CHAPTER - VIII

SUMMARY AND SUGGESTIONS
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Introduction

An age-old method of sharing of risk through economic cooperation led to the development of the concept of 'insurance'. Insurance can be defined as a legal contract between two parties whereby one party called the insurer undertakes to pay a fixed amount of money on the happening of a particular event, which may be certain or uncertain. The other party called the insured pays in exchange a fixed sum known as premium. The insurer and the insured are also known as assurer, or underwriter, and assured, respectively. The document, which embodies the contract, is called the policy.

History of Insurance of India

The Indian Life Assurance Companies Act, 1912 was the first statutory measure to regulate life business. In 1928, the Indian Insurance Companies Act was enacted to enable the Government to collect statistical information about both life and non-life business transacted in India by Indian and foreign insurers including provident insurance societies. In 1938, with a view to protect the interests of the Insurance public, the earlier legislation was consolidated and amended by the Insurance Act, 1938 with comprehensive provisions for effective control over the activities of insurers. The Insurance Amendment Act of 1950 abolished Principal Agencies. However, there were a large number of insurance companies and the level of competition was high. There were also allegations of unfair trade practices. The Government of India, therefore, decided to nationalize insurance business. An
Ordinance was issued on 19th January, 1956 nationalizing the Life Insurance sector and Life Insurance Corporation came into existence in the same year. The LIC absorbed 154 Indian, 16 non-Indian insurers as also 75 provident societies-245 Indian and foreign insurers in all.

Benefits of Life Insurance

Risk over: Life insurance gives full protection against the risk of death of policyholder. In the event of death of the policyholder, the insurance money along with bonuses accrued is paid to the family.

Savings habit: Life insurance encourages the habit of savings or thrift among the public. Premiums can be paid in installments. For instance, the monthly deduction from salary because of premium under the salary savings scheme is a convenient means of savings for the individuals.

Liquidity: Life insurance policy can serve as a security to avail the loans. Even for other commercial loans, the insurance policy is a security. The main benefit is that it results in immediate liquidity to the holder.

Tax benefits: Insurance is one of the common methods adapted to savings in income tax. The premiums paid on life insurance policies are allowed as a deduction in computing the taxable income of the individuals. Because of the tax relief available, the effective cost of the premiums paid by the holder of the policy will be less.

Protection Against Creditors: Proceeds of a policy can be protected against the claim of creditors of the life assured through a valid assignment or by taking out a policy under the Married Women's Property Act.
Cast Estate: Life insurance is the most practicable way to ensure definite payment on one's death without having to resort to conversion of other assets at a loss. Life insurance, therefore is one of the most satisfactory means of making provision for payment of Estate Duty.

Earmarking: Life insurance policies are sometimes taken with a specific goal in mind such as children's education, marriage and retirement. These policies are useful to the policyholders concerned.

Review of the Literature

The researcher reviewed no of research works on life insurance. Apart from this number of books, journals, reports, records have been reviewed and found that all the studies are relating to marketing, business performance, insurance products etc. There are very few studies on human resource management, particularly there are no studies on human resource management in LIC of India in Kadapa Division.

Need for the study

To explore and enhance the quality of life of people through financial security by providing products and services of aspired attributes with competitive returns and by rendering resources for economic development effectively to the utmost satisfaction of the people and organization. The Life insurance Organization must be manned by efficient and committed employees with required level of skills and knowledge.

The review of literature reveals there are very few studies concentrated on Human Resource Management in LIC. In particular there are no studies on Human Resource Management in LIC of India in Kadapa Division. Hence, the study assumes
greater significance and there is need for the study on human Resource Management in Life Insurance in general and in Kadapa Division in particular.

**Objectives of the study**

The objectives of the study are

1. To analyze and highlight the human resource policies and practices in Life Insurance Corporation of India.

2. To appraise procurement practices - recruitment, selection, induction policies and procedures in Life Insurance Corporation of India.

3. To assess the human resource development through performance appraisal and training practices in Life Insurance Corporation of India.

4. To examine the reward management and career development practices in Life Insurance Corporation of India.

5. To examine the employee welfare, human relations and trade unionism in Life Insurance Corporation of India.

**Methodology and sampling**

In order to achieve the Objectives stated above both primary and secondary sources of information and data are relied upon.

*Primary Data*: The primary data was collected through a structured questionnaire. The questionnaire was designed to collect the opinions and attitudes of employees on various aspects such as Manpower Planning, Recruitment, Selection, Performance Appraisal, Training, Welfare, Human Resource Development climate.
and Trade Unionism. Apart from this discussions and interviews with executives of Life Insurance Corporation of India were also relied upon.

**Secondary Data**: The secondary data was collected from the records of the administrative offices of Life Insurance Corporation of India and its divisional offices other related offices. The Annual administrative reports, periodical performance reports, office files, wage slips circulars and orders, relevant acts, service regulations, delegation of powers, recruitment rules and various reports and publication of Life Insurance Corporation of India, as well as reports of various study teams and consulting agencies were also made use of. Further, various books and journals pertaining to the theory and practice of human resource management were also studied. Data was also collected from Life Insurance Corporation of India institutes, offices of trade unions and Life Insurance Corporation of India employees unions, university libraries. The national and regional news papers, broachers', pamphlets and other published and unpublished literature on the subject were also studied.

**Sampling**

Life Insurance Corporation spread in to 108 divisions all over India. The researcher has taken Kadapa Division for the study purposefully based on its size, spread and accessibility. The division spreads over three districts i.e., Kadapa District, Anantapur district and Kurnool District. There are 20 Branches in this division. Out of these, 9 branches, (three branches from each district) have been taken for the study. Among the three branches one is urban and two are semi urban. The employee strength of Kadapa Division is given in the following table.
## Employee Strength in LIC branches of Kadapa Division

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Branch</th>
<th>Class-I</th>
<th>Class-II</th>
<th>Class-III</th>
<th>Class-IV</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Adoni</td>
<td>6</td>
<td>15</td>
<td>27</td>
<td>--</td>
<td>48</td>
</tr>
<tr>
<td>2</td>
<td>Anantapur - I</td>
<td>9</td>
<td>13</td>
<td>39</td>
<td>--</td>
<td>61</td>
</tr>
<tr>
<td>3</td>
<td>Anantapur - II</td>
<td>5</td>
<td>14</td>
<td>31</td>
<td>1</td>
<td>51</td>
</tr>
<tr>
<td>4</td>
<td>Atmakur (K)</td>
<td>5</td>
<td>10</td>
<td>21</td>
<td>--</td>
<td>36</td>
</tr>
<tr>
<td>5</td>
<td>Banaganapalli</td>
<td>5</td>
<td>11</td>
<td>19</td>
<td>--</td>
<td>35</td>
</tr>
<tr>
<td>6</td>
<td>Dharmavaram</td>
<td>6</td>
<td>15</td>
<td>21</td>
<td>1</td>
<td>43</td>
</tr>
<tr>
<td>7</td>
<td>Dhone</td>
<td>5</td>
<td>9</td>
<td>21</td>
<td>1</td>
<td>36</td>
</tr>
<tr>
<td>8</td>
<td>Guntakal</td>
<td>6</td>
<td>11</td>
<td>22</td>
<td>--</td>
<td>39</td>
</tr>
<tr>
<td>9</td>
<td>Hindupur</td>
<td>9</td>
<td>20</td>
<td>24</td>
<td>1</td>
<td>54</td>
</tr>
<tr>
<td>10</td>
<td>Jammalamadugu</td>
<td>7</td>
<td>11</td>
<td>27</td>
<td>2</td>
<td>47</td>
</tr>
<tr>
<td>11</td>
<td>Kadiri</td>
<td>5</td>
<td>12</td>
<td>16</td>
<td>--</td>
<td>33</td>
</tr>
<tr>
<td>12</td>
<td>Kurnool</td>
<td>12</td>
<td>21</td>
<td>40</td>
<td>1</td>
<td>74</td>
</tr>
<tr>
<td>13</td>
<td>Nandyal</td>
<td>13</td>
<td>17</td>
<td>37</td>
<td>--</td>
<td>67</td>
</tr>
<tr>
<td>14</td>
<td>Proddatur</td>
<td>10</td>
<td>17</td>
<td>29</td>
<td>1</td>
<td>57</td>
</tr>
<tr>
<td>15</td>
<td>Rajampet</td>
<td>9</td>
<td>13</td>
<td>28</td>
<td>1</td>
<td>51</td>
</tr>
<tr>
<td>16</td>
<td>Rayachoti</td>
<td>8</td>
<td>14</td>
<td>26</td>
<td>--</td>
<td>48</td>
</tr>
<tr>
<td>17</td>
<td>Rayadurg</td>
<td>9</td>
<td>12</td>
<td>19</td>
<td>--</td>
<td>40</td>
</tr>
<tr>
<td>18</td>
<td>Tadipatri</td>
<td>9</td>
<td>15</td>
<td>22</td>
<td>1</td>
<td>47</td>
</tr>
<tr>
<td>19</td>
<td>Yammiganur</td>
<td>6</td>
<td>10</td>
<td>24</td>
<td>--</td>
<td>40</td>
</tr>
<tr>
<td>20</td>
<td>Kadapa</td>
<td>6</td>
<td>17</td>
<td>42</td>
<td>1</td>
<td>66</td>
</tr>
<tr>
<td>21</td>
<td>P &amp; GS (Pension Groups) Kadapa</td>
<td>5</td>
<td>--</td>
<td>13</td>
<td>--</td>
<td>18</td>
</tr>
<tr>
<td>22</td>
<td>Divisional Office, Kadapa</td>
<td>58</td>
<td>--</td>
<td>88</td>
<td>4</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>213</td>
<td>277</td>
<td>636</td>
<td>15</td>
<td>1141</td>
</tr>
</tbody>
</table>

Source: Annual Reports: LIC of India.
There are as many as 1141 employees working in Kadapa division. The District wise classification of employees in urban and semi urban branches are given in the following table.

**District wise employee strength in Kadapa division**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>District</th>
<th>Urban Branches</th>
<th>Semi Urban Branches</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>KADAPA</td>
<td>234</td>
<td>203</td>
<td>437</td>
</tr>
<tr>
<td>2</td>
<td>ANANTAPUR</td>
<td>112</td>
<td>256</td>
<td>368</td>
</tr>
<tr>
<td>3</td>
<td>KURNOOL</td>
<td>141</td>
<td>195</td>
<td>336</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>487</strong></td>
<td><strong>654</strong></td>
<td><strong>1141</strong></td>
</tr>
</tbody>
</table>

These employees are classified in to four class as class one, class two, class three and class four employees. A sample of 25 percent of the total is taken by using simple random sampling method for the study. It comes to 285 employees. For the convenience of researcher 300 employees are taken as sample. The respondents are taken proportionately from urban and semi urban areas. Care is taken to cover all the classes of employees. District wise sample is presented in the following table.

**District wise sample of employees**

<table>
<thead>
<tr>
<th>S.No.</th>
<th>District</th>
<th>Urban Branches</th>
<th>Semi Urban Branches</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>KADAPA</td>
<td>65</td>
<td>55</td>
<td>120</td>
</tr>
<tr>
<td>2</td>
<td>ANANTAPUR</td>
<td>30</td>
<td>60</td>
<td>90</td>
</tr>
<tr>
<td>3</td>
<td>KURNOOL</td>
<td>40</td>
<td>50</td>
<td>90</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>135</strong></td>
<td><strong>165</strong></td>
<td><strong>300</strong></td>
</tr>
</tbody>
</table>
Statistical Tools for analysis

A well designed questionnaire with likert's five point scale is distributed among the respondents and based on their opinions in order to process the data collected through questionnaire SPSS package has been used. For the analysis of the data the researcher applied percentages, weighted averages and standard deviation. The attitude of the employees has been inferred based on above measures.

Period of the Study

The secondary data are collected for a period of 10 years from 2000-01 to 2009-10 for the analysis of Human Resource management in LIC of India during that period. The questionnaire survey is conducted during June to October 2010.

Limitations of the Study

The study is an attempt to present the H.R. management in LIC in a comprehensive way. As the study is mostly based on both primary data and secondary data, the truthfulness of the study to a considerable extent depends upon the exactness of the data published by LIC and various other agencies and organizations. Surprisingly, uniformity in the presentation of data is not found in some of the reports even published by the same authority. So, cent percent accuracy cannot be attached to the data. Any change in data may warrant a revision of ideas. Hence, studies of this nature can, therefore, be seldom all inclusive or final. As mentioned earlier, the study period has been 10 years from 2000-01 to 2009-10. But, due to non-availability of data, the period has been restricted wherever necessary. However, the thesis incorporated considerable amount of information for the study period from 2000-01 to 2009-10. In spite of the above limitations, all efforts have been made to make the study comprehensive and analytical. But analytical deficiencies in any form cannot be ruled out in the study.
Profile of Life Insurance Corporation of India

Life Insurance Corporation of India is a wholly owned undertaking of the Government of India. Life Insurance Corporation of India was established by an Act of Parliament on 1st September, 1956. Its Central Office is located in Mumbai. It also has eight zonal offices each located in Mumbai (Western Zone), New Delhi (Northern Zone), Kanpur (North Central Zone), Bhopal (Central Zone), Chennai (Southern Zone), Hyderabad (South Central Zone), and Kolkata (Eastern Zone), Patna (East Central Zone).

It has a network of over 2000 (2048) branches and more than nine lakh agents. Over 55 years, LIC has become a household name for providing security for a lifetime and in synonymous to life insurance in India. LIC ranks No. 1 in the list of total 500 companies on the basis of Net Worth (Rs. 15,47,951 million) as well as Net profit (2,66,277 million) - Dun & Bradstreet (India 500)

Human Resources

Employees are the backbone to an organization. Employee’s efforts turn corporate goals into realities. Employees with right skills for right jobs are real assets to an organization. Keeping these facts in mind, the employees of the corporation are broadly divided into the classes such as officers and employees. The total number of employees has declined continuously from 124,385 in 1998-99 to 113,184 in 2005-06. After that the total number of employees has increased continuously year after year and stood at 115,966 in 2009-10. The total employee force of 124,385 in 1998-99 officers account for 27.27% while employees account for 72.73 percent. Almost all the same trend has been observed throughout the study period. However,
there has been a gradual increase in the number of officers while there has been a gradual decline in the number of employees. For instance, officers who stood at 27.27% in 1998-99 increased to 42.37% in 2009-10 while employees who stood at 72.73% in 1998-99 declined to 57.63% in 2009-10. This reveals that employees are far more than that of the officers in the LIC.

Procurement Practices in Life Insurance Corporation of India

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
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 employer.

The attitude of employees towards nature of jobs in LIC organization is enquired with several questions. 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. Job security is the reason the joining in LIC, 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 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. It is enquired, 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 adequacy and fair salary the extent of degree of satisfaction of the employees regarding their paid salary in meeting their needs. A statement was posted to employees. 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 receive.

Employees spend a great deal of their time in the organization. As such the work environment should be conducive to healthy life, malnutrition, un sanitary 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 healthy working conditions like drinking water, canteen, recreation, library, lunch room, temperature maintenance and rest duration facilities etc., are very important. To know the attitude of employees towards the better working conditions in LIC. A statement was posted to employees on better working conditions are the reasons for joining in LIC of India. The respondents have 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:**

Advertisements are one of the most common methods 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 to employees, 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.

A question is asked to employees to know the attitude of employees to what extent the referrals are helpful as the source of recruitment. Are friends and relatives working in the LIC of India helped 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. 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.

To know the attitude of employees towards recruitment by recommendations, a statement was posted to employee, 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.

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

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. 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 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 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.

The selection process in LIC of India is above moderate level 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 and Induction in LIC of India

This could be understood from the opinion of the employees that placement and confirmation process in LIC is objective. 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 as 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.

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 work place. 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. Hence to know the employees attitude towards work environment in LIC of India, some questions posted. Whether employees feel 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.

A question asked is the LIC organisation places high values on honesty and interests. For this, the 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. 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. It is enquired how much autonomy feel the employees of LIC is asked. 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 employee do not have autonomy in LIC. Hence, it is suggested that organization has to give some level of freedom to take decisions and organise their work.

Performance appraisal

Performance appraisal is the “systematic evaluation of the individual with respect to performance on the job and potential for development”. Performance appraisal also known as performation evaluation, personnel rating, merit rating, employee appraisal or employee evaluation, compares an individual job performance against standards or objectives developed for the individual's position.

Performance Appraisal in LIC of India:

The mechanism of performance appraisal in LIC of India is not systematic, it is following a system of confidential reports (CR) and annual confidential reports (ACR) systems. It is organising like any other Govt. Organisations LIC of India is a business and service oriented organisation. Hence it should follow all modern techniques of performance appraisal.
The Annual Confidential Report (ACR) written annually by one's immediate boss about one's performance and it is not disclosed to the appraisee. Varkkey et al. (2008) had remarked "effectiveness and credibility of the existing ACR system, that is based on the philosophy of control and secrecy has been questioned and viewed negatively. The process is viewed as unreliable, since it fails to distinguish between performance levels and is not linked to any other HRM system than promotions" in LIC of India.

Nature and extent of performance appraisal in LIC of India.

The performance appraisal system was fair and transparent and reports are based on objective assessment and adequate information. As such it is enquired to what extent the LIC following the fair and transparent P.A. system. For this, the rating given by the respondents is 2.25. The rating given by the employees could be understood that employees feel the periodical evaluation of work performance in LIC of India is done just below moderate extent. As such it is treated as not satisfactory. Hence, it is suggested that there should be an objective performance appraisal system with fair treatment to all the employees. The system should be transparent to the employees.

Whether performance appraisal parameters and methods are appropriate and relevant in LIC, not on favors. For this, the rating given by the respondents is 2.50. The rating given by the employees could be understand that employees feels that LIC of India's present Performance Appraisal (P.A.) process done through the confidential reporting system is not upto the mark. Hence, it is suggested that the present system should be changed and employees must be informed by management.
about the performance appraisal parameters and methods followed by LIC of India.

A question is asked to employees the rating of employees is 1.59. These rating reveal that the employees attitude about employee participation in appraisal process is not upto to the moderate extent. In view of this, it is suggested that employee participation in the appraisal process should be provide so that it is useful in identifying their shortcomings.

Development of organization directly depends upon the improvement in Human resources of that organization. As such a question is asked to employees whether the LIC organization is following the performance appraisal system is employee development oriented. For this the rating given is 2.71. The rating is not upto the moderate extent, it needs improvement.

Performance Appraisal Feed back

The feedback of performance appraisal must be given to the employees. As such, employees would come to know about the strong / weak areas of their performance and thus, they can plan for improvement. Moreover, due to this employer can also send employees for training to develop weak areas of performance which would support to development of the organization as a whole.

Whether weakness of employees is communicated to them in a non threatening way about their performance? The ratings given by the employees is 2.47. It is not upto the moderate level. It means that employees feel threatened on feed back. In view of the above, it is suggested that the LIC organization should improve the feed back system so that the employees can aware of their weakness so that they can develop their performance.

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When behavior feedback is given to employees, they take it seriously and use it for development. The rating given by the employees is 2.33. This shows that the attitude of employees towards the feedback utilization for employee development is not up to the moderate extent. It is suggested that the Management may take up training programme on performance feedback and educate them to use it for improvement.

To know whether employees are afraid to discuss their feelings on performance appraisal with their supervisor, a question was asked. The rating given by the employees is 3.54, which reveals that employees are afraid to discuss with their supervisor. The supervisors are middlemen between Management and employees. They should give freedom of expression to the employees. In view of this, it is suggested that performance discussion should be held between managers and employees in a friendly manner so that employees can reveal their opinions and plan for better performance to achieve organization goals/ targets.

Attitude of Employees Towards Training:

Training helps to remove deficiencies in employees which are caused by lack of ability. Moreover, it provides a good climate for learning, growth, and coordination. Training enhances the human resource capabilities and strengthens the organization's competitive edge. Regarding the attitude of employees towards feeling of employees in LIC, a question was enquired about the adequacy of training programmes in LIC. The rating given by the sample employees is 2.33. It is below the moderate extent. This reveals that the training programme is not adequate in LIC. As such, it is suggested that adequate
training programmes should be designed in regular intervals based on the requirement of the employees.

A question is asked to employees on relevance of training to the job requirements compatible. For this, the rating given by the sample employees is 2.47. It is much below to the moderate extent. It reveals that the training received by the employees is not relevant to the job performance. Hence the LIC of India should thoroughly analyse the job requirement, abilities and training must be given to the employees accordingly. So that the employees can perform well in day to day functioning of LIC organization.

Periodicity of training is adequate in LIC of India is posted to the employees. For this the rating given by employees is 2.52. It is below to the moderate extent. Hence, it is concluded that periodicity of training is not adequate in LIC of India. Thus, it is suggested that employees must be exposed to training much frequently by which their skills are improved to better performance over the job in new changing environment and technological advances.

Do you agree that adequate training centres are available in LIC of India? For this the sample employees rated as 1.59 is much below average extent. It reveals that training centers are very meager. Thus it is suggested that adequate training centers must be established in accordance with the employee training needs.

Attitude of employees towards learning facilities and course contents of training in LIC of India

Learning facilities and course contents of training in LIC of India. The first item in this table asked respondents to rate whether availability of training material
is good. For this the sample employees have rated 3.07. It is above moderate level. This reveals that training centers are providing good training material. The training centers have well staked libraries containing good training material but there is a scope for improvement.

Whether course contents of training are good? For this the employees have rated 2.42. This reveals that the course contents of training is not up to the mark, it is much below to the moderate extent and needs improvement. As such it is suggested that the staff colleges should able to provide proper course contents in training for employees. The course content should have all the aspects of the jobs in LIC.

Supply of course material is adequate. For this the sample respondents have rated 3.22. This reveals that the training centers are providing adequate training course material for trainees as the rating is just above to the moderate extent. Successful class room training requires abilities like thorough knowledge of the subjects to be taught as well as the methodology of teaching adult learners. Apart from these core abilities, the trainers should have adequate motivation for effective teaching. Moreover, faculty members should be more experienced and competent. Whether employee receive training through experienced and competent trainers. For this the sample employees rated 3.52 which is above to the moderate extent. This shows that the trainers have adequate knowledge, experience about the subject they teach their employees.

Whether LIC offered you the training such as Yoga, Dyana? For this the rating given by the employees is 1.29. It is below to small extent. From this it can be
ascertained, employees are not exposed to Yoga and Dyana in training sessions. As such it is suggested that every day before starting training session all trainees must be practice Yoga and Dyana to remove their stress and to increase their concentration on learning skills for doing the job successfully to achieve the goals of organization.

Transfer of training to the job and post training evaluation of employees in LIC of India

The employees is likely to find themselves unusually clumsy during the early stages of learning, by the motivation and giving appropriate material time and interest of the employee depends on success of a training course. As such to know the employee participation in training a question asked the employee. Whether employee participation in training is good in LIC? For this the rating given by the sample employees is 2.47. It is almost too small extent. Thus it is understood that the employee participation in training is not much. It is suggested that trainees must be motivate and trainers should encourage trainees to participate in training programme.

How training transferred to work situation on to the job. Is employee finds it easy to apply the transfer training they received to the work. For this the rating given by sample employees is 2.33. It is much below moderate extent. It can be understood that the inputs in the training process effective only to a very small extent. So, it is suggested that the inputs knowledge in the training institute should be clear and effective so that employees can acquire the skills and put the efforts at the actual work place.

An enquiry is made to know what extent the respondents are satisfied by the evaluation of the trained employee in LIC of India. It is observed that the rating
given by the sample employees is 2.33. It is much below to the moderate extent. As such it is suggested that they have to develop tactical plan to evaluate their performance continuously for the obtainment of the corporation's mission.

What extent the sample employees satisfied the method of training programme following in LIC of India organization for this, the respondents given the rating 1.92 is much below to the moderate extent. As such it is suggested that the organization has to follow modern training methods such as case study method, brain storming, discussions, committee assignment methods etc. These methods will improve the employee participation in training. These methods may be adopted along with traditional lecture method.

**Employee Career Development in LIC of India**

To know the perceptions of the employees satisfaction with the carrier opportunities available in LIC the rating given by the employees is 1.96. This shows that the attitude of employees towards the carrier opportunities in LIC is not upto the moderate extent and positive. The performance appraisal system in LIC is confidential report (CR) the CRS may not provide the complete reflection of a person many times people are some what over rated and some time adverse. In view of this it is suggested that LIC should adopt modern performance appraisal methods. It should improve the career advancement opportunity by improving the different grades and scales so that the employees will have chances to go up in their career.

The employees attitude about the job security in adverse confidential reports is enquired. The rating given by the employees is 3.85. This reveals that the job security in LIC is good and employees are strongly agreed even if the ACR are
adverse they do not have any job security problem.

**Identifying Training Needs:**

In general most part of the employee appraisal based on identifying the training and development needs for career planning and to know the job design errors. In performance appraisal system employees are encouraged to identify their career needs, to know the attitude of sample employees a question posted. Employees are encouraged to take the initiative in determining their career needs. For this, the sample employees gave the rating as 2.59. It is below moderate level. Due to the mechanism followed by LIC of India for Performance Appraisal. Is Annual Confidential Reports (A.C.R.s) there is no scope for employee determination of career needs. It is suggested the employees should be encouraged to determine their career needs and accordingly they should be given career options.

Training needs identified in order to develop critical skills of employees for assigned tasks is enquired. For this, the rating given by sample employees 2.29. This shows that the attitude of sample employees towards identifying the training needs in Performance Appraisal (PA) system is not upto the moderate extent. It can be inferred that the present system is not suitable to identify training needs. Hence, it is suggested to improve performance appraisal to find out the training needs.

Apart from organisation development, the top management is also interested in the individual development of employees. For this, the rating given by sample employees is 2.60. This shows the attitude of sample employees of LIC of India towards top management interest in individual development of employees is not upto the moderate extent. It is suggested that the attitude of Management should
be develop individual employees along with their development.

To know the perception of sample of top management is ready to invest in development oriented activities. The rating given by the sample employees is 2.47. It is not up to the moderate extent. Identifying training needs is very important. Training needs can be identified by anticipating future requirements or problems of the organisation, more over if training needs are assessed properly, then, employees would get knowledge about how to meet the changing requirement of the job and the organisation.

**Attitude of Employees towards promotion policy in LIC of India:**

Promotion refers to elevation from lower grade or cadre to upper grade or cadre. Promotions are an acknowledgement of past performance and future potential to shoulder higher responsibilities.

Do you feel satisfactory about promotion you got so far in LIC of India? For this the employees have rated as 2.64. It is below to the moderate extent. Thus it is concluded that employees are not getting promotions satisfactorily in LIC of India.

Are there ample opportunities for promotion in the organization? For this the sample employees have rated as 2.50. It is below moderate extent. Thus, it can understood that the promotion opportunities are very meager in LIC of India. Whether seniority only basis for promotion in the organization? For this the rating given by the employees is 3.50. It is above to the moderate extent. Thus it can understood that the organization is considering seniority as the basis for promotion.
Merit is the only basis for promotion in organisation. For this the rating given by the employees is 2.25. It is much below to the moderate extent. Thus it can be concluded that the organization is not considering merit as the basis for promotion. The employee perception about the seniority cum merit is the basis for promotion in the organization. For this, the rating given by the sample employees is 2.05. It is far below to the moderate extent. Thus it can be concluded that LIC of India is not even following seniority cum merit as basis for promotions. It can be concluded from the above that the employees are not satisfied promotions in LIC. They feel that the promotional opportunity are very less. LIC is following only seniority is the basis for promotions. In view of all this it is suggested that LIC should improve the chances of promotion by dividing the positions into more grades. It is also suggested that along with seniority, merit also should be considered for promotions in LIC.

**Employee Opinion on Transfer Policy in LIC of India:**

In LIC of India, there is a well defined transfer policy. Employees are transferred periodically for every 5 years. Transfers are compulsory, because of the reason that a change has been taken place in the interest of capacities of an individual, necessitating his or her transfer to a different job. Whether management and employee both have decisive influence on transfers? For this, the rating given by the employees is 2.25. It is much below to the moderate extent. Thus it can be understood that management and employees both together are not deciding transfers of employees.

Whether only employees have decisive influence on transfers in LIC? For this, the rating given by the employees is 1.29. It is much below to the moderate extent.
extent and even small extent. Thus it can be understood that employees do not have decisive influence on transfers. Whether only union has decisive influence on transfers? For this, the rating given by the employees is 2.25. It is much below to the moderate extent. Thus it can be understood that unions do not have decisive influence on transfers. Whether only management has decisive influence on transfers? For this the rating given by the sample employees is 3.44. It is above to the moderate extent. Thus it can be concluded that the management of LIC of India organization only have decisive influence on transfers. Whether the present policy of transfers is good? For this the rating given by the employees is 2.29. It is much below to the moderate extent.

Employee Rewards and welfare in LIC of India

Reward constitutes an important element in Human Resources Management. Reward Management is essentially about designing, implementing and maintaining pay systems which help to improve organizational performance. To do this, the system has to provide for competitive pay levels and structures and to ensure that rewards are linked explicitly to contribution, performance and potential. The emphasis today is on paying for performance in order to achieve productivity through people.

Employee Attitude towards reward management in LIC of India

Employees mostly concern the adequacy of the total salary to meet their various needs like living, children's education, medical aid and the like. Employees are satisfied with the job and feel happy, if their salaries are adequate to meet their requirement and the vice versa is true, if the salaries are not adequate. Is your salary at par with the industry standards? For this, the employees rated as 3.61. It is above the moderate extent. Thus it can be understood that the salary of LIC of India employee is at par.
with the Industry Standards. Is your salary sufficient to meet needs of your family? For this, the rating given by the employees is 3.91. It is much above the moderate extent and nearer to the satisfactory level. Thus it can be understood that the salaries of LIC employees are sufficient to meet needs of their families.

Is your job gives economic security by way of regular employment and regular income? For this, the rating given by respondent is 4.40. It is above satisfactory level. Thus it can be understood that the LIC employees are fully satisfied with their job provided economic security by way of regular employment and regular income. Have you received sufficient incentives, relevant perks and benefits? For this, the rating given by the employees is 3.37 it is above to the moderate extent. Thus it can be understood that the LIC employees receive sufficient incentives, relevant personnel benefits along with the salary.

Attitude of Employees on Loans and Advances

Do you feel that employees are provided sufficient advances to meet needs? For this, the rating given by the employees is 2.80. It is below to the moderate extent. Thus it can be understood that the LIC employees are not receiving sufficient quantum of advances for their needs. It is suggested that amount has to be increased and procedure has to be made flexible to get early sanction of advances.

About the loan facilities in LIC a question asked. Do you feel that employees are provided sufficient loan facilities in LIC? For this, the rating given by the LIC employees is 2.80. It is just below to the moderate extent. It can be understood that LIC employees are not satisfied with available loan facilities in the organization. It has to be improved by developing flexible loan facilities based on individual priorities.

Employee Attitude towards Leave Facilities

It is generally agreed that vacations are essential to the well being of an employee. There are several ways in which employees may be compensated during periods
whey they are unable to work because of illness, injury, marriage, a death in the family or other personal reasons. While vacations are a relatively easy benefit to manage, employer should nevertheless remember that vacation scheduling must meet the employers state wage laws and State contract law principles. As such to know the employees attitude towards leave facilities in LIC of India a question was asked whether leave facilities are sufficient. For this, the rating given by the employees is 4.30. It is above satisfactory level. Thus it can be concluded that the LIC employees are satisfied with their leave facilities and organization has provided vacations with pay, paid holidays, sick leave, maternity leave, extraordinary leave and severance pay.

**Employee Attitude towards Disciplinary Procedure in LIC of India:**

The main objectives of discipline are to obtain a willing accept of rules, regulations and procedures of organization, to get related changes in informal behaviour patterns to increase work efficiency and morale of the employees etc., and to eradicate indiscipline the organization has to follow some approaches to discipline and disciplinary procedure.

Have you faced any disciplinary action? For this, the rating given by the employees is 1.59. It is much below to the small extent. Thus it can be concluded that very few LIC employees have faced disciplinary action. Whether disciplinary procedure in LIC is good? For this, the rating given by the employees is 3.90. It is over moderate extent. Thus it can be concluded that LIC of India employees are satisfied with disciplinary procedure followed in their organisation.

A question asked about do you agree the need of disciplinary action in the organization? For this, the rating given by the employees is 3.86. It is very nearer to the acceptance level that is moderate level. Thus it can be concluded that the employees of LIC of India have positive aspect and believe in support discipline
and adhere to the rules, regulations and desired standards of behaviour. Discipline takes the form of positive support and reinforcement for approval actions and its aim is to help the individual in moulding his behaviour and developing him in a corrective and supportive manner.

**Employee Attitude towards the causes of grievance in LIC of India:**

A grievance is a sign of employees discontent with job and its nature. The employee has got certain aspirations and expectations which he thinks much be fulfilled by the organization where he is working. When the organization fails to satisfy the employee needs, employee develops a feeling of discontent of dissatisfaction.

Are there grievances about pay, incentives, allowances and benefits? For this, the rating given by the LIC employees is 3.25 above the moderate extent. It can be concluded that LIC employees express that grievance about pay, incentives allowances and benefits are high in nature. As such it is suggested that the management of LIC of India has to concentrate more on pay, incentives and benefits to the employees. The insurance business depends mostly on its employees. The incentive and other benefits encourage them to work more. Hence, the management should pay these incentives timely and accurately. Are there grievances about work assignment and working conditions? For this the rating given by LIC employees is 3.15. It is above the moderate extent. It can be concluded that LIC of India working conditions are not satisfactory to the employees. The working conditions need to be improved in their offices.
Regarding grievances about leave facilities, the rating given by the employees is 2.71. It is below to the moderate extent. It can be concluded that the employees of LIC feel grievance about leave facilities is not serious. LIC may ensure leave facilities to its employees. Regarding grievances about disciplinary action, the rating given by the employees is 2.29. It is far below to the moderate extent. As such, is concluded that more number of LIC employees are having positive attitude towards disciplinary action in LIC of India.

**Employee Attitude towards Grievance Discharge in LIC of India:**

A grievances may be factual or imaginary or disguised and it is problem whether expressed or not, valid or not. When an employee presents a problem, the grievances redressing authority has to analyse the problem, find out the root cause of the problem to do not seriously disturb the employees. This may affect their morale productivity and their willingness to cooperate with the organization. A question is asked, are your grievances settled? For this the rating given by the LIC employees is 3.85. It is just below to the satisfactory level. As such, it can be concluded that grievances redressal is done appropriately. Is the present grievance mechanism is satisfactory? For this the employees rated as 3.82. It is just below to the satisfactory level. As such, it can be concluded that the present grievance mechanism in LIC of India is satisfactory discharging grievances.

**Unionism and Union Management Relations**

Trade unions have become an integral and powerful factor in the contemporary economic system and their impact felt by all organisations in an economy. With the industrial expansion over the years and the protection that
organised labour has received, the employees’ organisations have acquired some degree of political and organizational viability. The formation of organizations by employees is only a ‘corally’ to the dawn of the industrial age and to the development of the system of capitalism. The scenario or exploitation of employees by employers led to the birth of unions and employees have come to join hands to secure better economic and working conditions to fulfill their desire to be heard and to raise their status.

**Employee attitude towards union management relations**

In order to know the attitude of employees on union management relations the researcher asked eight questions. To know the employees attitude towards union management, relation a question posted that, have you been compelled to become a member of any union? The rating given by the respondents for the question is 2.50. It is much below to the moderate extent. As such, it is understood that the unions have not compelled the employees to become members of any union. Employees view on the principle objective of employees trade union is to protect jobs. For this, the rating given by the respondents is 2.02. It is far below moderate level. It is understood that the unions are not working alone for protecting the jobs of the employees. The objectives of the LIC employee unions are much above this.

Employees views on trade union objective is bargain for better wages, salary and benefits. For this, the rating given by the respondents is 3.50. It is over moderate level. As such, it is understood that the unions are bargaining in a better way to get
better salaries and benefits for LIC employees. Employees view on trade union objective is to obtain better working conditions. For this the rating given by the respondents is 3.10. It is at moderate level. As such, it is understood that the unions of LIC employees are bargaining to obtain better working conditions. Are unions of LIC employees to protect its members from arbitrary action of management. For this, the rating given by the employees is 3.12. It is above moderate level. As such, it is concluded that the employee unions of LIC employees are protecting its members from the arbitrary action of management.

Employees attitude towards trade union objectives to administer welfare programmes. The employees rated it as 3.89. It is just below satisfactory level. As such, it is understood that the employee unions of LIC are administering welfare programmes to the satisfactory level. Employees views on trade union objective to educate its members. For this, the rating given by the employees is 2.05. It is far below moderate level. As such, it is understood that the unions of LIC are not working for educating its members towards organization goals. Hence, it is suggested to educating its employees on various aspects of organisation and union activities.

Employee Attitude on Strikes

Generally when there is disagreement between employee unions and management the unions resort to different agitations and strikes. The strikes and agitations will adversely effect the performance of LIC. An attempt is made to know the opinions of employees on strikes. Whether LIC employees used strikes frequently to concede the demands? For this, the rating given by the employees is 2.92. It is below to the moderate extent. It reveals that LIC employees are not used strikes frequently to concede their demands.
Employees attitude towards the employees problems should be solved through negotiations. For this the rating given by the employees is 3.22. It is above moderate level. As such, it can be concluded that almost all LIC employees agreed that the problems should be solved through negotiations. Employees attitude towards the weapon of strike should be completely replaced by constructive consultative machinery. For this, the rating given by the employees is 4.36. It is above the satisfactory extent. As such, LIC employees are having positive attitude towards replacing strikes with constructive consultative machinery. Hence, the LIC employees unions should work in these lines. Employees opinion towards whether you are satisfied with the union management relations. For this, the rating given by the employees is 3.86. It is much above to the moderate extent. As such, it can be concluded that the management of LIC of India organisation maintaining cordial union management relations.

Attitude on Employee Participation in Management

The human relationship in an enterprise plays a pivotal role. If managed efficiently, it can be the key to success. This involves managing the relationship with employees vis-a-vis their representatives. The concept of the organizational relationship is under going a change and therefore it is essential for the managers / executives to develop adequate skills with shift in mindset / approach to improve the managerial effective towards employee participation in management.

The attitude regarding employee participation in management a question has
been administered for employees. Employees attitude towards that, is LIC of India fully following the formal participation of employees in management. For this, the rating given by the employees is 2.29. It is much below to the moderate extent. There is a scope of improvement in this area. As such it is suggested that formal participation of employees in management be encouraged.

If essential do you suggest the formal participation of employee in management. For this, the rating given by the employees is 4.05. It is above satisfactory level. As such, it is understood that all LIC employees are suggested the formal participation of employees in management should be provided in LIC of India. Are you satisfied with existing system of employees participation in management of LIC. For this, the rating given by the employees is 2.53. It is much below to the moderate extent. As such, it is understood that LIC employees are not satisfied with existing system of employee participation in management of LIC. Thus it can be concluded that LIC of India has to provide formal and informal employee participation in management to promote motivation, productivity, to maintain industrial peace and harmonious industrial relations and to build the most dynamic human resource.