to increase life insurance penetration and offer need based solutions to citizens, enabling them to live life to the penetration and offer need based solutions to citizens, enabling them to live life to the fullest. For customers, SBI Life – A company of State Bank group which is synonymous with trust for more than 200 years- presents security through its range of innovative life insurance solutions. With the backing of the largest distribution network in the country of over 14, 500 bank branches of state bank and nearly 200 full service offices of the company, the customer is always close to a reliable life insurer. The commitment has been made by the highest authority, the M.D. of the company on the company’s website.

The top management of the SBI life is committed to ensuring that customers receive services, which meet their needs and whenever
possible, exceed their expectations\textsuperscript{lxii}. Though the development and continual improvement of quality management system we ensure that the latest regulatory and legal requirements relating to our services are understood and applied. Management ensures availability of all resources. Top management to the development, implementation and improvement of our QMS in very tangible ways\textsuperscript{lxiii}:

The quality policy statement of SBI Life documents and communicates the importance of meeting or exceeding all applicable requirements (including customer, regulatory and legal requirements) through continual improvement of our processes and services\textsuperscript{lxiv}.

The Company ensures that its quality policy is understood, implemented and maintained at all levels through widespread digital distribution of its quality policy statement, and through periodic management review of the quality policy statement\textsuperscript{lxv}.

Overall, top management is committed to the development and implementation of the quality management system and continually improving its effectiveness by:

Communicating to the Processing Centers the importance of meeting customer as well as -

- Communicating to the PCs the importance of meeting customer as well as
- Statutory and regulatory requirements
• Establishing the quality policy

• Ensuring that quality objectives are established

• conducting management reviews and

• Ensuring the availability of resources.

The legal and regulatory requirements applicable to the business of PCs are:

- IRDA Regulations, 1996

- Insurance Act, 1938

- Certificate of incorporation

- IRDA-2002 regulation

Top management has put in place mechanisms to minimize the various risk associated with the business. These risks which are monitored and mitigated include-legal risk, operational risk and reputation risk.

**SBI Life-QMS Planning**

SBI follow the Deming’s PDCA cycle for its quality improvement. Improvement objectives are part of planning. This is evident in the KRAs given to staff as well as in other documents of the quality and operational system\(^{lvi}\).
SBI Life – Responsibility and Authority

Top management has defined job profiles, roles and responsibilities and these have been formally and informally communicated to all employees. The expectations from employees are conveyed by the process of establishing KRAs for each staff member.

1.5. Objectives of the study

The present study, primary aims at evaluating and appraising total quality management in life insurance sector with special reference to SBI life insurance company Ltd. This enterprise is a one the fastest growing life insurance company in the post liberalization period in India. Hence, case study of this company would act like beacon light for other life insurance companies (Private players and govt. owned the life insurance corporation of India) endeavoring to go global.

The major thrust areas of the study will be TQM applications in service system with special reference to life insurance industry. The focus of study will be on TQM and management relationship, QC, JIT, PDCA, teamwork for quality, TEI benchmarking, quality system standards- ISO 9001-2000 etc.

Some of the other objectives of the present study are:

- To study the organizational, managerial and profile of SBI Life Insurance Company Ltd.
- To study basics of Total quality, TQM, TQM thinkers and thoughts and cost of quality activities,

- TQM implementations and applications in service sector i.e. Life Insurance Company,

- The study also aims at examining QC tools, continuous improvement and problem solving process and quality improvement methodologies.

- The researcher would also study statistical process control, customer satisfaction programmers, leadership for inspiring change, quality culture and PDCA improvement cycles,

- To study quality audit, internal audit, organizational reengineering, SWOT analysis and quality awards with special reference to SBI life.

- Finally, Researchers presents suitable recommendations after observations, findings and their analysis to the top management of SBI life insurance co.

1.6. **Rationale of the Study**

The concept of TQM hinges on the continuous improvement as the core mission of the upper management. Zero defect or non-conformance is the operational objective of an organization. It is not a static, restrictive concept. In its policy perspective and specification, the top management
forges harmony between zero defects as the operational objective and the continuous improvements as the dynamic pursuit of the management.

TQM is creating a revolution in manufacturing and service organizations throughout the world. Radical changes are being initiated in the large global organizations such as Motorola, Toyota, Honda and Xerox. The leader of these and various other world class organizations are achieving large scale transformations in the ways their business work. Those companies which have grasped quality mettle have successfully, ridden business recessions and annihilated the competition.

India organizations are facing a challenge from the inflow of MNCs since the govt. of India has implemented the policy of liberalization, privatization and globalization. In the light of this, they are in the dire need of new ideas, approaches and techniques for attaining a competitive edge. Many India organizations have started realizing the importance of total quality management and new quality system improvement standards. More and more organizations in the Indian Corporate world are striving to obtain ISO 9000 accreditation and several of them have already got these. They have realized that continuous improvement is the key to excellence.

Taking into consideration the above facts, the researcher has selected the leading life insurer, the ideal and new sector for the Total Quality Management implementation. The researcher believes that there is no research work done on TQM implementation in this field of service
sector (Insurance). The researcher hopes that the emerging insurance market, both the govt. owned (LIC of India) and private insurance companies would learn lessons from this company and would make full attempts to realize the benefits of TQM in the changing financial and economic scenario in India.

1.7. **Hypothesis**

The present study is based on certain hypothesis and assumptions about TQM movement ISO standardization and the organization selected for case studies. These hypotheses are:

Many Indian companies have failed in their endeavors to realize the advantages of TQM due to lack of sustained commitment by top management and inadequate and defective planning.

The prospects of implementing a TQM drive where much longer companies have failed in daunting task for small and medium Indian Business Enterprises. These organizations need to strive continuously towards their goals despite all odds.

The researcher has selected case study and profile of one of the fastest growing life insurance company in ideal choice for service sector. This organization is proving the guiding principles and insights into the practices of TQM in Indian Financial Sector.

The study is based on the premise that more and more Indian companies would realize that competitive improvement through quality
development would be achieved if they understand the right approach to TQM movement.

1.8. **Methodologies of the study**

The researcher made intensive and extensive study of standard current literature on TQM for conceptual and philosophical part of the study. This review gave him insight into the problem at hand. The research work already done on different aspects of TQM is also examined for conceptual clarity and critical comments. The hypothesis mentioned earlier is tested with the help of qualitative statements and quantitative statements and quantitative techniques. Statistical tools is also formed part of the testing of the hypotheses.

The primary data have been planned to the collected with the help of questionnaires, interviews and discussions techniques. The secondary data are collected from company’s records, annual reports, news-letters, and websites and newspaper editorial comments. Thus, the research design would cover various designs namely exploratory, empirical, analytical and descriptive.