CHAPTER-4

METHODOLOGY OF THE STUDY

4.1 Introduction

Research methodology alludes to a methodical method for taking care of research problem. The basic component of a decent research is its pursuit of authenticity. It is difficult to reach on solid and persuading comes about without great research system, as it yearns for the fundamental information. The effective of the result of any review or research is totally reliant upon the procedure utilized. A completely arranged approach at the problem being referred to makes it deliberate and point by point examine. This chapter delineates the different perspectives that have been measured in the design of this review. It contains the field or the territory in which the examination was attempted, the devices and the strategies of the review, the methods of their use lastly in the consequent chapters, the analysis and conclusion drawn from it are the issues that have been explicitly delivered, in this chapter.

4.2 Research Design

The research design refers to the global strategy that we select to mix the different components of the study in a clear and rational way, in that way, ensuring we will effectively address the research problem. It founds the plan for the collection, measurement, and analysis of data.

Descriptive\(^1\) and analytical research design appears to be most suitable for the study. The descriptive research design is used when the purpose of the study is to learn about Who, When, Where and How of the topic. The cross-sectional data will be collected from a set of selected Life Insurance Corporations. The present study attempts to identify the effects of IT on operational efficiency in Life Insurance Corporations.

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\(^1\)Descriptive Research describes characteristics of a population to test specific hypotheses and examine relationships between them. So information needed is clearly defined, research process is formal and structured, sample is large and representative, data analysis is quantitative, findings are conclusive not tentative, and findings use as input into decision making.
4.3 Data Sources

The study plans to use primary and secondary data.

4.3.1 Secondary data

Macroeconomic data about the economy will be compiled from secondary sources. Similarly, annual reports of the corporation and quarterly financial statements will also be sources of secondary data. Data from industry regulator is another source of secondary data.

4.3.2 Primary data

A benefit of using primary data is that examiners are gathering information for the particular purposes of their study. The questions the researchers ask are made-to-order to prompt the data that will help them with their study.

Primary data in this study collected from the selected Life Insurance Corporation and from their senior level managers, experts, employees and customers by the appropriate interview and questionnaire.

4.4 Population

An investigation of a gathering of people taken from the all-inclusive community who share a typical trademark, for example, age, sex, or well-being condition. This gathering might be examined for various reasons.

Life insurance is the main part of the insurance industry in India. This study will include Life Insurance Corporation (LIC) in Karnataka a Study of Mysore District. Hence the population will consist of the Life Insurance Corporation operating in India. There are one public and 23 private life insurance companies operating in the country (IRDA, 2012).

4.5 Sampling Techniques

Sampling is the process that a researcher chooses sample. Sampling isn’t as straightforward as it initially seems there is a set process to help researchers choose a good sample and there is some type of sampling technique for research.
Non-probability, Convenience and Judgment will be adopted for designing the sample frame for the study. Respondents can also be selected using the random procedure. Industry experts may have to be included on the basis of recommendations from the Life Insurance Corporation experts in snowballing process.

4.5.1 Sample Size

A sample of Life Insurance Corporation will be chosen first and then respondents from such corporations and their customers. Sample size will be 403 respondents that will be divided into 303 customers in Mysore city and 7 taluk of Mysore city and 100 employees of LIC.

4.6 Tools of Data Collection

The study mainly deals with both primary and secondary data. The primary data collection tools will be proposed personal interview, focus group discussion, questionnaire and observation to collect primary data. For this study, it is required to approach life insurance managers, experts, staffs, and customers of the above-selected corporation. Other tools of primary data collection like telephone interview, if possible, will also be used to gather relevant information. Secondary data will be gathered from libraries, government departments, commercial bodies, and the internet. The websites of selected corporation, Online journals and articles and related sites may also be useful sources of secondary data for the study.

4.6.1 Questionnaire

A questionnaire is a research instrument comprising of a progression of inquiries and different prompts with the end goal of social occasion information from respondents. In spite of the fact that they are regularly designed for measurable analysis of the reactions, this is not generally the situation.

Questionnaires have advantages over some different sorts of reviews in that they are modest, don't require as much exertion from the examiner as verbal or phone overviews, and regularly have institutionalized answers that make it easy to order information. Nonetheless, such institutionalized answers may disappoint clients.
Questionnaires are additionally pointedly limited by the way that respondents must have the capacity to peruse the inquiries and react to them. In this way, for some statistic bunches leading a study by questionnaire may not be concrete.

Questionnaire additionally has some disadvantage, for example, Limited Reaction, Absence of Individual Contact, Unreliability, Possibility of Controlled Passages, and Pointless Top to bottom Reviews and Not Suitable for Fragile Issues

I have made 2 questionnaire one for customers and another for employee and managers I put those in the appendix.

4.7 Pilot Study

A small study will be conducted initially to identify the right procedures and refining the proposed methodology.

Pilot study which allowed primary testing of the hypotheses and provides the researcher with ideas, approaches, and clues that may not have been foreseen. It gives a chance to evaluate analytical processes usefulness of the data, and reduces the number of unanticipated problems because of having an opportunity to redesign parts of the study, and may save a lot of time and money.

The porous of the pilot study are:

A. To check the clarity of the items enrolled in the chose questionnaires.

B. To get a guess of time required to finish the questionnaire.

C. To guarantee the feasibility of the devices chosen for the review.

D. To have a reasonable thought of the respondent's response towards research study and questionnaire.

4.8 Techniques and tools of data analysis

The primary data collected were edited, classified, tabulated and analysed with the help of statistical package for social sciences (SPSS). Mathematical and statistical tools are applied for arriving meaningful conclusions. The mathematical tools will be applied are averages and percentages. The statistical tools are T-test, ANOVA, Chi-square, Regression, Correlation, and other appropriate techniques.
Introducing operational efficiency and IT assets

The Operational efficiency includes:

- Brand Loyalty
- Customer Service
- Product Development

The IT Assets includes:

- Web (Hardware and Software)
- Administrator (Admin)
- General IT

4.9. Objectives

The study deals with effects of IT on operational efficiency in Life Insurance Corporation in Karnataka. The specific objectives of this study are:

1. To investigate the LICs IT assets among perception of different demographic classification of the respondents (Age Group, Educational Group, Experience).
2. To identify the level of perception of the respondents about LICs proficiency in IT assets.
3. To investigate the level of perception of the respondents about LICs proficiency in Operational Efficiency.
4. To study the impact of IT assets on Operational Efficiency of LIC.
5. To estimate the role of LIC in the context of privatization.

4.10. Hypotheses

1. There is no difference in LICs IT assets among perception of different demographic classification of the respondents of LIC (Age Group, Educational Group, Experience).
2. There is a different level of perception of the respondents about LICs proficiency in IT assets.
3. There is a different level of perception of the respondents about LICs proficiency in Operational Efficiency.

4. There is an impact of IT assets on Operational Efficiency of LIC.

5. There is an impact of Privatization on LIC.

4.11. Limitations.

- The first of the limitations of this study is the fact that the study was made in Mysore city, it cannot be universally applicable as the findings for all over India or elsewhere. This is due to various factors such as the culture, economy and other social considerations.

- The barrier which the researcher faced in main communication. The researcher had to use the services of an interpreter for the same and was successful in obtaining the necessary information.

- The work culture of corporation varies from corporation to corporation. So it will be a problem to analyse the effects of IT on operational efficiency in Life Insurance Corporation a general way. Separation of the impact of each from the others poses a serious challenge.

- There are many other approaches to study on effects of IT on operational efficiency in Life Insurance Corporation there is no common opinion among the experts. So the researcher will take appropriate approaches, which may be appropriate for the Impacts of information technology on operational efficiency in Life Insurance Corporations.

- The sample is selected suitably and in single phase but the perception is influenced by the time in which data was collected and the context in which the respondents were at the time of data collection.

- The primary data and observational methods of research have its own limitations and based on respondent the study is limited just to the selected states of India.

- The study is limited to selected life insurance corporation and, therefore, the findings cannot be generalized to whole industries.

- The availability of the time and limited knowledge of researcher in the area is also to be considered.
4.12. Ethical issues

1. Written educated assent was gotten from every respondent taking an interest in the review.

2. It was ensured that none felt affronted when tended to with questionnaire rendering individual information.

3. Every one of the inquiries was made a point to be un-preferential in every one of the areas of the questionnaire.

4. Confidentiality was guaranteed and kept up.

5. The subjects were clarified about the way of the review and educated that investment in the review is intentional and they have the privilege to quit whenever.

4.13. Summary

Present academic research on IT in Life Insurance Corporations focuses on defining IT, determining the best IT practices, and measuring the maturity of IT implementation in life insurance organizations. This research empirically investigates the importance of IT in Life Insurance Corporations.

The research problem is, somewhat, unstructured and qualitative\(^2\) to a large extent.

A cross-sectional survey\(^3\) will be used to test the research model. The study will use survey instrument for collecting data such as an appropriate questionnaire. The survey participants are life insurance managers, experts, staffs and customers. Appropriate techniques such as Chi-square, Regression, and Correlation will be used to analyse the data and test the relationships between IT and operational efficiency.

\(^2\)Qualitative is used when it is difficult to develop problem statements or research objectives because it is necessary to provide richer information, fresh approach and to learn how a phenomenon happens in its natural setting.

\(^3\)Cross – sectional survey defined as studies are done once and represents a snapshot of one point in time not repeated and over an expected period (longitudinal survey).