CHAPTER - IV

PROCUREMENT PRACTICES
IN LIC OF INDIA
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PROCUREMENT PRACTICES IN LIFE INSURANCE CORPORATION OF INDIA

This chapter focuses on procurement function in LIC of India. The attitudes of employees on various aspects of procurement function are also analysed.

Introduction:

‘Procurement’ or ‘Acquisition’ is the first and foremost function of HRM. Acquisition function starts with job analysis and human resource planning. It is concerned with acquiring required personnel to execute the work of the organisation and thus includes, recruitment, selection, placement, induction (orientation) and organisational socialisation of employees. Management should determine the kind of personnel required for a job and the number of persons to be employed. The organisation should also find out the right man for the right job in the right time.

Job analysis

Job analysis is the starting point for many HRM activities. According to Deconzo and Robbins “Job analysis involves compiling a detailed description of tasks, determining the relationship of the job to technology and other jobs, and examining the knowledge, qualifications or employment standards, accountabilities and other incumbent requirements”. 

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Thus, job analysis or job or work study is a process by which the facts with respect to each job are systematically discovered. It enables managers to understand jobs and structures to improve the workflow or develop techniques to improved productivity. It provides useful information for manpower planning, recruitment, selection, placement, orientation, performance appraisal, training and development, career planning, compensation, transfer and promotions of human resources of organisation.

Methods of Job Analysis

A variety of methods are used for collection of data relating to a job. These methods can be broadly divided into general methods and special methods. General methods include (i) observation method, (ii) interview method, (iii) structured questionnaire method, (iv) Critical incident technique and (v) dairy/log method. None of these methods are perfect and usually a combination of several methods are used for collection of data for job analysis. Special methods like (i) Functional job analysis, (ii) positional analysis questionnaire; and (iii) management position description questionnaire methods are used combining two or more general methods to provide quantitative score for job analysis. Special methods are behaviour-oriented as they describe the job in terms of standards behaviour.

Outputs of job Analysis

Job Description

Job description is an output of a job analysis. The data collected for job analysis provide the basis of preparing job description for each job. Job description
highlights the major tasks, duties authority and responsibilities for effective job performance.

**Job Specification**

Another output of the job analysis process is the presentation of job specification for different jobs in the organisation. It spells out the personnel attributes required for a job in terms of (i) Educational qualifications, (ii) Physical Specifications, (iii) Mental specifications (iv) Emotional and social specifications (v) Behavioural specifications to perform the job duties and discharge responsibilities effectively.

**Job Design**

Using information providing by job analysis, job description and job specification, job is designed. Thus developing appropriate job design is another outcome of job analysis. Job designing is concerned with structuring of job elements, duties and tasks in a manner to achieve optimal performance and satisfaction.

**Human resource planning**

'Human resource planning' alternatively known as personnel or manpower or employment planning, involves forecast of employment needs of the organisation and analysis of present workforce to arrive at surplus or shortage. Then action plans are to be undertaken to correct the imbalance between supply and demand.
Stainer defines manpower planning "as a strategy for the acquisition, utilisation, improvement and preservation of an enterprise's human resources. It relates to establishing job specifications or the quantitative requirements. It job is determining the number of personnels required and developing sources of manpower". Thus Human Resource Planning (HRP) is one of the most important elements which strives the have the right kind of people at right places and at right time to do the things which result in both organisation and the individual receiving the maximum long-run benefits.

Steps in HRP Process

The process of manpower planning involves many steps before an organisation can be assured of getting right people for the right job. There are four basic steps in human resource planning.

(a) Planning for future needs: How many people with that abilities will the organisation need to remain in operation for the forceable future.

(b) Planning for future balance: How many people presently employed can be expected to stay with the organisation? The difference between this number and the number the organisation will lead to the next step.

(c) Planning for recruitment and selecting for laying off: How can the organisation bring in the number of people it will need?

(d) Planning for development: How should the training and movement of individuals within the organisation be managed so that the organisation will be assured of a continuing supply of experienced and capable personnel?
Thus HRP is based on forecasting which attempts to assess the future personnel needs of the organisation, and the human resource audit, in which the skills and performance of organisation members are appraised to know the unutilised talent and gaps that exist in the present manpower.

**Recruitment**

Job analysis and human resource planning identifies the human needs and requirements of an organisation. Once these needs are known it is necessary to initiate steps to meet these needs and requirements. Therefore, the next step is 'recruitment'. 'Recruitment is considered as most important aspect of acquisition function because unless the right type of people are hired, even the best planning and control systems will not yield the desired results. According to Dale Yoder et. al., 'recruitment is a process to discover the sources of manpower to meet the requirements of the staffing and to employ effective measures for attracting that manpower in adequate numbers to facilitate effective selection of an efficient working force'\(^6\).

**Steps in Recruitment**

Recruitment process can be broadly divided into five steps viz., (a) Recruitment policy, (b) Recruitment organisation, (c) Developing sources of recruitment (d) Methods of techniques used for recruitment and (e) Evaluation of the recruitment programme.

**Recruitment Policy**

The recruitment policy determines the objectives of the recruitment policy
and provides a framework for implementation of the recruitment programme in the form of procedures. Recruitment policy should be very sound and flexible so that only capable and efficient employees are hired. It should take into consideration legal and political environment i.e., public policy, prevailing in the country. Most obvious public policies are those that (i) limit the employment of children, (ii) limit the range of jobs for which women hired; and (iii) provide job reservations for certain categories of persons like persons belonging to scheduled castes, scheduled tribes, backward communities, sportsmen, displaced persons, disabled persons, son-of-soil etc., in the matter of recruitment.

**Recruitment Organisation**

There is no general procedure for hiring new personnel which is applicable to all business enterprises. Each enterprise has its “tailor-made” procedure which brings it the desired quantity and quality of manpower at the minimum possible cost. Recruitment organisation is classified into centralized and decentralized organisations. The most commonly adopted practice is to centralise the recruitment and selection function in a single office. All employment activity should be centralised, if the policies of the top management are to be implemented consistently and efficiently.

**Developing Sources of Recruitment**

Before the process of recruitment of manpower starts, it is necessary for an organisation to consider the most likely source of the type of employees it needs. Some companies try to develop new sources, while others try to tap the existing sources they have. Basically, the sources of recruitment may be divided into internal and external.
Internal Sources: Internal sources are the most obvious sources. These include personnel already on pay-roll of an organisation. Whenever any vacancies arise some employees within the organisation are upgraded, transferred or promoted.

External Sources: Organisations may look for people outside it. Entry level jobs are usually filled by new entrants from outside. Also in the following circumstances organisations may resort to outside sources, (a) when suitable qualified people are not available within the organisation; (b) when the organisation feels it is necessary to inject new blood into it for fresh ideas, initiatives, etc., (c) when it is diversifying into new avenues; and (d) when it is merging with another organisation.

Methods of Recruitment

Recruitment methods or techniques are the means by which an organisation establishes contact with potential candidates, provides them necessary information and encourages them to apply to jobs. Various methods of recruitment have been classified into a three tier model as follows:

Direct Method: These include campus interviews and keeping a live register of job seekers. Usually for jobs requiring technical or professional skills, organisations may visit the colleges and universities and recruit persons for various jobs. Some organisations maintain live register / records of job applicants and refer to them as and when the need arises. Usually in all such cases, preliminary screening is completed by examining the application form filled by the candidate and /or preliminary interviews.
Indirect Method: Indirect Methods involve mostly advertising in newspaper, on the radio, in trade and professional journals, technical magazines and broachers. This method is appropriate where there is plentiful supply of talent which is geographically or otherwise spread out and when the purpose of the organisation is to reach out to a larger target group. However, it is not always possible to get key professionals or those with rare skills through this method.

Third Party Method: Various placement agencies and other parties can be used to attract job seekers. The important ones: like public and private employment agencies, professional search firms, professional associations, educational institutions, trade unions, head hunters etc. friends and relation of existing staffs and deputation method can be also be used.

In practice, recruitment vary according to job level and skill. Thus, various methods and techniques used for recruitment can be broadly consist of: (i) media advertisement, (ii) employment agencies, (iii) campus recruitment, (iv) casual callers, (v) recommendations and (vi) head hunters. (vii) Internet recruiting

Evaluation of Recruitment Function

Sources for recruitment should be periodically evaluated. For this purpose, the criteria may be the cost per applicant, the applicant / hiring ratio, tenure, performance appraisals, etc.,

Acquisition function in LIC of India

Life Insurance Corporation of India (LIC) being a established under the provision of Life Insurance Corporation Act (LIC Act), 1956 is governed in all its
functions and activities including human resource management by the provision of LIC Act 1956 as amended from time to time along with rules, regulations and directions of the Central Government and Staff Service Regulations of LIC.

Job Analysis and Classification

The staff of LIC, like other Government organisations are broadly classified into officers and other employees. Also for the purpose of scales of gradation employees are divided into Class I, II, III & IV. Employees belonging to Class - A are considered as Officers Cadre i.e. Officers Scale I (Divisional Managers / Officers), Officers Scale II and Scale III (Branch Managers / Senior Managers) while employees coming under Class II are Development Officers Class III are Supervisory and Clerical Staff, employees falling under Class IV are regarded as subordinate staff (messengers, messengers-cum-sweeper, driver-cum-messenger, and security guard).

It is reported that Officers and Branch Managers are posted to different branches, Divisional Managers are in-charge of Divisional assigned to them and Senior Managers are assigned different departments and at Divisional offices of the LIC. All these come under middle or lower level management posts. Clerical and Subordinate staff (non-managerial) are posted in Zonal Office, Divisional Office, as well as in branches.

The nature of work assigned to managerial (officer cadre) and non-managerial staff differs. It also varies according to their place of posting. The Central Government has fixed eligibility criteria for all LIC recruitments with regard to educational qualifications, for officer cadre, clerical cadre and subordinate staff separately, which is implemented by LIC also. It is also observed that job analysis
and classification depends upon nature of work and responsibilities assigned to the employees.

**Human Resource Planning**

It is reported that LIC adopts short-term planning for forecasting its manpower requirements. Though, the LIC of India has no separate "Human Resource Planning Organization and Development Department" Senior Manager (Personnel Department) at the head office of LIC looks after all aspects relating to manpower planning. Manpower planning in LIC is entirely based on circular and guidelines issued by the Central Government from time to time. Central Government has fixed manpower by taking into account the size and business turnover on LIC and their branches. As a result, LIC and its Zonal Offices carry on a systematic and scientific assessment on manpower requirement of LIC periodically in accordance with the guidelines and circulars issued by the Central Government in this regard. Prior permission of Central Government is required for creation and filling up of any new posts except to fill posts on compassionate grounds on death of employees.

**Recruitment and Selection**

The policy of recruitment and selection in LIC is based on the provisions of the LIC of India (Staff) Regulations, 1960. (Appointment and Promotion of Officers and Employees) Rules framed by the Central Government and Staff Service Regulations of the LIC. As per section 49 LIC Act, LIC can appoint such number of officers and other employees as may be necessary in such manner as may be prescribed by Central Government Rules (LIC Rules) for the efficient performance of its functions and may determine the terms and conditions of their appointment.
and service. The LIC takes proper care to follow the constitutional directives and principles as well as Central and State Government directives, notifications and circulars in the matter is providing reservations in various jobs for candidates belonging schedule castes (SCs) and schedule tribes (STs), physically handicapped persons (PHC), disabled persons etc. Also the qualifications, age limit and other eligibility criteria as prescribed by the Central Government for various posts are taken into consideration while making recruitment and selection.

It is observed that the following are the important sources and methods of recruitment followed by LIC

(a) Direct Recruitment from external sources

(b) Internal sources through promotions

Direct Recruitment from External Sources

For the purpose of direct recruitment through external sources, media advertising method is followed. It is a open competition method where all eligible candidates can apply for the post advertised and selection is based purely on merit. As per Central Government Rules LIC can make recruitment for officers, Supervisory, Clerical and Subordinate staff posts from among eligible candidates residing within the state of India. The merit is judged in two stages. viz (i) written test and (ii) interview. In the first stage the candidates have to qualify in the written test. In the second stage out of those who are qualified in the written test based on the rank (marks) obtained in the written test, certain required number of candidates in the ratio 1 : 3 or as decided by the corporation at the appropriate stage are called for interview for final selection.
Thus from the foregoing discussion of direct recruitment and selection process in LIC it is clear that the LIC has followed recruitment at entry-point level only through advertisement and final selection through performance in written test and interview. This is necessitated due to rules and regulations framed by Central Government in this regard. It is also observed that due to prevalence of large scale educated unemployment in India, there is always an overwhelming response from prospective candidates. Thousands of applications are received and lot of time, efforts and money are involved in processing of these applications, conducting written tests, interviews and final selection. Through the recruitment and selection process is done purely on the basis of written tests and interviews it is reported that the present scheme does not place any emphasis on testing a candidates’ ability and knowledge about trade, commerce and economy which is necessary for a job in a business oriented organization.

Recruitment through Internal Source by Promotions

Whenever a clear vacancy exists as far as practicable, such vacancy is filled by promoting a suitable candidate from lower cadre within the same organisation rather than recruiting and selecting from outside source. This internal source of recruitment and selection not only reduces cost of recruitment and selection but also reduces stagnation and discontentment among existing employees. This also boosts up morale and motivating among them.

It is reported that in LIC direct recruitment through outside source virtually has come to a standstill due to restrictions imposed by the Central Government in creating fresh vacancies in the post liberalization era (after 1991) and also on account of introduction of automation. Consequently to avoid stagnation and dissatisfaction...
among employees, LIC initiated measures to recruit and select personnel through internal promotions regularly from 1997-98 onwards. Before that only during 1992-93 recruitment of officers from scale I to scale II was made through promotions. This process of internal recruitment through promotions has been effected from subordinate staff to clerical cadre, clerical cadre to officers scale I, officers scale I to scale II and from scale II to scale III. These promotions are based on LIC (Appointment and Promotions of Officers and Employees) Rules framed by the Central Government.

Profile of employees

Human resources consists of total knowledge, skills, creative abilities, talents and aptitudes of an organisation's work force, as well as the values, attitudes, approaches and beliefs of the individuals involved in the affairs of the organisation. Hence, any study on human resource management has to take into consideration socio-economic characteristics of human resources of that organisation. It is against this background an attempt is made in this Chapter to describe the socio-economic characteristics of employees of LIC selected for the study. As already stated in Chapter-II that 300 employees have been selected at random for ascertaining their opinions on various aspects of human resource management policies and practices followed by LIC. Personal (socio-economic) characteristics of employees are presented in the following pages.

Age-wise distribution

The exposure, maturity and individuality depends on the age of the individuals. It is observed that out of 300 respondents 12 percent fall in 51 and above age group
followed by 51 percent in between 41-50 group, and 37 percent employees in 31-40 age group. Category-wise, in all the four categories highest percentage of employees are in 41-50 age group. The average age for entire sample is 42.5 years. Hence the respondents are highly mature and the answers given by them in the questionnaire can be relied upon.

Gender Wise Distribution

It is evident that gender wise distribution of respondents is most (more than 89 percent) of employees are males. While 11 percent of employees are women.

Marital Status

The respondents according marital status is majority of respondents (98 percent) are married and only 06 respondents (2 percent) are unmarried. These two percent respondents are found in Class III category.

Type of Family

It is observed that most of the respondents (82 percent) belong to Nuclear family, and only 18 percent of them belong to joint family. Category-wise distribution of respondents also indicates almost similar trend.

Size of Family

It is evident that distribution of respondents according to size of family, on the whole, 63 percent of respondents have small families (3-4), 19 percent fall in medium size family group (5) and the rest 18 percent lie in large family size group (6 and above). Category-wise analysis also reveals that more than 63 percent of
respondents belonging to all categories have family size of 3-4

**Education Qualification of Respondents**

It is observed that more than 83 percent of the respondents in all categories were having either bachelor degree or post graduate degree qualifications. While 85 percent of clerical, 23 percent of Development Officers / Officers and 14 percent of Divisional / Senior Manager categories of respondents passed bachelor degree, 15 percent of clerical, 77 percent of Development officers / Officer and 86 percent of Divisional / Senior manager categories of respondents have post graduate and additional qualifications. Only 5 respondents were having research degree (M.phil) and 9 respondents in Class IV cadre was having lowest qualification (SSC/Intermediate)

As regards qualifications of respondents at present (at the time of survey) it is observed that there is some improvement in qualifications of samples employees belonging to all categories due to acquisitions of additional qualifications. Therefore it can be concluded that most of the employees of the respondents are well educated to understand the questionnaire and to respond appropriately.

**Experience**

The length of service or work experience plays a vital role in development of the organization. It is because an experience person would be well versed with all the knowledge regarding the job can definitely do well compared to newly recruited employees. Distribution of respondents according to experience on the whole 207 respondents have experience of 16 to 20 years, 93 have 11-15 years of experience.
51 percent of clerical category and 74 percent of Branch Manager / Officer category and Division / Senior Manager category and 78% of Development officers of respondents have experience of 16 to 20 years. This indicates that majority of employees are sufficiently experienced in the LIC service. It may also be observed that by virtue of their rich experience majority of the employees are capable of marking appropriate answers in questionnaire.

**Salary Income**

Salary is the main source income for the respondents. Income determines status and standard of living of a person. The distribution of respondents according to their annual income is observed that out of 300 total respondents 7.33 percent (22) are in the annual income range of 4 lakhs and above. 54.66 percent (164) in the income range of rupees 3 lakhs to 4 lakhs and the 36 percent in the income range of rupees 2 lakhs to 3 lakhs, rest 2 percent in the income range of 1 lakh to 2 lakhs. While all respondents in Branch Manager / Officer and Divisional / Senior Manager categories fall in the monthly income range of 32640 - 59850, 100 percent Class II employees are in the monthly income range of 28865 - 32640, 69 percent of Class III employees are in the monthly income of 26290 - 24455, rest 31 percent of Class III employees are in the monthly income range of 21050 - 15685. For Class IV employees monthly income range is 11125 - 13980.

**Method of Data Analysis**

As already specified in the Chapter - 2, a questionnaire has been prepared and administered to employee in order to ascertain the attitude of employees towards various aspects of humna resource management. The responses of the employees
for each questionnaire is taken on a 5 point scale as: (1) not at all, (2) to a small extent, (3) to a moderate extent, (4) to a large extent, (5) to a very great extent.

The responses are commemorated into numerical values by giving weightage as (1) One-point - to not at all, (2) two points - to a small extent, (3) Three points - to a moderate extent, (4) Four points - to a large extent, (5) Five points - to very great extent. From this ratings, in the form of weighted averages and standard deviation are calculated for the analysis for arriving at appropriate interferences. The weighted averages are shown in the tables followed by standard deviation in the parameters.

Nature of job in LIC of India

Nature of job is an important aspect which needs to be considered is, how organization should develop their culture, skills and capabilities and quality of work life to meet the challenges and to reach the goals by attracting potential employees into the organization and retain existing employees in it.

The talented employees are most important in short supply. In view of the scarcity of talent, companies have to be formulate strategy to attract talent. "Employer Brand" is one of the strategy in the minds of present and prospective employees. Employer brand helps for creating attracting, developing utilising and retaining the employees for a particular employer10.

Table 4.1 shows the attitude of employees towards nature of job in LIC organization. The first item in Table 4.1. Are you satisfied with your status at the time of your First appointment in LIC of India. For this the rating given by employees
is 3.47. It is just above moderate extent. Thus, it can be concluded that status of satisfaction of employee at the time of joining is up to the mark.

**Table 4.1: Nature of job in LIC of India**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Statement</th>
<th>Employees Rating (Weighted Averages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Are you satisfied with your status at the time of your first appointment in LIC of India</td>
<td>3.47 (0.58)</td>
</tr>
<tr>
<td>2.</td>
<td>More job security is the reason for joining in LIC of India</td>
<td>3.67 (0.31)</td>
</tr>
<tr>
<td>3.</td>
<td>Challenging Job is the reason for Joining in LIC of India</td>
<td>2.50 (0.56)</td>
</tr>
<tr>
<td>4.</td>
<td>Better salary is the reason for Joining in LIC of India</td>
<td>3.93 (0.42)</td>
</tr>
<tr>
<td>5.</td>
<td>Better working conditions are the reason for Joining in LIC of India</td>
<td>2.25 (0.45)</td>
</tr>
</tbody>
</table>

Source: Information collected through employee questionnaire

Note: Figures in parenthesis are standard deviation

When employee feels more job security accompanied by upward re-assignment of an individual in an organization to promote a feeling of content with a sense of belongingness. To know the perception of employees towards more job security is the reason for joining in LIC of India in Table 4.1 Sl.No. 2 the rating given by the employees is 3.67. It is just above moderate extent. Thus it can be concluded that the employee job security in LIC is up to the mark.

The aspect of job challenge has been studied, towards this fact an enquiry has made to know to what extent the respondents are challenged in the work, as a motivator if the job is challenging, an employee may feel like working more. In table
4.1 Sl. No. 3 challenging job is the reason for joining in LIC of India for this the respondent has given rating is 2.50. It is below moderate. Comparing with development officers jobs with other jobs in LIC, development officers only feels their jobs are challenging one. As such they have to build their teams and motivate them to get individual business in LIC organization. The other employees do not feel that their jobs were challenging one. It is suggested that the jobs other than development officers also should be made challenging.

To know the employees opinion on adequate and fair salary and the extent of degree of satisfaction of the employees regarding their paid salary in meeting their needs. A statement was posted to employees, in Table 4.1 Sl. no. 4 better salary is the reason for joining in LIC of India. Towards this the employees rating is 3.93. It is above moderate and it is nearer to satisfactory level. It can be concluded that their salaries would go to a greater extent in meeting their needs. Employees are satisfied with the pay scales they recieve.

Employees spend a great deal of their time in the organization. As such the work environment should be conducive to healthy life, malnutrition, unsanitary and psychological conditions like restlessness, tiresomeness etc., Impair the healthy and prosperity of employees the healthy work environment not only improves production of the organization but also improves the personality and skills of the employees satisfaction regarding state of healty working conditions like drinking water, canteen, recreation, library, lunch room, temperature maintenance and rest duration facilities etc., are very important. To know the perception of employees towards the better working conditions in LIC organization a statement was posted to employees on table no. 4.1. Sl. No.5 better working conditions are the reasons for joining in LIC of
India. The respondents were given the rating is 2.25. It is below moderate. It means that the employees are not fully satisfied with working conditions in their office. As such it is suggested that working conditions of employees in LIC organization must be improved by providing safe drinking water, canteen, recreation facilities, library, lunch room facilities, temperature maintenance and rest duration facilities in fixed intervals. According to the respondents job security, better salary and working conditions appeared to be the dominant reasons to opt for employment in LIC of India.

**Sources of Recruitment information in LIC of India:**

The most vital activity in organisation is recruitment process to sustainable growth and super customer service in globalization and consequent competition through quality and service necessitated the companies to search for and attract the candidates with positive attitude, emotional feelings, Intra preneural qualities, multi skills, multicultural back ground etc., to apply for existing or anticipated job openings. During this process efforts are made to inform the applicants fully about the qualifications required to perform the job and the carrier opportunities the organisation can offer its employees. Such a most important process, to know how the LIC organisation campaigning the recruitment information the questions were asked to the respondents in table 4.2. Advertisements are one of the most common method of attracting applicants. Newspapers and trade journals are the media used most often, radio, television, billboard, posters and electronic mail are also utilised. Advertising has the advantage of reaching a large audience of possible applicants towards this fact. An enquiry made to know the attitude of employees to what extent these advertisement plays a crucial role as the source of recruitment
information renders to job aspirants. A question posted in Sl.no. 1 on table 4.2 is advertisement is the basis to know about vacancies in LIC of India. For this the rating given by the employees is 3.48. It is above to the moderate extent. Thus it can be understood that the advertisement published in news media helps a lot to know about vacancies in LIC.

Table 4.2: Attitude of employees towards source of recruitment information in lic of India

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Statement</th>
<th>Employees Rating (Weighted Averages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Advertisement is the basis to know about vacancies in LIC of India</td>
<td>3.48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.23)</td>
</tr>
<tr>
<td>2.</td>
<td>Friends and Relatives working in the LIC of India are help to know about vacancies in LIC of India</td>
<td>2.47</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.36)</td>
</tr>
<tr>
<td>3.</td>
<td>Employment Agencies helped to know about vacancies in LIC of India</td>
<td>2.33</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.42)</td>
</tr>
<tr>
<td>4.</td>
<td>Recommendations helped to know about vacancies in LIC of India</td>
<td>1.92</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.54)</td>
</tr>
</tbody>
</table>

Source: Information collected through employee questionnaire
Note: Figures in parenthesis are standard deviation

The recruitment campaign of an organisation through current employees is a process in recruitment. Since current employees are generally refer quality candidates to the vacancies and hesitant to recommend individual who might not perform well. As such a question asked to employees to know the attitude of employees to what extent these referrals are helpful as the source of recruitment information in Sl.no. 2 on table 4.2 is friends and relatives working in the LIC of India are helps to know about the vacancies in LIC of India. For
this the employees rated as 2.47. It is below to the moderate extent. It means that most of the employees feel that they were not aware about vacancies by friends and relatives working in LIC of India.

Public and private employment agencies also plays a crucial role in recruiting personnel to the needy organizations. Their professionalism, and the caliber of their counsellors, in finding a job seeker, who is knowledgeable, experienced, and professional from the registered applicants. Employment agencies may assist employers with employment testing job analysis, evaluation programmes and community wage surveys helpful in recruitment of employees. As such in Sl.no. 3 on table 4.2 a question posted to employees, that is employment agencies helped to know about the vacancies in LIC of India. For this the employees rating is 2.33. It is below to the moderate extent. It means most of employees feel that the employment agencies are not helpful to know about vacancies in LIC to job seekers. Hence, it is suggested that LIC has to utilize the services of public and private employment agencies in recruitment. By this the LIC will have wide choice of candidates and they can select the best talent.

The recruitment efforts in an organization can be aided by employee referrals, or recommendations made by current employees. Managers have found that the quality of employee referral applicants is normally quite high, since employers are generally hesitant to recommend individuals who might not perform well. As such to know the attitude of employees towards recruitment by recommendations, a statement was posted to employees in Sl.no. 4 in table
4.2 is recommendations helped to know about the vacancies in LIC of India. For this, the rating given by the employees is 1.92. It is much below to the moderate extent. It means most of the employees feel that recommendations were not helped in recruiting process in LIC of India. As such it is suggested that employee referrals also consider in recruitment process helps to the organization in attracting the potential candidates. The existing employees will always try to refer good candidates for the jobs in LIC.

It is evident from table 4.2 that main source of information to know about the vacancies in LIC of India to apply for a job was advertisement published in newspapers as given by rating employess is 3.48. It is above moderate. Only a very few respondents got information about vacancies through their friends and relatives, employment agencies and recommendations.

**Selection**

Selection is a part of recruitment function. It is the process of choosing the prospective candidates who can match best with organisation's needs. Selection is a two-way decision making process. According to Stoner, “Selection process involves mutual decision making. The Organisation decides rather or not a make a job offer and how attractive the offer should be whereas the job candidate decides whether the job offer will fit his or her needs and goals”.

Selection divides all applicants into two categories (i) suitable and (ii) unsuitable. Thus it may be described as a process of rejection because more candidates are turned away then are hired. Several candidates will be applying for each position, and the organisation will, on the basis of a series of devices,
hire the candidate it feels is most suitable. If selection is carried out properly, it can minimise the costs of replacements and training, reduce legal challenges and result in a more productive workforce. Selection of personnel to man the organisation is a crucial, complex and continuing function. The ability of an organisation to attain its goals effectively depends upon the effectiveness of its selection programme.

**Steps in Selection Process**

The standard selection process has the following seven steps:

1. Initial screening Interview
2. Completion of the Application Form
3. Employment Tests
4. Employment Interview
5. Background Investigation
6. Physical Examination
7. Final Employment Decision

Each of these steps represent a decision point requiring some affirmative feedback for the process to continue. In practice, the actual selection process may vary from organisation to organisation from job to job in an organisation. Also, some steps may be omitted if they do not yield data that will aid in predicting success, or if the cost of the step is not warranted.

**Selection Devices (Tools)**

Selection devices enable the managers to get information in order to predict the suitability of the applicant for the job. To be an effective predictor, a selection device should be reliable and valid. The following are commonly used selection devices.
Application Blanks (Forms)

Most common method used in collecting information from the applicants is application blanks. Application blanks are effective for acquiring hard biographic data. Weighted Application Form is more effective as it provides relevant information for predicting job success.

Employment Tests

Employment tests serve as a screening device and provide supplementary inputs in selection decisions. They serve as additional predictors intended to make selection decisions more optimal and accurate. They are different types of employment tests like (i) written tests, (ii) performance simulation tests, (iii) personality inventories and temperament tests, (iv) Non-verbal communication tests etc. These tests have varying degrees of validity and reliability. The management may conduct any one or a combination of these tests to ensure the right selection of the personnel.

Employment Interview

Interview is an oral examination of candidates for employment. It is probably the most widely used and core method of selection. It is face to face communication and involves a brief personal contact with the candidate to judge his suitability for the job. Its purpose is to find out the candidate's mental and social makeup and to know the qualities available in him to make him suitable for a job in the concern. Interview differ in terms of their focus and format. Interviews may be classified into (i) Structured (Patterned) Interviews (ii)
Unstructured Interview (iii) Stress Interview (iv) Depth Interview and (v) Panel Interview.

The type of interview used depends both on the kind of information desired and the nature of the situation. It is observed that through interview is an essential element in selection process, still it remains subjective and biased and thus reliability and validity is low. To improve validity and reliability organisation must seek to make interviews as objective as possible by adopting specific guidelines, criteria, measures and give proper weightages for various aspects covered by the interview.

Background Investigation

The truthfulness of a candidate's resume or application form will be checked and further information will be sought from one or more of the candidate's past teachers, Previous employers, public men or police verification etc., Such an investigation is useful, since studies have shown that as many as half the application submitted contained false or erroneous information.

Medical and Physical Examination

This is valid for those jobs that require certain physical characteristics. However, this includes a very small proportion of jobs today. Physical examinations are not very valid in predicting future medical problems

Final Employment

If the candidate successfully passes through various selection tests stated above, he is declared selected. A job offer is made to him in the form of an
Steps and devices of selection stated above are flexible. They vary from organisation to organisation from job to job. For low level jobs selection, interview may be quite prefunctionary and heavy emphasis may be placed on the initial screening interview or on tests. On the other hand, for selection of candidates for middle and upper level jobs, the interviewing may be extensive.

**Selection Procedure in LIC of India**

LIC of India Selection will be based on the performance in the written test, interview and fitness in pre-recruitment medical examination. The number of written test qualified candidates to be called for LIC of India Interview will be about three times the number of vacancies to be filled in under each post or as decided by the Corporation at the appropriate stage. Candidates who do not obtain the minimum qualifying marks in the LIC of India interview shall be disqualified from further selection.

The Corporation reserves the right to fix the minimum eligibility standards in order to restrict the number of candidates to be called for LIC of India interview, commensurate with the number of LIC vacancies and also the minimum qualifying marks to qualify in the LIC of India interview. The decision of the Corporation in this regard shall be final and binding on the candidates and no correspondence will be entertained in this regard.

In case of similar marks of two or more candidates, the merit order of such group of candidates shall be as per the aggregate marks in LIC of India written test,
interview and further as per their additional post graduation qualification (i.e., the person with higher qualification will be placed higher in the merit order) and in case of similar, further as per their date of birth (i.e., more senior in age will be placed first before less senior in age).

Successful outstation candidates called for LIC of India interview shall be entitled for reimbursement of Second Class to and fro Railway / Bus Fare by the shortest route from the place of residence to the place of interview.

**Attitude of employees towards selection process in LIC of India**:

In any organization recruitment policy by itself should take into consideration. The Government’s reservation policy, policy regarding merit, Internal sources, Social responsibility in absorbing minority sections, women etc., commit itself serving the community absorbing the weaker section and disadvantage people of the society, motivating the employees through internal promotions, absorbing the temporary employees or dependents of present / former employees etc.

Source of recruitment may be internal and external any organization has to follow fair and transparent recruitment policy with standard and valid devices in selecting people for various job cadres. Merit is the universal acceptance for various job cadres. The attitude of employees on selection is given in Table 4.3. In conjunction with the recruitment process, which is designed to increase the number of applicants whose qualifications meet job requirement and the needs of the organization, selection is the process of reducing that number and choosing from among those individuals who have the relevant qualification. The managers should understand the objectives, policies and practices used for selection. This
is most important that managers must be highly involved in the process from the very beginning to final decision towards this fact an enquiry made to know what extent the employees satisfied that LIC of India following a fair and transparent recruitment policy. For this on table 4.3, Sl. no. 1 the respondents given the rating is 3.35. It is above to the moderate extent. As such it can be understood that LIC of India organization following a fair and transparent recruitment policy.

It should be noted that in the process of making decisions, all "can-do" and "will-do" factors should be assembled and weighted systematically so that the final decision can be based on the composite of the most reliable and valid information.

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Statement</th>
<th>Employees Rating (Weighted Averages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Are you satisfied that LIC of India following a fair and Transparent Recruitment Policy</td>
<td>3.35 (0.31)</td>
</tr>
<tr>
<td>2.</td>
<td>Is LIC of India used standard and valid devices in selecting people for various job cadres</td>
<td>3.20 (0.44)</td>
</tr>
<tr>
<td>3.</td>
<td>Do you feel that merit is the top priority in the Recruitment practice in LIC of India</td>
<td>3.28 (0.37)</td>
</tr>
</tbody>
</table>

Source: Information collected through employee questionnaire
Note: Figures in parenthesis are standard deviation

Many sources of information are used to provide a reliable valid picture as possible of an applicants potential for success on the job. Application forms, biographical information blanks, background investigations, cognitive ability tests are especially valuable for assessing verbal, quantitative, and reasoning abilities.
Written tests (cognitive ability tests), polygraphs, or lie detector tests, honesty and integrity tests, graphology and medical examinations and intervening plays a major role in selection, and because testing presents unique challenges towards this fact an enquiry made to know that LIC of India used standard and valid devices in selecting people for various job cadres. For this on table 4.3 Sl.no. 2 the employees given the rating as 3.20 is just above moderate extent. It reveals that LIC of India adopted standard and valid devices in selecting the people for various job cadres and it has to be improved by implementing job knowledge and work sample tests to determine the candidates for various posts in LIC.

Source of recruitment may be internal or external, “can-do”, “will-do” factors plays a critical role in final decision. While the most of valid predictors should be used with any selection strategy, a related factor contributes to selecting the best qualified people. Merit is the Universal acceptance for various cadres towards this fact. An enquiry made to know what extent the employees satisfied with the recruitment practices that LIC is giving the top priority for merit. As such a question asked in Sl.no. 3 on table 4.3 Do you feel that merit is the top priority in the recruitment practice in LIC of India. The rating given is 3.28. It is also above moderate. Hence it is concluded that selection process in LIC of India above moderate and it can be concluded that recruitment process is fairly comfortable and it has to be improved by using valid devices such as cognitive ability tests, job knowledge tests, and work sample tests in predicting the merit candidates for various job cadres to perform the duties successfully on the job.

Placement

Once an offer of employment has been offered and accepted by the
candidate, the organisation has to place him initially in that job for which he is selected. Thus placement is the determination of the job to which an accepted candidate is to assigned, and his assignment to that job. Generally, organisations place the candidates on probation and give him intitial training. Usually the period probation ranges between six months and two years. On the basis of candidates aptitude and performance during the initial training and probation (trial) period, the final placement is done on the job and his services are regularised. A proper placement of an employee reduces employee turnover, absenteeism and accidents rates and improves morale.

**Induction (Orientation) and Socialisation**

**Induction**

Induction / Orientation is a process of familiarising a new employee with the job and organisation. Its purpose is to make the employee feel at home and develop a sense of pride in the organisation and commitment to the job. Typically induction programme conveys (i) general information about the daily work routine; (ii) organisation's history, purpose, needs, operations etc., and (iii) organisation's policies work rules and employee benefits. Effective induction programmes reduce the anxiety of the new employees.

**Socialisation**

Socialisation is a process of learning and adoption. In a broacher sense it is the sharing of the norms, values, beliefs and work culture of the organisation imparted to the new incumbent. This is a process which continues throughout the career of the organisation. Socialisation creates a homogeneous and congenial
work atmosphere in the organisation so that the employees could be productive and helpful to the organisation.

**Opinion on Procedure for Placement, Probation and Induction in LIC**

Staff Service Regulations in LIC stipulate that service of a person appointed in the LIC shall commence on the working day on which he/she reports for duty in the LIC on a post for which is appointed. In LIC period of probation depends upon nature of recruitment and category of job for which a person is selected. For employees who are selected through direct recruitment, the period of recruitment is fixed as two years of employees Class I & II which may be extended upto one more year, and one year for clerical and subordinate staff. In the case of employees promoted from clerical cadre to officer scale I and those officers promoted to higher scale the probation period is one year, whereas for those who are promoted from subordinate staff to clerical cadre the probation period is six months. It is also stipulated that for valid reasons, the probation may be extended upto one more year for those employees who are placed on probation for two years, upto six months for those probation period is one year and upto three months for those whose probation period is six months. After satisfactory completion of stipulated probation period including extending period, if any, an officer or other employee shall be confirmed in the LIC of India service by the appointing authority.

**Induction Training**

In LIC of India all employees except IVth class employees are provided with both on the job training and off the job training. For all young new entrants on appointments 6 days training programmes were held at Zonal training centres. On
the job training will be given by the immediate superior or supervisor where he appointed.

**Table 4.4: Attitude of employees towards placement and induction in LIC of India**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Statement</th>
<th>Employees Rating (Weighted Averages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>What is your opinion on placement probation and confirmation in LIC of India organization</td>
<td>3.17 (0.49)</td>
</tr>
<tr>
<td>2.</td>
<td>At the time of joining in organization the LIC Management clearly informed you about your duties, responsibilities and the Nature of Work</td>
<td>2.47 (0.52)</td>
</tr>
</tbody>
</table>

Source: Information collected through employee questionnaire
Note: Figures in parenthesis are standard deviation

Staff regulations of LIC of India stipulate that service of a person appointed in LIC of India shall commence on the working days on which he/she reports for duty in the LIC of India on a post for which he/she was appointed. Placement is "the determination of the job to which an accepted candidate is to be assigned and his assignment to that job. It is a matching of what the supervisor has reason to think he can do with the job demands (job requirements), it is a matching of what he imposes (in strain, working conditions) and what he offers in the form of pay roll, companionship with others, promotional possibilities, etc. It is not easy to match all the factors to the new employee who is still unknown to many. So the new employee is placed as a probationer until the trial period is over. For all new employees of LIC of India in order to familiarise them about the objectives and functions of the LIC of India, work culture, work schedule, nature of
duties to be performed, service regulations, leave salary etc. In Table 4.4 to know the opinion of employees on placement, probation and confirmation in LIC of India organisation a question asked in Sl.no. 1 in table 4.4 what is employee opinion on placement, probation and confirmation in LIC of India. For this the rating given by the employees is 3.17. It is just above moderate. This could be understand that placement and confirmation process in LIC on objective counselling and assessment.

In Induction process a warm and friendly welcome will reduce the possible problems. A phased induction programme would place the new employee at ease and learn slowly. Periodical followup and filling the gaps in the information would reduce the problems on work. Providing written and documented information and guided by the senior colleague for a period reduce the new employee anxiety. At the time of joining in organization the management has to be informed clearly about the duties, responsibilities and the nature of work to the newly placed employee. If this induction programme fails the employee may be misplaced. As such, to know the employees attitude towards induction programme a question asked in Sl.no. 2 on table 4.4 whether LIC management clearly informed about the duties, responsibilities and the nature of work at the time of joining. For this the employees given rating is 2.47. It is much below to the moderate extent. It reveals that the need and significance of induction programme to reduce turnover and dissatisfaction and grievances and to develop a sense of belonging and commitment.
**Work Environment**

The work environment means, the employee's safety and industrial health. Employee's safety and health problems at work engaging attention of psychologists, sociologist and industrial engineers. Employees spend a great deal of their time in the organizations. As such their work environment should be conducive to healthy life. Malnutrition, insanitation and psychological conditions like restlessness, tiresomeness, etc., impair the health and prosperity of employees. The healthy work environment not only improves production of the organization, but also improves the personality and skills of the employees.

Learning is a process, learning new skills while working would be possible only in the conductive environment. The leadership in the organization helps in a long way in encouraging the employees to develop their career. The very important aspect of work environment is interpersonal relations and conflicts. Conflict is as natural as good relations in the industrial organization. But when there is a conflict, there must be a process to resolve it.

No one has the right to employ any one unless he can be assured that he will return home safe and unaffected, the environment which gives them very sustenance and the Quality of Life that they are seeking. Management and environment is therefore a growing issue, but one finds very little genuine concern for such matters among them Managers.

The Quality of Work Life is multi-dimensional and includes both physical and psychological conditions. Factors such as the nature of the work itself, the physical conditions under which one works, and the psychological stress one is exposed to
from the job and other components of the work environment. The Quality of Work Life includes safety and health, stress, employee assistance programs, employee discipline etc. The issues of safety and health have been prominent areas of concern for employees.

The work environment has important bearing on the efficiency and satisfaction of the employees. A dim lighted, poorly ventilated and crowded place of work hampers efficiency. The workers are forced to spend more energy to accomplish tasks which they can do with much lesser efforts in otherwise conditions.

Work performance and behavior is constantly affected by physical conditions of work such as noise, illumination, heat, humidity, etc. It is now increasingly realized that many work behaviour problems associated with productivity, morale, absenteeism, accidents, fatigue, etc., can be solved with increasing awareness of working conditions. While under extreme conditions there may be a damage to health, at lesser extreme levels the working conditions may create problems of safety leading to poor performance.

**Working conditions in LIC of India**

**Rest period**

Rest period are very important in the industrial setup, if workers work continuously they may feel bore and tired. Hence, it is better to provide some time for relaxation to get rid of fatigue, otherwise his capacity to work further will be reduced. LIC employees have rest period 60 minutes.
Tiresomeness of work

In general, human body needs rest after continues work because of tiresomeness. Most of the employees are tired after their work in LIC organization the conditions under which a person works have got marked influence on his health, efficiency, psychology and quality of work he does. It is said that, environment creates a man and if we improve the environment we improve the man. It is not possible to carry on the hard work under unhealthy surroundings. It is a matter of common knowledge that healthy, bright and inspiring atmosphere. The attention of worker is divided if the surroundings are noisy and dirty. Concentration is possible only if there are no outside disturbances to divert the mind of the worker. Even the colour of the walls, placement of machinery etc., have some effect on the psychology of worker.

It is realized that good working conditions have a great effect not only on the efficiency of the workers, but also on their wages, migrations, character and on industrial relations. The efficiency of a worker depends directly on his health and willingness to work with good working conditions not only the workers remain happy but the employers also gains, because with their efficiency production is greater. Thus working conditions have a very whole sale influence on efficiency, moral and industrial relations.

LIC of India is one of the largest public sector organizations in India. LIC was nationalized on the 1st September 1956. One of the objectives of the nationalisation of LIC, was to promote employees of the corporation a sense of participation, pride and job satisfaction through achievement of corporate objectives safe working
conditions, and a supervisor who treats him with dignity. To a young new entrant, it may mean opportunities for advancement, creative tasks and a successful career. Safety and healthy working conditions, including reasonable hours of work and rest pauses, physical working conditions that ensure safety, minimize risk of illness and occupational diseases and special measures for protection of women and children.

**Employee attitude on work environment in LIC of India:**

The organisation has to create conducive environment at the work place to make employee committed to the company. Work environment includes various internal and external factors when exist at the workplace. These factors influence the employees mind and body. Work environment consists of 1. Physical environment 2. Social environment, 3. Psychological environment. The organization should provide conducive work environment in order to reduce employees problems at work, annoyance, boredom, monotony, anxiety and fatigue.

The rate of turnover is high among new employees compared to the that among senior employees. This is mainly because of the problem of adjustment and adoptability to the new surroundings and environment. Further absence of information, lack of knowledge about the new environment, cultural gap, behavioural variations, different levels of technology, variations in the requirements of the job and the organization also disturb the new employee. Further induction is essential as the new comer may feel insecure, shy, nervous and disturbed. This situation leads to instability and turnover. Hence to know the employees attitude towards work environment in LIC of India, some questions posted on table 4.5.

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Table 4.5: Employees attitude on work environment

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Statement</th>
<th>Employees Rating (Weighted Averages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>The employees feels in a sense of belonging to the LIC</td>
<td>3.18</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.53)</td>
</tr>
<tr>
<td>2.</td>
<td>The LIC organization places High value on honesty and interests.</td>
<td>3.33</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.55)</td>
</tr>
<tr>
<td>3.</td>
<td>I enjoy working in such a friendly environment in LIC</td>
<td>3.27</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.47)</td>
</tr>
<tr>
<td>4.</td>
<td>The employees enjoy autonomy in LIC</td>
<td>2.76</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.32)</td>
</tr>
</tbody>
</table>

Source: Information collected through employee questionnaire
Note: Figures in parenthesis are standard deviation

Sl. no.1 in table 4.5 is the employees feels in a sense of belonging to the LIC. The rating given by the employees is 3.18. It is above to the moderate level. As such, it is understood that employees in LIC of India feels in a sense of belonging to the LIC.

Psychological environment significantly influences certain factors of human resources like values, attitudes, aptitudes etc. Fatigue, boredom and monotony in work may leads to increase in absenteeism and labour turnover and a decline in the quality output, decline in the level of employee morale and job satisfaction leads to organization instability. Recognised honesty and interests boosts up employee morale and reduces absenteeism and labour turnover and improves quality of output. As such a question asked in Sl.no. 2 in table 4.5 is the
LIC organisation places high values on honesty and interests. For this, the sample employees rating is 3.33. It is above to the moderate level. As such, it is understood that LIC of India recognises immediately the people who work with honesty and interests.

Along with improving working conditions that are hazardous to employee health, many employers provide health services and have programmes that encourage employees to improve their health habits. A broad view of health includes the emotional as well as the physical aspects of one's life. To handle such problems, organizations a program refers employees in need of assistance to in house counselors or supervisors are often giving training and policy guidance in the type of help they can offer their subordinates. Further more, proactive organisations recognize that Employee Assistance Programme (E.A.P.) reflects the culture, language and racial makeup of its work force, and reduces absenteeism, increased efficiency, better morale and other savings. As such a question asked in Sl.no.3 in table 4.5. Ascertains employee attitude towards work environment as employee enjoy working in such a friendly environment in LIC. For this, the rating given by the employees is 3.27. It is above to the moderate extent. Thus it can be understood that the organization environment is supportive to enjoy working towards organizational goals.

When the organization has create conducive environment in working place and places high value on honesty and interests employees, and when organization recognize the importance of Employee Assistance Programme in general potential employees take advantage of enjoying autonomy in organizations day to day work decisions. As such to know how much autonomy feel the employees of LIC a
question in Sl. no. 4 in table 4.5. The employees enjoy autonomy in LIC. For this the rating given by the respondents is 2.76. It is below to the moderate level. It means that most of the employees feel that employees do not have autonomy in LIC. Hence, it is suggested that organization has to give some level of freedom to take decisions and organize their work.

Physical Facilities

Every employee irrespective of organization, gender, nature of job and designation looks forward to lead a happy and comfortable life. Higher the safe and healthy working conditions greater will be our comfort and happiness. Further this working conditions is a combination of various factors such as physical felicities, rest period, tiresomeness, drinking water facility, canteen facility, medical facility, transport facility, games, sports, recreation, library, lunch rooms, air condition, coolers and creches.

Physical Facilities in LIC of India

Satisfaction regarding safe and healthy working conditions, like drinking water, canteen, recreation, library, lunch room, temperature maintenance and rest duration facilities etc., are very important.

Drinking Water Facility

Clean and pure drinking water is necessary for employee in the work place. Employees are not satisfied with drinking water facilities
Canteen Facility

Provision of canteen facility in industrial organization has become almost obligatory. In this regard, employees are not at all satisfied with canteen facility in the company.

Medical Facilities

Medical clinic is always necessary in the company premises. The company is providing medical facilities, employees are not at all satisfied with the medical facilities.

Transport

Transport facility is also not available according to the employees.

Library

Library facility is another physical facility which is more important most of the employees are educated. It is also important in such organizations where training should be provided to employees. The majority of the employees are said they are not satisfied regarding their library facility.

Personnel Computers

Personnel computers are another most important physical facility which reduces the tiresomeness of employees, duplication of work. All employees are not provided systems in organization.

Lunch Room

Every factory employing more than 150 workers must provide adequate and
suitable rest rooms and a lunch room with provision for drinking water, where workers can take meals. When enquired about the satisfaction regarding lunch room, respondents said that they are not satisfied.

**Air Condition / Coolers**

Employees are not satisfied regarding their air conditioning in the office.

**Creches**

The Act also requires the provision and maintenance of creches in every factory where more than fifty women workers are ordinarily employed. Creches must have adequate accommodation and are to be adequately lighted and ventilated and maintained in a clean and sanitary condition. Employees are not satisfied with this facility.

Work performance and behavior is constantly affected by physical working conditions and facilities. Such as noise, illumination, heat, humidity and laborious works while under extreme conditions there may be a damage to health and many work behavior problems may associate with productivity, morale, absenteeism, accidents, fatigue etc., These problems can be solved by increasing awareness of working conditions. Such as providing drinking water facility, canteen facility, transportation facilities, sports, games, library, lunch room, air coolers, rest durations, creches and computer with latest technology may provide to reduce burden of heavy work.

The workers are forced to spend more energy to accomplish tasks which they can do with much lesser efforts in good physical facilities. A dim lighted,
poorly ventilated and crowded place of manual work hampers efficiency. As such with a view regarding physical working conditions some questions posted to employees on table 4.6

**Table 4.6: Attitude of employer towards physical facilities in LIC of India**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Statement</th>
<th>Employees Rating (Weighted Averages)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Available of physical facilities are good in LIC</td>
<td>2.44 (0.55)</td>
</tr>
<tr>
<td>2.</td>
<td>Personal computer in the office helps in work process</td>
<td>3.94 (0.47)</td>
</tr>
</tbody>
</table>

Source: Information collected through employee questionnaire  
Note: Figures in parenthesis are standard deviation

Item no. 1 in table 4.6 on availability of physical facilities are good in LIC. For this the rating given by employees is 2.44. It is much below to the moderate extent. As such, it is suggested that the physical facilities such as enough space ventilation and other facilities are to be improved in LIC of India.

Item no. 2 in table 4.6 the personal computer in the office helps in work process. For this the rating given by employees is 3.94. It is nearer to the satisfactory level as such it is evident that availability of personal computer to all employees in organization leads to improve productivity on job. It is realized that good working conditions and physical facilities have a great effect not only on the efficiency of the workers, but also on their productivity, wages, migrations, character and in industrial relations. The efficiency of an employee depends directly his health and willingness to work with good working facilities and conditions not only the
employee remains happy but the employer also gains through greater efficiency in work and production.

It can be summed up from the above that staff strength in LIC of India over a period of time revealed that there is significant down trend in staff strength in different categories. Most of the sample employees in all categories strongly agreed that external source of recruitment through advertisement is best method of recruitment. Majority of sample employees expressed that merit should be the deciding factor in selection. Most of the sample respondents indicated that selection process followed by the LIC of India is unbiased and comprehensive. Most of the employees satisfied with the placement, probation and confirmation procedure followed by the LIC of India. Also most of them felt that Induction Programme is more important

KOLB’s experimental learning cycle: Know-how and know-why it consists four elements 1. Concrete experience, 2. Observation and reflection, 3. Forming abstract concepts and generalization, 4. Testing implications of abstract concepts and generalizations. HR Managers must use this model to gain three benefits of (i) managing new knowledge drafting from reflections of employees (ii) to test them in new situations and (iii) to improve the effectiveness of employees learning.
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