CHAPTER – I

INTRODUCTION

To find a career to which you are adapted by nature, and then to work hard at it, is about as near to a formula for success and happiness as the world provides. When the right career has been found, the hard work takes care of itself. Then hard work is not hard work at all.

- Mark Sullivan

Career Satisfaction refers to various attributes of an individual’s perspective. Researchers of Human Resource Management have indicated that career satisfaction is playing a vital role for better performance in an industry. It is widely accepted that career planning is closely associated with the development of career strategy which in turn would enhance individual’s career satisfaction. (Gould, 1979¹; Aryee & Debrah 1993²). Understanding factors associated with career satisfaction is essential to individuals as it one of the important elements of individual well being.

This research attempts to study the career satisfaction of Insurance Consultants where he/she can get career satisfaction and sustain in his career as Insurance Consultant by accepting the factors associated with it. The co-existence of Public sector and Private sector Insurance Companies has become demand of the time and the role of Insurance consultants is inevitable. Hence, the study is carried out with the Insurance consultants belonging to Public Sector and Private Sector

Insurance Companies of Tirunelveli District. Accordingly the Insurance Industry which is one area that determines the country’s economy can develop the desired ambiance for the Insurance Consultants to enhance their career satisfaction

### 1.1 CAREER SATISFACTION

Hoppcock (1935)\(^3\) defined career satisfaction as a combination of psychological, physiological, and environmental circumstances that cause a person to say that they are satisfied with his/her job. The author further stated that a person may be satisfied with one aspect of his/her job and dissatisfied with another and that it is the responsibility of the individual to balance the specific satisfactions against the specific dissatisfactions and therefore arrive at a composite satisfaction with the career as a whole. The heart of career satisfaction is in your attitude and expectations; it’s more about how one approach his/her job than the actual duties he or she performs. Career satisfaction is largely a matter of an individual comparing his/her career and life expectations with those being offered by a career. The individual career satisfaction can be understood and analyzed by identifying and evaluating the factors that influence career satisfaction. In identifying career satisfaction factors, it is found that career satisfaction is influenced by professional considerations, economic factors, and occupational and family considerations.

#### 1.1.1 CAREER SATISFACTION OF AN INDIVIDUAL

Career satisfaction demonstrates the accumulated interaction between a variety of individual, organizational and societal norms, behaviors and work practices. Understanding factors associated with career satisfaction are essential to organizations, to enhance the ability, to share information with employees, to make

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the necessary resources available and to support employees in managing their careers. Few major factors that affect career satisfaction are job involvement (Rabinowitz and Hall, 1977)

4, effort and reward ratio (Siegrist et al. 2004)

5, (opinions of others Jackson 2002)

6, influence of Co workers (Ducharme & Martin, 2000)

7 and personal outlook (Hackman and Oldham 1980)

8.

**Job involvement:** The more a person involves in his job, the more satisfaction he or she generally feels. Also the job that gives a challenge to perform also gives career satisfaction. Different individuals hold different perceptions about the role in their jobs. The higher the accuracy of the role perception of an individual is attained, the greater is his career satisfaction.

**Effort and reward ratio:** In general, people compare the rewards they receive from work to the effort they put into work partially to determine job satisfaction. Certain persons who like the job may not be fully satisfied with pay and benefits and it is well observed that equitable rewards play a major role in career satisfaction.

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Opinions of others: The opinions of others concerning one’s job also affect career satisfaction. If the society generally regards one’s job as valuable and of higher status, he/she gains career satisfaction. An individual in valued jobs is more satisfied than an individual in non valued jobs. The higher level of the job which is appreciated by others carries prestige and self-control thereby creating career satisfaction.

Influence of co-workers: The importance of co-workers’ place on certain issues affects the importance an individual places on those issues. One’s career becomes more satisfying in the work group when other people’s attitudes are similar to one’s own and when the job carried out facilitates achievement of others. If co-workers constantly talk high about one’s working place, he/she tends to feel the increase in career satisfaction.

Personal outlook: Dispositional stands, situation factors and cognitive dissonance influence career satisfaction. Dispositional stands refer to certain tendencies that individuals show towards certain things. There may be no apparent reasons for likes and dislikes. The situational factors of career satisfaction say that a person’s attitude towards job is influenced by the situations like peers work and environment etc. and not by predisposition towards the job. Cognitive dissonance is the mental anxiety a person undergoes when two sets of information or perceptions are contradictory. A person with high self-esteem with confidence in his/her abilities and with positive outlook on life is more likely to have career satisfaction than someone with a negative attitude.
1.1.2 CAREER SATISFACTION – CONCEPTUAL BACKGROUND

The terms career satisfaction and job satisfaction are used interchangeably and they are used at different contexts to express the meaning “work being carried out”. While the terms career satisfaction and job satisfaction are often used to mean the same thing, they really are conceptually different. Career is life work, chosen by a person to use inborn talent in order to provide some services or goods, earn money and contribute to the society. One can apply for a job but he/she cannot apply for a career. A job is given to a person but a career is chosen by a person. Some have jobs, others pursue careers. To achieve career satisfaction one is required to figure out the preferences and then find the job that accommodates his career. The right job which targets the career satisfaction is a personal fulfilling as it nourishes the most important aspects of personality. A person who is put up in the right job which fits rightly in his career, gains energy and looks forward to going to work, feels energized most of the time, feels his contribution is respected and appreciated, feels a sense of respect and regard from people and always optimistic about his future. There are number of variables in the workplace. Some jobs provide warmth and stability; some are risky and challenging, some are structured, some are not. The prospect of every individual depends largely on the satisfaction and the remuneration he acquires from his career.

1.1.3 CONCEPT OF JOB SATISFACTION

Job satisfaction has been defined in several different ways and a definitive designation for the term is unlikely to materialize. Job satisfaction is simply how people feel about their jobs and different aspects of their jobs. It is the extent to which
people like (satisfaction) or dislike (dissatisfaction) their jobs. (Spector, 1997) The framework of Sousa-Poza and Sousa-Poza postulates that job satisfaction depends on the balance between work-role inputs - such as education, working time, effort - and work-role outputs - wages, fringe benefits, status, working conditions, intrinsic aspects of the job. If work-role outputs (‘pleasures’) increase relative to work-role inputs (‘pains’), then job satisfaction will increase (Sousa-Poza and Sousa-Poza, 2000).

Other theorists (e.g. Rose, 2001) have viewed job satisfaction as a bi-dimensional concept consisting of intrinsic and extrinsic satisfaction dimensions. Intrinsic sources of satisfaction depend on the individual characteristics of the person, such as the ability to use initiative, relations with supervisors or the work that the person actually performs; these are symbolic or qualitative facets of the job. Extrinsic sources of satisfaction are situational and depend on the environment, such as pay, promotion, or job security; these are financial and other material rewards or advantages of a job. This distinction, as described by Rose, relates to the double meaning of the word ‘job’: the work tasks performed and the post occupied by the person performing those tasks. Both extrinsic and intrinsic job facets should be represented, as equally as possible, in a composite measure of overall job satisfaction.


1.1.4 CONCEPT OF CAREER SATISFACTION

The literature on job satisfaction is voluminous (e.g. Brief 1998\textsuperscript{12}; Locke 1976\textsuperscript{13}; Smith, Kendall, and Hulin 1969\textsuperscript{14}), but our emphasis here is on a less-studied, but related, construct – career satisfaction. Job satisfaction provides a measure of job-specific affect, whereas career satisfaction represents an individual’s feelings of satisfaction or dissatisfaction with an entire career. Our usage of the term ‘career’ follows Hall (1976)\textsuperscript{15}, viewing a career as the entirety of ‘work-related experiences and activities over the span of a person’s life.’ There are a number of good reasons for studying career satisfaction. First, career satisfaction is an important variable in its own right. It summarizes feelings about a lifetime of work – approximately 100,000 hours of toil for the typical American worker (Career Strategists 2004). Second, career satisfaction is a better fit with the objectives of the current study.

Recent literature lays the conceptual groundwork for a value-adding career satisfaction construct. Career success is partitioned into extrinsic and intrinsic components. Judge et al. (1999)\textsuperscript{16}, Intrinsic success was conceptualized as ‘an individual’s subjective reactions to his or her own career.’ Judge et al.’s notion of intrinsic career success aligns closely with the current study’s concept of career


satisfaction. Lastly, it is high time we investigate the roots of career satisfaction. For example, career satisfaction has been found to be a product of a variety of job-experience factors including salary progression (Seibert, Crant, and Kraimer 1999)\(^{17}\), mentoring (Allen et al. 2004)\(^{18}\), hours worked (Wallace 2001)\(^{19}\) and satisfaction with the opportunity to achieve career goals (Reitman and Schnee 2003)\(^{20}\).

1.2 INSURANCE CONSULTANTS – AN OVERVIEW

Insurance consultants are professionals who specialize in assisting businesses and individuals in assessing their insurance needs and creating an insurance plan that will meet those needs. In terms of the business world, an insurance consultant may help a business or corporation develop health and life insurance plans for employees as well as assess the types of corporate insurance coverage needed to create a viable risk management coverage program. For individuals, an insurance consultant can often help identify programs that will assist with health and life insurance coverage as well as assist in evaluating and securing insurance related to specific needs such as travel. An insurance consultant is one who needs to have vast knowledge of insurance and help customers with their insurance requirements, provide advice.


About IRDA, The Insurance Act, 1938 lays down that an insurance consultant must possess a license under Section 42 of that Act. The license is to be issued by the IRDA. The IRDA has authorized designated persons, in each insurance company, to issue the licenses on behalf of the IRDA. The fee for the license, the manner of making an application, etc., have been described in the IRDA Regulations. A license issued by the IRDA will be valid for three years. The license may be to act as a consultant for a life insurer, for a general insurer or as a "composite insurance consultant" working for a life insurer as well as a general insurer. No consultant is allowed to work for more than one life insurer or more than one general insurer.

The qualifications necessary before a license can be given to the person (individual or corporate insurance consultant) He/ She needs to

- be at least 18 years old
- have passed at least the 12th standard or equivalent examination, if he is to be appointed in a place with a population of 5000 or more, or 10th standard otherwise
- have undergone practical training for at least 100 hours in life or general insurance business, as the case may be, from an institution approved and notified by the IRDA. In the case of a person wanting to become composite insurance consultant, the applicant should have completed at least 150 hours practical training in life and general insurance business, which may be spread over six to eight weeks.
- have passed the pre-recruitment examination conducted by the Insurance Institute of India or any other examination body recognized by the IRDA.
Applications for renewal have to be made at least thirty days before the expiry of the license, along with the renewal fee of Rs. 250. If the application is not made at least thirty days before the expiry, but is made before the date of expiry of license, an additional fee of Rs.100 is payable. No application can be made after the date of expiry. Prior to renewal of the license, the consultant need to have completed at least 25 hours practical training in life or general insurance business or at least 50 hours practical training in life and general insurance business in the case of a composite insurance consultant. Insurers, who select consultants for appointment, make arrangements for training, appearing in the prescribed examinations, and obtaining the license from the IRDA. The procedures have been streamlined and there is little loss of time for any step in the process.

1.2.1 WAY TO BECOME AN INSURANCE CONSULTANT

The licensing process would start with the insurer sponsoring a candidate for practical training. On completion of the mandated training, the applicant has to make an application in specified format for undergoing a written exam. On clearing of his written exam, the applicant will make an application to the “designated person” of the sponsoring insurer. Based on meeting all the above requirements and submission of application fee, the designated persons will issue the license, along with identity card. The license is valid for a period of 3 years unless terminated or surrendered. For any renewal of license, the consultant needs to undergo additional 25 hours of training in either life or general from an approved institution, if the designated person refuses to grant or renew a license under this regulation, he shall give the reasons therefore to the applicant.
Insurance consultancy is one of the most rewarding professions. The IRDA have set out strict rules governing the conduct of consultants and insurance companies. The insurers have been given the guidelines based on which they can issue license to eligible candidates.

The insurance consultant is bound by the terms of appointment of the insurer and is expected to procure business for the insurer. It is not a job that he has to do at fixed hours, in prescribed ways and under close supervision. Once licensed and appointed, he is an independent professional. He is the master of his time. He is not prevented from pursuing any other interest or vocation. Many consultants see the consultancy as a means to earn a living. They may spend only part of the time on insurance, being busy on other work the rest of the time. Some consultants however, try to study and understand the business in great details and to improve their skills. They are trying to become the best in the profession. They would be recognized as experts in the field.

To most persons, life insurance is just one of the many avenues for financial outlays. When a consultant approaches a prospect with the proposal for life insurance, the chances are that the prospect will not know much about the benefits under various plans. He may be vaguely familiar with the alternatives available, but is unlikely to be sure of the details of all of them. He would need expert advice. If he sees the life insurance consultant as one who is keen to divert his money to life insurance to the exclusion of other alternatives, then that consultant's intentions and expertise would be suspect. On the contrary, if he sees the consultant as one who knows about other alternatives and who is willing to take note of the needs of the prospect, then that a
consultant would have a better chance of persuading the prospect one way or the other. In other words, a life insurance consultant, while dealing with the prospect, should be thinking of his interests and requirements and the best financial arrangements that would be appropriate in his situation. Thus the life insurance consultant is a consultant of the prospect also.

As a consultant of the insurer, the life insurance consultant is expected to obtain life insurance business and contribute to the revenues of the insurer. He is also depended upon to bring in business that would be profitable, to report attempts to commit any fraud, to report on relevant features that affect the risk of the subject of insurance. He is in touch with the person to be insured. Having met him at his place of work or residence and observed his life style and habits, he would be aware of the nature and characteristics of the risk, beyond what is contained in the proposal form. He is therefore, called the primary underwriter.

As a consultant of the prospect, he is expected to look after the interests of the prospect. Even people, who are generally experts in financial matters, may not be aware of the implications of insurance, in relation to terms and conditions, warranties, exclusions, tax provisions, rights of parties, etc. Consultants have the dual responsibility of being true to the interests of both the parties in the transaction. He is obliged to reveal to the prospects, all the important terms and conditions of the policy, even if they are restrictive and unpleasant. He is also obliged to report to the insurer all the true facts about the prospect and the subject of insurance. He should not mislead either.
To be able to advise the prospect on the best financial arrangements appropriate to his situation, the consultant needs to be familiar with the alternatives available in the market. He is also expected to know in full the benefits and limitations of the various plan being offered by his insurer. A good consultant is a good financial planner, taking into account not merely the plans offered by insurers, but by the innumerable schemes on offer in the market. This needs study on one's own. It also needs conviction that life insurance policies do not meet all the needs of all the people. Other instruments have their own advantages.

1.2.2. WORK CULTURE OF AN INSURANCE CONSULTANT

On a typical day an insurance consultant might perform some of the following duties:

- prepare reports and maintain records;
- seek out new clients;
- in the event of a loss, help policyholders settle insurance claims;
- some may also offer their clients comprehensive financial planning services, such as retirement planning, estate planning, or assistance in setting up pension plans for businesses;
- In addition to offering insurance policies, consultants increasingly sell mutual funds, annuities, and securities and offer comprehensive financial planning services, including retirement and estate planning services, some designed specifically for the elderly.

Most people have their first contact with an insurance company through an insurance consultant. These workers help individuals, families, and businesses select insurance policies that provide the best protection for their lives, health, and property.
Insurance consultants commonly referred to as “producers” in the insurance industry; sell one or more types of insurance, such as property and casualty, life, health, disability, and long-term care. Property and casualty insurance consultants sell policies that protect individuals and businesses from financial loss resulting from automobile accidents, fire, theft, storms, and other events that can damage property. For businesses, property and casualty insurance can also cover injured workers’ compensation, product liability claims, or medical malpractice claims.

Life insurance consultants specialize in selling policies that pay beneficiaries when a policyholder dies. Depending on the policyholder’s circumstances, a cash-value policy is designed to provide retirement income, funds for the education of children, and other benefits, as well. Life insurance consultants also sell annuities that promise a retirement income. Health insurance consultants sell health insurance policies that cover the costs of medical care and loss of income due to illness or injury. They also sell dental insurance and short-term and long-term-disability insurance policies. Consultants may specialize in any one of these products, or function as generalists, providing multiple products to a single customer.

An increasing number of insurance consultants offer their clients advice on how to minimize risk as well as comprehensive financial planning services, especially to those approaching retirement. These services include retirement planning, estate planning, and assistance in setting up pension plans for businesses. As a result, many insurance consultants are involved in “cross-selling” or “total account development.” Besides offering insurance, these consultants may become licensed to sell mutual funds, variable annuities, and other securities.
Insurance consultants also prepare reports, maintain records, and seek out new clients. In the event that policy holders experience a loss, consultants help them settle their insurance claims. Insurance consultants working exclusively for one insurance company are referred to as captive consultants. Independent insurance consultants, or brokers, are mostly facilitators who represent several companies. They match insurance policies for their clients with the company that offers the best rate and coverage.

Technology—specifically, the Internet—has greatly affected the insurance business, making the tasks of obtaining price quotes and processing applications and service requests faster and easier. The Internet has made it easier for consultants to take on more clients and to be better informed about new products. It has also altered the relationship between consultant and client. Consultants formerly used to devote much of their time to marketing and selling products to new clients. Now, clients are increasingly obtaining insurance quotes from a company's Web site and then contacting the company directly to purchase policies. This interaction gives the client a more active role in selecting their policy, while reducing the amount of time consultants spend for seeking new clients. Insurance consultants also obtain many new accounts through referrals, so it is important that they maintain regular contact with their clients to ensure that the client’s financial needs are being met. Developing a satisfied clientele that will recommend a consultant's services to other potential customers is a key to success for consultants.

Increasing competition in the insurance industry has spurred carriers to find new ways to keep their clients satisfied. One solution is, hiring customer service representatives who are accessible 24 hours a day, 7 days a week to handle routine
tasks such as answering questions, making changes in policies, processing claims, and selling more products to clients. The opportunity to cross-sell new products to clients will help a consultant’s business grow. The use of customer service representatives also allows consultants to concentrate their efforts on seeking out new clients and maintaining relationships with old ones.

**Work environment.** Most insurance consultants work in offices. Since some consultancies are small, consultants may work alone or with only a few others. Some independent consultants, or brokers, however, may spend much of their time traveling to meet with clients, close sales, or investigate claims. Consultants usually determine their own hours of work and often schedule evening and weekend appointments for the convenience of clients. Some consultants meet with clients during business hours and then spend evenings doing paperwork and preparing presentations to prospective clients. Although most consultants work a 40-hour week, some may work much longer.

Insurance consultants who are involved in the solicitation, selling, or negotiation of insurance must have a State-issued license. Licensure requirements vary by State but typically require some insurance-related coursework and the passing of several exams. Although some consultants are hired right out of college, many are hired by insurance companies as customer service representatives and are later promoted to consultants.

**Education and training:** For insurance consultants’ jobs, many companies and independent agencies prefer to hire college graduates—especially those who have majored in business, finance, or economics. High school graduates may be hired if they have proven sales ability or have been successful in other types of work. College
training can help consultants grasp the technical aspects of insurance policies as well as the fundamentals of the insurance industry. Many colleges and universities offer courses in insurance, and a few schools offer a bachelor's degree in the field. College courses in finance, mathematics, accounting, economics, business law, marketing, and business administration enable insurance consultants to understand how social and economic conditions relate to the insurance industry. Courses in psychology, sociology, and public speaking can prove useful in improving sales techniques. In addition, familiarity with popular software packages has become very important because computers provide instantaneous information on a wide variety of financial products and greatly improve a consultant’s efficiency.

Consultants learn many of their job duties on the job from other consultants. Many employers have their new consultants; shadow an experienced consultant for a period of time. This allows the consultant to learn how to conduct their business, how the agency interacts with clients, and how to write policies.

Employers are also placing greater emphasis on continuing professional education as the diversity of financial products sold by insurance consultants is increasing. It is important for insurance consultants to keep up to date information on issues concerning clients. Changes in tax laws, government benefits programs, and other State and Federal regulations can affect the insurance needs of clients and the way in which consultants conduct business. Consultants can enhance their selling skills and broaden their knowledge of insurance and other financial services by taking courses at colleges and universities and by attending institutes, conferences, and seminars sponsored by insurance organizations.
**Licensure:** Insurance consultants must obtain a license in the States where they plan to work. Separate licenses are required for consultants to sell life and health insurance and property and casualty insurance. In most States, licenses are issued only to applicants who complete specified pre-licensing courses and who pass State examinations covering insurance fundamentals and State insurance laws. Most State licensing authorities also have mandatory continuing education requirements every 2 years, focusing on insurance laws, consumer protection, ethics, and the technical details of various insurance policies.

As the demand for financial products and financial planning increases, many insurance consultants choose to gain the proper licensing and certification to sell securities and other financial products. This requires substantial study and passing an additional examination either the Series 6 or Series 7 licensing exam, both of which are administered by the National Association of Securities Dealers (NASD). The Series 6 exam is for individuals who wish to sell only mutual funds and variable annuities, whereas the Series 7 exam is the main NASD series license that qualifies consultants as general securities sales representatives.

**Other qualifications:** Previous experience in sales or insurance jobs can be very useful in becoming an insurance consultant. In selling commercial insurance, technical experience in a particular field can help sell policies to those in the same profession. As a result, these consultants tend to be older than entrants in many other occupations.

**Certification and advancement:** A number of organizations offer professional designation programs that certify an consultant’s expertise in specialties such as life, health, and property and casualty insurance, as well as financial
consulting. For example, The National Alliance for Insurance Education and Research offers a wide variety of courses in health, life and property, and casualty insurance for independent insurance consultants. Although voluntary, such programs assure clients and employers, that a consultant has a thorough understanding of the relevant specialty. Consultants who complete certification are usually required to fulfill a specified number of hours of continuing education to retain their designation, as determined by the Alliance.

In the area of financial planning, many consultants find it worthwhile to demonstrate competency by earning the certified financial planner or chartered financial consultant designation. The Certified Financial Planner credential, issued by the Certified Financial Planner Board of Standards, requires relevant experience, completion of education requirements, passing a comprehensive examination, and adherence to an enforceable code of ethics. The exam tests the candidate's knowledge of the financial planning process, insurance and risk management, employee benefits planning, taxes and retirement planning, and investment and estate planning.

The Chartered Financial Consultant (ChFC) and the Chartered Life Underwriter (CLU) designations, issued by the American College in Bryn Mawr, Pennsylvania, typically require professional experience and the completion of an eight-course program of study. For those new to the industry, however, the American College offers the Life Underwriter Training Council Fellow (FUTCF), an introductory course that teaches basic insurance concepts. Many property and casualty insurance consultants obtain the Chartered Property Casualty Underwriter (CPCU) designation, offered by the American Institute for Chartered Property Casualty Underwriter. The majority of professional designations in insurance have continuing
education requirements. An insurance consultant who shows ability and leadership may become a sales manager in a local office. A few advance to managerial or executive positions. However, many who have established a client base prefer to remain in sales work. Some—particularly in the property and casualty field—launch their own independent agencies or brokerage firms.

Insurance consultants held about 434,800 jobs in 2008. About 51 percent of insurance consultants work for insurance agencies and brokerages. About 21 percent work directly for insurance carriers. Although most insurance consultants specialize in life and health insurance or property and casualty insurance, a growing number of “multiline” consultants sell all lines of insurance. A small number of consultants work for banks and securities brokerages as a result of the increasing integration of the finance and insurance industries. Approximately 22 percent of insurance consultants are self-employed. The majority of insurance consultants are employed in local offices or independent agencies, but some work in the headquarters of insurance companies.

Insurance consultants should be flexible, enthusiastic, confident, disciplined, hard working, and willing to solve problems. They should communicate effectively and inspire customer confidence. Because they usually work without supervision, consultants must have good time-management skills and the initiative to locate new clients. Opportunities will be best for college graduates who have sales ability, excellent interpersonal skills, and expertise in a wide range of insurance and financial services.
1.2.3 BENEFITS PROVIDED TO INSURANCE CONSULTANTS

Insurance Consultants form the mainstay of the Insurance companies’ juggernaut. To be able to discharge their duties effectively towards the policyholders and clients, they are trained professionally and equipped with sufficient skills and knowledge. This, in turn motivates them to aim for higher levels of productivity and maintain consistency in their business.

With these aims in perspective, an institution of clubs at four levels - Branch Manager's Club, Divisional Manager's Club, Zonal Manager's Club and Chairman's Club - was brought into existence with the commencement of the financial year back in 1971. This can be considered as a landmark in enhancing the status of the profession of insurance consultants’ within the Indian sub-continent.

A Club membership is the ultimate status symbol for any insurance consultant since it distinguishes him from other consultants owing to the honor and prestige associated with it. It is the recognition of a consultant’s regular and consistent performance.

In a bid to provide benefits to the consultants to qualify for membership for consultants' Clubs and recognizing their achievements, the Insurance Companies provide the following benefits to its club members.

Fringe Benefits

- Interest-free advances towards the purchase of motor-vehicles, according to the level of club
• Office allowances for members belonging to the Chairman's/Z M's/D M's clubs (in lieu of office allowances towards stationery items for members of B M's clubs)

• Telephone facilities for members belonging to the Chairman's/Z M's clubs

• Certificate of membership as per the club qualified for

• Membership badge

• Personalized stationery, letter-heads and envelopes

• Visiting cards

• Diaries and calendars

• Promotional sales gift items

• Advances towards housing loans under specially formulated schemes

• Passes for special annual conventions

• Guest house facilities

1.2.4 JOB OUTLOOK OF INSURANCE CONSULTANTS

According to the Labor Department, the median annual salary for insurance consultants was $46,770 in 2010. The best-paid 10 percent made an average of $115,340, while the lowest-paid 10 percent were paid $25,940, on average. The highest salaries were paid by insurance and employee benefit funds, outpatient care centers, and credit card companies and other non-depository credit firms.
## QUICK FACTS ABOUT INSURANCE CONSULTANTS

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<th>Category</th>
<th>Details</th>
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<td>2010 Median Pay</td>
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<td>Entry-Level Education</td>
<td>High school diploma or equivalent</td>
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<tr>
<td>Work Experience in a Related Occupation</td>
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<tr>
<td>On-the-job Training</td>
<td>Moderate-term on-the-job training</td>
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<tr>
<td>Job Outlook, 2010-20</td>
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<td>Employment Change, 2010-20</td>
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The Bureau of Labor Statistics projects insurance consultants’ employment growth of 21.9 percent between 2010 and 2020. That's an addition of 90,200 new jobs and 94,200 replacement jobs. There were 411,500 insurance consultant jobs in 2010. Demand for these positions is directly linked with population and economic growth.
TABLE – 1.2.1

Employment projections data for insurance consultants, 2010-20

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<tr>
<td>Insurance Consultants</td>
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<td>501,700</td>
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</tr>
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Source: Secondary Data

1.3. CAREER SATISFACTION OF INSURANCE CONSULTANTS

For an insurance consultant career which stimulates talents in a way that aligns with personal aspirations and embodies flexibility, risk and opportunity becomes questionable. But job is realized on him as it offers stability and security and represents routine and low risk. The difference between the two approaches has much to do with his attitude.

Previous research has recognized the importance of job perceptions and attitudes among insurance salespeople. For example, researchers have examined
consultant motivation and performance (eg., Oliver, 1974)\textsuperscript{21}, consultant satisfaction and performance (Hafer and McCuen, 1985)\textsuperscript{22}, the impact of leadership behaviours on consultant attitudes (Dubinsky et al., 1988)\textsuperscript{23}, consultant citizenship behavior and performance evaluations (Mackenzie, Podsakoff, and Fetter, 1991)\textsuperscript{24}, and job characteristics and organizational outcomes (Tyagi, 1985)\textsuperscript{25}.

Little research exists, however, on the relationship of the various factors of career satisfaction of insurance consultants’ perceptions. “Factors such as work, job variety, task specialization, autonomy, goal determination, feedback and recognition are closely associated with the career satisfaction of Insurance consultants.”

**Work:** “Work Commitment” describes a number of concepts relating to employee attachment to work related entities. Morrow (1983)\textsuperscript{26} has identified five such entities or facets of work commitment: commitment to one’s organization, job, career or profession, union and work values. Insurance consultants are satisfied with

\begin{itemize}
  \item \textsuperscript{25} Tyagi, P.K. (1985). “Relative Importance of Key Job Dimensions and Leadership Behaviors In Motivating Salesperson work performance”, Journal of Marketing, Vol. 48 (Summer), pp 76-86.
\end{itemize}
their work in many ways. Insurance Consultants in the insurance industry profess that they provide security for a living and financial protection in the event of a crisis or emergency. Last but not least, Insurance consultants are more likely to be satisfied about their jobs when they work with passion because enjoyment at work comes with satisfaction compensation. Also work experience in the profession enhances career satisfaction as well.

**Task Specialization:** Highly successful consultants organize their efforts and religiously execute their business activities on a daily basis. Apart from the 6 daily tasks of highly effective insurance consultants which are planning, making appointment, meeting face to face with customers, getting referrals, staying motivated and committing to self improvement there are other four major responsibilities. The responsibilities include Program customization, looking into policy requirements, inspecting and investigating the loss, monitoring and record keeping. Insurance Consultants need to maintain a good work habit to assure success in their business.

**Rewards and Recognition:** Insurance consultants are constantly recognized and rewarded for their performance. Numerous competitions all year round promote healthy competition amongst consultants and recognition for their efforts. Depending on the level of business the consultant achieves in a year, he or she can become a member of various clubs such as the Corporate Club, the Chairman’s Club, etc. Each of these clubs have specific performance criteria for qualification and members of these clubs are entitled to attend seminars held at exotic international and domestic locations each year.
Leading insurance consultants have the opportunity of attending regional and world sales conferences, as well as get the chance to qualify for five-star trips all over the world. Every insurance consultants and manager is offered the chance to compete in contest by targeting challenging, but achievable, results. By recognition and rewards the consultants are fostered with motivation and this motivated behavior in due course creates a great impact in the career satisfaction of Insurance consultants.

**Goal Determination:** The most important goal of an insurance consultant is obviously to generate sufficient sales commission to cover both business and personal expenses and still have enough left over to make a profit. One of the notions of goal-setting theory is that an individuals’ desire will influence their work behaviors such as efforts to succeed (Locke & Latham, 1990)\(^ {27}\). Locke and Latham suggested that employees who achieve excellent results are constantly involved in goal-setting because goals are represented as motivation tool (locke and Latham, 2002\(^ {28}\); Puah and Ananthram, 2006\(^ {29}\)) for individuals to hunt for effective strategy to achieve the desired results efficiently.

Insurance consultants have increased career satisfaction from having their goals determined and meeting them as well as having freedom to set their goals. Before the Insurance consultants set out to conquer the world they examine their long and short term goals and create a plan to determine their actions that help them reach

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their goals. After evaluating the performance at the end of each year, a new goal for the following year is set based on the barriers encountered and steps to overcome the obstacles. With clear goals and a plan to reach them the consultant stays motive from year to year thereby acquiring career satisfaction.

**The need of Autonomy:** Autonomy has been established as a psychosocial need for sales people who have reached the establishment stage of their career, supporting the idea, that need for autonomy varies with respect to time on the job (Dalrymple and Cron, 1992)\(^\text{30}\). Insurance consultants in particular have been cited as needing autonomy (Comer and Dubinsky, 1985)\(^\text{31}\). Career Satisfaction becomes higher when there is a congruency between the consultants and need for autonomy and his / her perceived autonomy. The consultants are under their own control and they become directly responsible for their own success and failure.

Insurance consultants often receive benefits that include continuing education, training to help with licensing requirements, office space and clerical support. An insurance consultant with ability can advance into a management position, becoming a sales manager in a local office. Later on, one can become an agency superintendent or land on another executive position. The career of insurance consultant falls under a broader career category of personal financial advisors thereby enhancing their identity in the society.

Employment of insurance consultants is expected to grow as fast as the average for all occupations through 2018.

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1.4 NEED AND SIGNIFICANCE OF THE STUDY

India is leading towards one of the strongest economy of the world by 2020 and it is an International phenomenon that insurance sector always booms along with growing economy. Insurance Services are the foundation for smooth functioning of all business & commercial activities. For the developing country like India where growth of the economy is at double digit rate, Insurance talent is inevitable.

Insurance is an essential element in the operation of sophisticated national economies throughout the world today. All Industries in this scenario can be monetarily well protected from all types of catastrophic and manmade risks. Beyond the commercial world, insurance is vital to individuals. Lack of insurance coverage would leave individuals and families without protection from the uncertainties of everyday life. Life, health, property and other insurance schemes are essential to the financial stability, well-being and peace of mind of the average person. Since, the business of insurance involves working with families and business owners to identify their business needs and then develop insurance solutions that best meet the situation of the client, Insurance business has tremendous scope inside India and from outside India. An insurance consultant is a primary source for procurement of insurance business and as such, his role is the corner stone for building a solid edifice of any insurance organization.

It just seems to happen that very few individuals actually seek out the business of insurance as a career. The career of insurance consultant is more satisfying in terms of prestige, income and power in comparison to other positions. Also it establishes an identity in the society as it is one of the prospective businesses contributing most to our country’s economy. It is necessary that this fact need to be spotlighted.
The mutual dependence of insurance business and the Insurance Consultants can play a powerful role in channeling funds and investment expertise to support the development of the Indian economy. Hence understanding the various factors affecting the career satisfaction of Insurance consultants of public sector and private sector Insurance companies will facilitate an individual and the Insurance Companies to infer that insurance consultancy is a lifetime career which could best prove an individual’s skill sets and also his/her contribution to the Insurance Company and eventually to the country’s economic growth.

1.5 STATEMENT OF THE PROBLEM

Many individuals are looking for careers that will have impact on our society. It is the general observation of the individual that insurance consultancy is not a rewarding career in terms of recognition, remuneration, job satisfaction, status of the work, scope for participation etc which are said to be the basic few elements of career satisfaction. But insurance business serves a broad public interest far beyond its role in business affairs and its protection of a large part of the country’s wealth. Insurance is practically a necessity to business activity and enterprise. Without insurance coverage, the Public, Private and Commercial sector would be unable to function. Hence it can be ascertained that Insurance is the backbone of overall economy of the country.

Insurance consultant acts as a vehicle for the growth of Insurance Industry. Insurance consultants face several practical issues in terms of career growth also. These issues are most pressing for the Insurance consultants and that account most, for it being negatively perceived by the public opinion. Understanding these factors
associated with career satisfaction of Insurance consultants is essential to job seekers as it is one of the important element in the present scenario. The unfavorable public opinion and the outlook from less performing insurance consultants have shaken an individual’s confidence which lead to the suspicion about the career of Insurance Consultancy.

But many are unaware that Insurance professionals with core competency & domain knowledge are in demand not only in India but abroad also. Working as Insurance Consultant is always a secondary thought and the society hesitates to recognize this career. This prejudice attitude towards insurance sector is a great harm for new entrants and career growth of current workforce. Ultimately this may show a negative sign in the growth of our Country’s economy. This is ironical that due to this negative attitude, the new generation is neglecting and under estimating a golden opportunity of developing gorgeous career in insurance sector. It is unfortunate that after more than 100 years of commencement of insurance business activity in our country, the academicians, researchers, regulators and top executives in Insurance Sector have ignored the need and importance of improving the brand image of insurance consultants. This study is an effort to enlighten Insurance Companies to understand facts and facets of insurance consultants and how the insurance industry can procure benefits by extending career satisfaction to the Insurance Consultants.
1.6 OBJECTIVES OF THE STUDY

Career satisfaction acts as a lubricant that moves the wheels of an individual who intends to take up Insurance business as his career. In this context, the study of the career satisfaction of Insurance Consultants is very much essential. Hence the researcher intends to carry out her research study with the following objectives.

1. To outline the theoretical framework of Career Satisfaction
2. To measure the Career Satisfaction of Insurance consultants in Public sector and Private Sector Insurance Companies, factor-wise.
3. To compare the Career Satisfaction level of consultants in Private Sector and Public Sector Insurance Companies
4. To explore the influence of demographic variables of Insurance Consultants of Private Sector and Public Sector Insurance Companies and their career satisfaction
5. To suggest measures to enhance the satisfaction level of consultants of Private Sector and Public Sector Insurance Companies with regard to their career.

1.7 SCOPE OF THE STUDY

It can be said that career satisfaction is largely a matter of an individual comparing his/her career and life expectations with those being offered. In shaping such life and career expectations there are economic considerations in terms of compensation and retirement benefits, occupational and family considerations in terms of professional satisfaction, job satisfaction, advancement opportunities, relocation etc.
It is believed that Insurance Industry will play a key role in boosting economy further. In India, the next 25 years will be dominated by Insurance Sector. The growth is expected at horizontal as well as vertical levels from both inside and outside the country. The role of consultants and intermediaries in insurance sector whether life or general, is of great significance. Insurance Consultancy is one of the challenging career paths in Insurance sector that involves informing benefits and selling of insurance products. The career of Insurance consultancy acts as a channel to promote stability for an individual in his career. The diversified growth of the Insurance Industry and its prospects is highlighted using secondary Data. It is widely accepted that career satisfaction is closely associated with every individual’s selection of job and his or her long standing tenure in that particular job.

The business of insurance requires smart, self motivated and enthusiastic individuals. These individuals will have unlimited income potential. There are lots of scope and opportunities for insurance consultants to use their skills and knowledge, intellectual and creative abilities, to achieve career development which in the long run leads to career satisfaction. At the same time, working as Insurance Consultant provides opportunities for people to find fulfillment in helping others through the benefits that insurance services bring to individuals, businesses and society as a whole. This study helps individuals and existing consultants intending to enter into the Insurance Industry to position them in the Industry as Insurance consultant and further develop the industry in the best interests of India and its people.
1.8 AREA OF THE STUDY

The location for the study is confined to Tirunelveli District in Tamil Nadu. A good number of Private Sector Insurance company Branches and Public Sector Insurance Company Branches is located in Tirunelveli District. Hence it is inferred that there would be vast availability of Insurance Consultants in this area. The study was carried out in the selected branches of the Public Sector and Private Sector Insurance Companies located in Tirunelveli District.

1.9 PERIOD OF THE STUDY

The data collection spanned the period from June 2011 to June 2012. The population of this study comprised of Insurance Consultants working for private sector and public sector Insurance Companies in Tirunelveli District.

1.10 LIMITATIONS OF THE STUDY

1. The study is limited to Tirunelveli District. The size of the sample comparing to the population may be less and it may not represent the whole population.

2. Since the study is about perceptions of people, the findings may be valid only for the present time as they are likely to change due to the development in the Insurance Industry.
3. The study attempts to throw much light on the career satisfaction of consultants of Insurance companies in Tirunelveli District only. Hence, the results may not be generalized for other geographical areas.

1.11 CHAPTERIZATION

Chapter I describes the concepts of career satisfaction and job satisfaction and the similarity of career satisfaction and job satisfaction following a brief introduction on career satisfaction. This chapter also includes an overview of Insurance Consultants. The significance of the study, statement of the problem, objectives of the study, scope of the study, area and period of study and the limitations of the study are detailed in this chapter. Also the Chapters are constructed in this section.

Chapter II consists of review of research papers related to Career satisfaction, and the relationship of career satisfaction with job satisfaction and job performance and the findings of various authors bringing out the relationship between factors influencing career satisfaction. Further in this chapter the researcher explains about the less availability of research study in the career satisfaction of Insurance consultants and her intention for the study under the title ‘Research Gap’

Chapter III gives a brief description about the Insurance Sector in India which includes the reformation in Insurance industry, duties, powers and functions of IRDA.

Chapter IV details the Methodology of the Research namely research design, type of research, sampling design, sample size, instrument used for Data Collection and the methods adopted to collect the data. The researcher gives a detailed report about the
construction of Questionnaire and its finalization after pilot study and pre-testing. The researcher also prefaces the various statistical tools used for the study in this chapter.

Chapter V comprises the analysis of data using various statistical tools. The test of independence $\chi^2$ tests the influence of career satisfaction factors on the demographic factors of the Insurance consultants of private sector and public sector Insurance companies. This chapter attempts to study and measure the factors influencing career satisfaction of Insurance Consultants of private sector and public sector Insurance companies through Coefficient of Variation analysis.

The career satisfaction of the consultants of private sector and public sector Insurance companies are compared with the application of T –Test. The difference in proportions of two independent samples namely the Insurance Consultants of private sector and public sector Insurance Companies in Tirunelveli District is pored over by T –Test. Finally, This Chapter ranks the motivational insights of Insurance Consultants of Insurance companies through Garett Ranking Method. This chapter encompasses analysis using statistical tools and its interpretations.

Chapter VI concludes with a brief summary of the research study and brings out observations on the career satisfaction of Insurance consultants. Few implications from the study is detailed in this chapter. Also this chapter reveals ideas for further works relevant to this study.