CHAPTER - V

CONCLUSION, SUGGESTIONS AND RECOMMENDATION
"When a bread-earner dies a lot of problems come walking in the door. Hence let's insure your standard of living for your family".

(MARKETING VISION)
(IFCERT).
CHAPTER-V

CONCLUSION SUGGESTIONS AND RECOMMENDATION.

After going through the data analysis of industrial employees as clients or prospective clients and the data analysis of Top administrators, Development Officers, Agents and Surveyors a brief sketch of findings and conclusions of this study are as follows.

PART I

(A) INDUSTRIAL EMPLOYEES.

(1) Most of the respondents are viable for obtaining life and general insurance policies.

(2) Most of the respondents are fairly educated so that they can appreciate the value of safety and security of life and belongings.

(3) Most of the respondents financial status is sound, which facilitates the process of obtaining insurance schemes.

(4) Most of the respondents find insurance schemes beneficial, but are not aware of life insurance schemes. Moreover a majority of respondents are not at all aware of general insurance schemes, meant for individual or industries. They are also not aware of social security insurance schemes.

(5) Most of the respondents are not aware of compulsory insurance schemes enforced by law.

(6) Only a few respondents are covered under employees state insurance and very few know the difference between a employees state insurance and life insurance. But majority of respondents do not find employees state insurance, a substitute for life insurance schemes.
Not many are aware of the benefits of workmens compensation insurance policy or act. But a good number of employees are covered under workmens compensation insurance policy.

None of the companies has staff welfare fund, which provides greater opportunity to obtain life insurance schemes.

Most of the respondents do not find the procedure for insurance scheme very rigid. They are also satisfied with cooperation extended to them during the procedure of obtaining the insurance policy. But most of the respondents are not easily convinced with explanation given to them by agents.

Many respondents find insurance advertisement to be good and among different media the television has greater impact on them.

Most of the respondents report that they have taken policy because of safety and security. They also find that insurance policy helps the economic stability of family in case of calamity.

Many respondents own houses of high value, but not many have insured.

Not many have declared about costly home appliances worth insuring and of those with costly home appliances, very few have insured their home appliances.

A majority of the respondents do not own any machinery, and of those who own very few have insured.

The respondents have insured their belongings only if the belongings are bank financed, because it is compulsory to do so, otherwise very few have voluntarily gone in for any general
insurance schemes.
(16) A large number of respondents have declared that they do not have ornaments and those who have them have kept their ornaments in bank lockers.
(17) A large number of respondents own vehicles and have insured them. But many have not insured their vehicles against comprehensive insurance. Many have taken third party insurance, which is compulsory, if one possesses a vehicle, but 10 percent respondents have not done even this (Refer table no-31). Moreover many are not aware of the difference between comprehensive and third party insurance.
(18) Not many have reported about damage to belongings. But of those who have insured and faced calamity, only one respondent is not satisfied with the claim amount. Moreover many respondents are ready to bear the complete loss themselves rather than pay premium to insurance companies.
(19) Most of the respondents have insured their life, not due to awareness, but various other factors. (Refer number-41 Chapter III) Moreover, many respondents have not insured their spouse, childrens or other family members, but many inform that for insuring a person he need not be an earning member.
(20) In case of general insurance policies the major source of influence for obtaining insurance policies are agents or bank finance.
(21) Not many have reported of accident or death during the term of policy. But of those who have informed are satisfied with compensation received from life insurance corporation. Moreover not many of those who have claimed compensation, have reported
delay or difficulty in obtaining compensation.  
(22) Very few respondents have reported that they have not claimed compensation, inspite of insuring. Some of those who have forgone them are cases of motor insurance, due to minor loss.  
(23) Many are of the opinion that, life insurance should be made compulsory for industrial employees.  
(24) Many respondents opine that insurance companies work for both social welfare as well as profit motive.  
(25) The industries which offer very good internal benefits like death benefit, accident benefit, medical and hospitalisation benefit, super annuation scheme housing loan facility etc are neither interested in obtaining life nor general insurance polices. For eg:- In TELCO, if an employee expires, while at work or otherwise, then his family is paid 50% of the salary every month till such time when the employee would have attained the age of retirement, that is, 60 years. Hence with such good schemes the employees are not interested in insurance schemes. On the strength of good facilities they can face the risk all by themselves in case of belongings and if unfortunately some thing untoward happens to bread-earner then the internal benefits are good enough to get financial protection for their family.  
(26) After the analysis of the data collected, it can be said that there is no awareness among respondents in case of general insurance schemes and due to low awareness, the general insurance schemes are not utilised.  
(27) There is no awareness in case of life insurance, but the life insurance schemes are utilised to some extent.
PART II.

After the analysis of the data collected, the findings of the data collected from the top administrators, development officers, agents and surveyors are as follows.

(A) **TOP ADMINISTRATORS.**

1. Most of the top administrators have put in long enough service to justify their views as valuable.

2. Top administrators are interested in a change of organisational structure. A majority of them are of opinion that agents or surveyors should not be employed nor the agents should be given any more incentives.

3. There is a separate department which is known as archives department for innovating new insurance schemes.

4. Some of the insurance schemes are discontinued after certain years of inception for various genuine reasons.

5. The public is aware of social security schemes, but these schemes do not reach the public and hence remain unutilised.

6. Change in investment portfolio of insurance companies is necessary.

7. Privatisation or globalisation is necessary for overall improvement in insurance business.

(B) **DEVELOPMENT OFFICERS.**

1. The development officers are well-educated and they have good experience as development officers. Moreover passing of internal examination is not the only criteria for promotion. But for better work level, after promotion knowledge gained from the internal examination does help.

2. Training is necessary for development officers.
(3) The main medium for selling insurance policies is direct contact through agents. Moreover inadequate advertising is mentioned as the reason for the unpopularity of insurance schemes. Television is informed to be the best media.

(4) The allegation that some insurance schemes are not intentionally popularised by the marketing squad is said to be true, but they feel it is not necessary to give some compulsory target for such insurance schemes.

(5) Marketing is the main objective of insurance companies and only agents and development officers look after marketing directly and top administrators have the responsibility of performing the controlling administrative work.

(6) It is necessary that public should contribute for the success of insurance schemes by paying premium regularly.

(7) The most popular life insurance schemes are money back, endowment and Jeevan Mitra etc. Life Insurance Schemes are better than investment in a bank.

(8) To some extent autonomy is given to development officers during performance of their duties. Development officers are not allowed to participate in the management's decisions. But development officers are not interested in more authority. They do not desire any change in organisational structure.

(9) Better salary, perks and allowances, are given to life insurance, development officers compared to general insurance development officers.

(10) Development Officers are satisfied with their job and are not interested in accepting promotion inspite of being promoted.

(11) The development Officers are not allowed to market the
insurance policies in their own name or in that of relatives, friends etc. Moreover the development officers do not accept the allegation that development officers take up dummy agencies. But actually the development officers do take up dummy agencies and there is no check on the same.

(12) The density of agents to the population is quite satisfactory.

(13) Agents should not be employed by insurance companies. This view may be framed mainly because, if agents are employed then it will be a threat to development officers cadre.

(14) Agents cannot appoint sub-agents, but the agents do so and there is no check on it.

(15) Most of the agents do not take up insurance agency as sole occupation, but this does not affect their performance as insurance agent.

(16) According to development officers, there is proper coordination between agents and development officers and settlement of claim is not complicated.

(17) Clients are not satisfied with the amount of claims in case of general insurance.

(18) Most of development officers have insured their life and that of their family members, but have not insured their belongings.

(19) Most of the development officers are against privatisation and globalisation.

(20) **AGENTS.**

(1) Agents are well educated and most of them have other allied occupation like business or service along with insurance.
agency.

(2) Most of the agents have acquired agency through development officer either out of self interest or on persuasion of development officer. But insurance agency is their prime interest compared to their other occupation.

(3) Agents do not have any problems in acquiring agency and most of them believe they have duties and responsibilities towards insurance companies or clients and they perform these duties and responsibilities properly.

(4) The financial status of agents is sound, that is, the income through insurance agency in the form of commission is good. Most of the agents from life insurance are club members, but general insurance has no such facility.

(5) Most of them have achieved their goal as insurance agent.

(6) Comparasion of life insurance schemes with any other savings or investment schemes like N.S.S, N.S.C, U.T.I. etc is not possible because the objective of each scheme is different.

(7) Compared to general insurance, marketing of life insurance schemes is easier specially because it is very difficult to convince the utility of general insurance.

(8) The life insurance agents get renewal commission, as he is to perform other duties besides collection of the first instalment of premium.

(9) According to the agents the clients takes insurance polices for safety and security.

(10) Agents are not rigidly controlled by development officers. Their performance is evaluated by insurance companies.
(11) Agents are not interested in being employed by insurance companies.
(12) Life Insurance agents get non-monetory benefits besides commission and no such benefits exist in case of general insurance agents.
(13) Agents are not interested in quitting insurance agency, even if other earning opportunities are given.
(14) Most of the agents are against globalisation or privatisation.
(15) Most of the agents have taken life insurance policies, but they have not taken any general insurance policies.
(16) Most of the agents opine that industrial employees are not aware of insurance schemes.
(17) Training is a must for agents according to their views.

(129) SURVEYORS.
(1) Most of the surveyors have technical education, though it is not compulsory.
(2) Most of the surveyors have allied business besides surveying.
(3) It is not difficult to become a surveyor, but to become a successful surveyor and survive in the market is very difficult. Hence surveyors are to be trained properly.
(4) Competitive exam are not necessary, because there is not much competition, in the field of surveyors.
(5) Surveyors are not interested in employment opportunity in insurance companies.
(6) Most of the surveyors satisfied with remuneration or survey fees received by them.
According to the surveyors, the insurance companies heavily depend on the survey report during settlement of claim and the procedure for settlement of claim is not rigid.

False claims are not passed in a large number. Moreover clients can contact surveyors during settlement of claim. There is no hard and fast rule regarding the same.

Not many surveyors have either insured their life or belongings.

Many are in favour of privatisation and globalisation.

RECOMMENDATIONS AND SUGGESTIONS.

Most of the suggestions are already given in the last chapter. But some of the suggestions not mentioned in previous chapter are as follows.

(A) GENERAL INSURANCE CORPORATION.

(1) If a client personally visits the branch and pays the premium in case of general insurance policies, then rebate on premium should be given to the client. General insurance policies are only for a year, after this period, no agent approaches the client for renewal. Hence the client pays the premium personally. Therefore the commission that would have been given to agents should be given to client as rebate on premium.

(2) Income tax rebate should be extended to some general insurance schemes like house holders policy, fire policy, comprehensive insurance policy etc. This will motivate the public to obtain general insurance policies. With this, awareness and utility of general insurance schemes will improve.

(3) Compared to the advertisement policy of life
insurance, the advertisement policy of general insurance is not good, this leads to very low rate of awareness and utility as already noted in last chapter. Hence advertisement schemes of general insurance should improve with emotional and security concept incorporated in the advertisement.

(4) Cent percent income tax rebate should be given on medi-claim policy, because it is a beneficial scheme from the view point of public in general.

(5) According to the statistical details given by insurance companies, there is no profit in case of motor insurance. To make motor insurance profitable, the insurance companies can appoint a few garages for compulsory check up of the insured vehicles during the term of policy. This arrangement can be made by compulsorily charging extra premium. This can reduce the rate of loss and increase profit.

(B) LIFE INSURANCE CORPORATION.

(1) At present the life insurance corporation has only fixed the minimum number of agents that a development officer can appoint under him. But it is also necessary to fix the maximum number of agents, that a development officer can appoint, under him with this the development officer can have proper control and will be able to guide them properly. It is better to have a few good and active agents rather than ineffective large number of agents.

(2) If due to any reason there is a delay in paying accrued commission to agents by insurance companies, then interest on commission to be paid to insurance agents. This will motivate them for better performance. Moreover agents will not worry in case of
occasional delay in getting commission.

(3) Proposal form and agents manual should be printed in local language also, because it not likely that all agents and clients know English. Moreover proposal form should be printed in legible print.

(4) If a policy lapses then intimation should be given to the policy holder to his office and residential address. This will reduce the number of insurance policies being lapsed.

(5) Until and unless the previous premium is not paid, then the next premium should not be accepted. This will enable the life insurance corporation and client to keep proper track of the insurance policy.

CONCLUSION

There is enough scope for further research work on the same stream or allied subject on insurance. A separate study of awareness and utility can be done for general insurance and life insurance, which will give an opportunity for detailed study on the aforesaid topic. Moreover, a detailed study on the working and job satisfaction of the insurance employees related to marketing of insurance schemes can also be done.

To conclude, it can be mentioned that the concept of insurance is not well developed and awareness of insurance schemes does not exist and hence utility also does not exist to some extent. The data collected reveal that the awareness on the part of industrial employees regarding the need for Life Insurance and General Insurance practically does not exist. Thus the hypothesis has been proved in all aspects, that is, both from the view point of the industrial employees and corporations. There is a vast
scope for covering still further a large eligible population from urban and from different fields of occupation.

What is, therefore obviously recommended is an all-round drive for adopting marketing strategies by Life Insurance Corporation and General Insurance Corporation and create professional awareness and motivation on the part of Development officers and Agents.