CHAPTER –I

INTRODUCTION AND DESIGN OF THE STUDY

1.1 INTRODUCTION

Sense of estrangement felt by employees, reflected in their lack of warmth towards the organization and in believing that their job is not meaningful to other aspects of their lives. Alienation is caused commonly by factors such as a lack of involvement in even basic decision making, lack of human contact, little hope for betterment, and a feeling of powerlessness. Historically, Rousseau was the first to give a sociological dimension to the concept of alienation. Later, Marx (1844) was initially in the Young Hegelian camp and, like Feuerbach, rejected the spiritual basis, and adapted Hegel's dialectic model to a theory of (historical) materialism. Marx's concepts of alienation have been classed into four types by Kostas Axelos (1976): Economic and Social Alienation, Political Alienation, Human Alienation, and Ideological Alienation.

The psychological aspects of alienation refer to the state of self-alienation and to the awareness of the separateness from one's own inner reality. Hence, alienation is a conscious psychological state of the worker that can be measured empirically by assessing workers' beliefs and attitudes. Seeman (1959) is of the opinion that alienation has five components, namely, powerlessness, meaninglessness, normlessness, isolation and self-estrangement. In fact, alienation can be understood as a multi-dimensional concept requiring specifications in respect of the alienating conditions on the one hand and the alienated state on the other. Job alienation refers to the absence of a sense of identification with the work organization, its goals, or fellow workers.

Anxiety is an emotional state, in which people feel uneasy, apprehensive, or fearful. People usually experience anxiety about events they cannot control or predict, or about events that seem threatening or dangerous. Anxiety also called angst or worry, is a psychological and physiological state characterized by somatic, emotional, cognitive, and behavioral components. In work situations, performance anxiety is linked to very intense stress felt about adequately or successfully working at a job.
According Yerkes-Dodson law (1908), an optimal level of arousal is necessary to best complete a task such as an exam, performance or competitive event. However the level of arousal exceeds that optimum, the result is a decline in performance. Job anxiety is most common in fields where high pressure exists and where outcome of work has a significant effect on one’s own job or on the people with whom one works.

Insurance sector in India grew at a faster pace after independence. In 1956, Government of India brought together 245 Indian and foreign insurers and provident societies under one nationalized monopoly corporation and formed Life Insurance Corporation (LIC) by an Act of Parliament, viz. LIC Act, 1956, with a capital contribution of Rs.5 crore. The RN Malhotra Committee submitted its report in 1994; it took another six years before the enabling legislation was passed in the year 2000, legislation amending the Insurance Act of 1938 and legislating the Insurance Regulatory and Development Authority Act of 2000. The same year the newly appointed insurance regulator - Insurance Regulatory and Development Authority (IRDA) started giving licenses to private life insurers.

LIC functions with 2048 fully computerized branch offices, 109 divisional offices, 8 zonal offices, 992 satellite offices and the corporate office. LIC’s Wide Area Network covers 109 divisional offices and connects all the branches through a Metro Area Network. LIC has tied up with some Banks and Service providers to offer on-line premium collection facility in selected cities. LIC’s ECS and ATM premium payment facility is an addition to customer convenience.

1.2 STATEMENT OF THE PROBLEM

The term Job alienation is frequently encountered in descriptions of unhappy employees. One may experience alienation if he does not have sufficient control over his job or cannot satisfy his need for esteem, recognition, or fulfillment. The job alienated individual is considered one for whom work is merely instrumental in obtaining more extrinsic or economic rewards. The cost of negative feelings such as alienation may be high to the organization as well as to the individual. Job alienation affects productivity and reflects social costs incurred in the work place. In addition to
lost productivity, withdrawal behavior has real social costs for the organization as well as the individual.

Everyone experiences anxiety to some degree. Most people feel anxious when faced with a new situation, such as a first date, or when trying to do something well. A mild and moderate amount of anxiety in these situations is normal and even beneficial. However, too little anxiety or too much anxiety can cause problems. Individuals who feel no anxiety when faced with an important situation may lack alertness and focus. Whereas, individuals who experience an abnormally high amount of anxiety often feel overwhelmed, immobilized, and unable to accomplish the task at hand. People with too much anxiety often suffer from one of the anxiety disorders. In the workplace, these symptoms could translate into difficulty in working with colleagues and clients, trouble concentrating, preoccupation over the fear instead of focusing on work, and turning down assignments because of fear of failure.

The 1990s saw radical policy changes with regard to fiscal deficit and structural changes in India to prepare her to cope with the new economic world order. Globalization and Privatization led policies compelled the public sector to reform and adjust to have a competitive edge to cope with multinationals led environment. The advent of technological changes, especially extensive use of computers in the sector has changed the work patterns of the public sector employees and has made it inevitable to downsize the work force in the sector. The implications of these transformations have affected the social, economical and psychological domains of the public sector employees and their relations. In insurance industry IRDA started issuing licenses to private life insurers. More number of Competitors entered into the insurance industry with innovative products. So far LIC enjoyed monopoly status in the industry. In this context the present study is conducted to expose the job alienation and job anxiety of LIC employees. Further the researcher attempts to know the job alienation and job anxiety of LIC employees and its relationship to their job behavior.

1.3. SCOPE OF THE STUDY

The study is taken into consideration the Life Insurance Corporation. The study will cover the job alienation and job anxiety related to job behavior of LIC
employees in selected southern districts of Tamil Nadu, which enable to identify and reduce the job alienation and anxiety problems in their work place.

1.4. OBJECTIVES OF THE STUDY

The objectives of the study are:

• To analyze the job alienation and job anxiety of LIC employees
• To know the relationship between Job Alienation, Job anxiety and problems faced by LIC employees.
• To study the influence of relaxation measures on job alienation and job anxiety of LIC employees.
• To build the model that relates the variables of job alienation, job anxiety and job behavior.
• To offer possible suggestions to reduce the job alienation and job anxiety among LIC employees.

1.5. HYPOTHESES

• Job Alienation mediates the relationship between job anxiety and job behavior of LIC employees.
• Job Anxiety mediates the relationship between job Alienation and job behavior of LIC employees.
• There is no significant relationship between the problems faced and job Alienation, job Anxiety of LIC employees
• There is no significant relationship between relaxation measures and job Alienation, job Anxiety of LIC employees.

1.6. RESEARCH DESIGN

The problem under research is to describe certain characteristics such as applications, dependency, acceptability and advantages of the subject matter under consideration. The researcher has brought out the existing nature of these characteristics of the subject matter with respect to the study organization, with the help of detailed analysis of the collected data. Hence the research design that has been adopted for this research is ‘Descriptive’ analysis.
1.7. SAMPLING TECHNIQUE

LIC employees working in southern districts of Tamil Nadu constitute the population of the study. Balancing the limitation of the time and requirement for precision in empirical estimates, it was decided to select a sample of 250 LIC employees. Respondents were selected on the basis of stratified random sampling method. The sample respondents were taken from three districts namely Madurai, Sivagangai and Ramanathapram. The sample respondents were taken from the ten selected LIC Branch offices at the rate of 25 employees from each Branch. Out of 10 branches, four of which is from Madurai district, four from Sivagangai district and rest from Ramanathapram district.

1.8. DATA COLLECTION

Primary Data: The present study is based on primary data. The primary data collected through structured questionnaires on different aspects relating to the research problem was obtained from the sample.

Secondary Data: To support the interpretations of the primary data, information from Books, Journals, Dissertations and Research papers were studied. Also, Internet portals and Websites were browsed to understand the concept of the research.

1.9. DATA COLLECTION TOOL

A questionnaire was employed to collect the data from the sample units. The questionnaire included various types of questions to cover up the research problem. Open and Close-ended questions with alternatives and scaling techniques were adopted. The questionnaire had been partitioned into different categories addressing the various issues of the research problem. Construct validity is used to ensure that the questionnaire is actually measure what it is intended to measure. Opinions from subject experts were solicited, in this process so that there was a weeding out of unwanted items and modify the items to the requirement of the study.

For the purpose of fulfilling the objectives of the study and to collect data, it was decided to use the following scales.

1. Job Alienation
2. Job Anxiety and

3. Job Behavior

Job Alienation scale contains 5 dimensions namely powerlessness, meaninglessness, isolation, normlessness and self estrangement. Each dimension contains 5 statements. 25 statements to be responded on a 7 point rating scale starting from 1.Always to 7.Never. To measure the reliability of the Job Alienation scale, the cronbach’s alpha was calculated. The reliability co-efficient of job Alienation scale was 0.7298. It highlights the reliability of the scale reasonably fit.

**Table no 1.1: Reliability Test - Job Alienation Scale**

<table>
<thead>
<tr>
<th>Dimensions of job alienation</th>
<th>Powerlessness</th>
<th>Meaninglessness</th>
<th>Isolation</th>
<th>Normlessness</th>
<th>Self-Estrangement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscale alpha</td>
<td>.7828</td>
<td>.8547</td>
<td>.9371</td>
<td>.7129</td>
<td>.8277</td>
</tr>
<tr>
<td>Full scale alpha</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>.7298</td>
</tr>
</tbody>
</table>

Anxiety scale carries 5 dimensions of job demand, attrition, stress, depression and organizational politics. Each dimension contains 5 statements. 25 statements to be responded on a 7 point rating scale starting from 1. Strongly agree to 7. Strongly disagree. To measure the reliability of the Job Anxiety scale, the cronbach’s alpha was calculated. The reliability co-efficient of job Anxiety scale was 0.7397. It highlights the reliability of the scale reasonably fit.
For measuring job behavior, job behavior scale was developed. The scale contains 4 dimensions with 6 statements each. Totally 24 statements, with seven point likert scale is starting from 1.Never to 7.Always. To measure the reliability of the Job Behavior scale, the cronbach’s alpha was calculated. The reliability co-efficient of job behavior scale was 0.8166. It highlights the reliability of the scale reasonably fit.

Further these three scales were validated through construct validity, convergent validity and discriminate validity. Convergent validity and discriminate validity were explained elaborately in chapter V.

Pilot study was conducted among 50 LIC employees. It was undertaken to verify the ease and utility of the questionnaire. Based on the pilot study the questionnaire was accordingly modified to incorporate the necessary changes. The changes are as follows,

- Items related to Job Alienation were decreased from 45 to 25
- Variable related to Job Anxiety were reduced from 8 to 5
- The factor related problem faced by employee increased from 7 to 10.

1.10. PERIOD OF STUDY

The study was conducted during the year 2011 to 2012. The fieldwork was carried out during the months of April 2011 to March 2012.

1.11. PROPOSED MODEL

Based on the research findings and the theoretical background of the job alienation and job anxiety, the researcher has tried and come out with a feasible model for the job alienation, job anxiety and job behavior, which can be used in LIC and other insurance companies for improved results and efficient functioning of the human resource system in the organization. In general, the model describes the linkage of the various job alienation and job anxiety variables with the job behavior, which are essential for the development of the employees. The model was empirically tested through Structural Equation Model.

1.12. STATISTICAL TOOLS

For analyzing the data collected from the LIC Employees, the relevant statistical tools were used to fulfill the objectives of the study. The selections of statistical tools were based upon the nature of data used and also the nature of objectives taken for fulfillment. Efforts have also been made to prove some of the hypothesis framed to solve the research problem. The applied statistical tools were, Correspondence Analysis, Discriminant Analysis, Classification & Regression Tree, Kendall’s Rank Test, K-Means Cluster Analysis, Confirmatory Factor Analysis, SEM, Chi-Square Test and One-Way Analysis Of Variance.

Correspondence Analysis

Correspondence analysis is a statistical visualization method for picturing the associations between the levels of a two-way contingency table. The name is a translation of the French Analyses des Correspondences, where the term correspondence denotes a “system of associations” between the elements of two sets. In a two-way contingency table, the observed association of two traits is summarized
by the cell frequencies, and a typical inferential aspect is the study of whether certain
levels of one characteristic are associated with some levels of another. To find the
association between the personal alienation and job alienation the correspondence
analysis was employed.

**Discriminant Analysis**

The main purpose of a discriminant function analysis is to predict group
membership based on a linear combination of the interval variables. The procedure
begins with a set of observations where both group membership and the values of the
interval variables are known. The end result of the procedure is a model that allows
prediction of group membership when only the interval variables are known. To find
out the discrimination among the groups of job alienation and job anxiety the
discriminant analysis was employed.

**Classification & Regression Tree**

**CRT (Classification And Regression Trees)**, is an exploratory method used
to study the relationship between a dependent variable and a series of predictor
variables. CRT modeling selects a set of predictors and their interactions that
optimally predict the dependent measure. The developed model is a classification tree
that shows how major "types" formed from the independent variables differentially
predict a criterion or dependent variable. In this research CRT was used to determine
the correlates of Job Alienation, that is, the variables that best predict the percent of
employees in each category of independent variables such as Age, Marital Status,
Designation, Education, Gender, Monthly Income, Family Size and Family Type.

**Kendall’s Rank Test**

The similarity of the orderings of the data ranked. It is named after Maurice
Kendall (1938), who developed it in 1938. Problems faced by LIC employees were
ranked by Kendalls rank test.

**K-means Cluster Analysis**

Statistical classification technique in which cases, people, data, or objects are
sub-divided into groups (clusters) such that the items in a cluster are very similar (but
not identical) to one another and very different from the items in other clusters. K-means cluster analysis was performed to classify the employees based on job alienation, job anxiety and job behavior. Several tests are done to measure the number of cluster and an agreeable solution was made.

**Chi-Square Test**

Chi-squared is used to assess two types of comparison: tests of goodness of fit and tests of independence. In order to determine the relationship between the demographic variables and job alienation & job anxiety of employees the chi-square test was used.

**One-Way Analysis Of Variance**

In order to find out the significant difference among these groups regarding the categorical variable, the one-way ANOVA has been applied. To find out whether there is any significant difference among demographic variable and work value variables the ANOVA was employed.

**Confirmatory Factor Analysis**

In statistics Confirmatory Factor Analysis (CFA) is a special form of factor analysis, most commonly used in social research. It is used to test whether measures of a construct are consistent with a researcher's understanding of the nature of that construct (or factor). As such, the objective of confirmatory factor analysis is to test whether the data fit a hypothesized measurement model. This hypothesized model is based on theory and/or previous analytic research.

**Structural Equation Model**

Structural Equation Models (SEMs), also called simultaneous equation models, are multivariate (i.e., multiequation) regression models. Unlike the more traditional multivariate linear model, however, the response variable in one regression equation in an SEM may appear as a predictor in another equation; indeed, variables in an SEM may influence one-another reciprocally, either directly or through other variables as intermediaries. These structural equations are meant to represent causal relationships among the variables in the model. General structural equation models
are sometimes called LISREL models, after the first widely available computer program capable of estimating this class of models (Jöreskog, 1973). LISREL is an acronym for linear structural relations. The proposed model was empirically tested through Structural Equation Model.

1.13. LIMITATIONS

The followings are the limitations of the present study:

- The study is restricted to the selected southern districts in Tamil Nadu. So the result of the study is applicable to those districts only.
- This study is based on primary data. So the respondents may sometimes fail to express their opinions and beliefs.
- The study is confined to 250 respondents. Therefore the generalization is not applicable.

1.14. CHAPTER SCHEME

The study is divided into six chapters. The outline of the thesis is as follows:

The first chapter presents introduction and design of the study which includes introduction, statement of the problem, objectives of the study, methodology of the study, scope of the study, limitations of the study and chapter scheme.

The second chapter deals with review of literature.

The third chapter highlights overview of job alienation, job anxiety, and the profile of Life Insurance Corporation.

The fourth chapter highlights the data analysis and interpretation which includes the job alienation, job anxiety, social alienation, personal alienation, problem faced, relaxation measures and work values of LIC employees.

The fifth chapter deals with model building for the job alienation, job anxiety and job behavior.

The sixth chapter gives a Summary of Findings of the Study. Based on these findings few suggestions and conclusion are also given.