



## AGENTS' PERCEPTION TOWARDS L.I.C GUNTUR AND KRISHNA DISTRICT

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### **Abstract**

*Life Insurance is a social security tool. It provides the much needed security when the income of the head of the family ceases owing to the unexpected risk, the family is protected to the extent of insurance coverage. Life Insurance Corporation of India, the capital intensive business, provides the most important financial instrument to customers aimed at protection as well as long term savings. The Corporation reaches out to the people through the main traditional route of the agency model for the selling processes of the numerous complex need-based products. The agents help in marketing its policies by spreading the message of life insurance among the masses. They serve as the kingpin for insurance companies seeking to provide traditional and innovative products, and focal point for customers seeking to procure insurance coverage and long term savings. The present paper investigates the factors influencing agents' perception towards Life Insurance Corporation of India. The study is based on a sample of 350 respondents taken from city of Krishna and Guntur District. Moreover, analysis of one way classification has also been performed to test the significant differences among the different groups of respondents across the 23-item perception scale. The results demonstrate that no significant differences exist among different groups of respondents with respect to their perception towards Life Insurance Corporation of India.*

**Keywords:** *Life Insurance, Factors, Sales, Perception.*

### **Introduction**

**Life insurance** is a contract between an insured (insurance policy holder) and an insurer or assurer, where the insurer promises to pay a designated beneficiary a sum of money (the "benefits") in exchange for a premium, upon the death of the insured person. Depending on the contract, other events such as terminal illness or critical illness can also trigger payment. The policy holder typically pays a premium, either regularly or as one lump sum. Other expenses (such as funeral expenses) can also be included in the benefits.

Life policies are legal contracts and the terms of the contract describe the limitations of the insured events. Specific exclusions are often written into the contract to limit the liability of the insurer; common examples are claims relating to suicide, fraud, war, riot, and civil commotion.

Life-based contracts tend to fall into two major categories:

- Protection policies – designed to provide a benefit in the event of specified event, typically a lump sum payment. A common form of a protection policy design is term insurance.
- Investment policies – where the main objective is to facilitate the growth of capital by regular or single premiums. Common forms are whole life, universal life, and variable life policies.

**Life Insurance Corporation of India:** The Life Insurance Corporation of India was created on 1<sup>st</sup> September, 1956, with the objective of spreading life insurance much more widely and in particular to the rural areas with a view to reach all insurable persons in the country, providing them adequate financial cover at a reasonable cost.

**Employees and Agents:** As on 31 March 2013, LIC had 119,767 employees, out of which 24,295 were women (20%).



Category of employees	Total Number	No. of Women
Class-I Officers	28,417	5,375
Class-II Development Officers	25,638	861
Class III/IV Employees	65,712	18,059
Total	119,767	24,295

**Agency strength:** LIC had 12,78,234 agents as on 31 March 2013, out of which the number of active agents were 12,14,111 (95%).

Marketing of life insurance is ridden with several problems and it calls for extraordinary skills. This consequently renders the 'Agent' an indispensable link between the existing or potential insurance customers and the Life Insurance Corporation of India. The competence of the agent then constitutes a critical element in the promotion of insurance business. This crucial role of the agent will, in the final analysis, contribute to the realization of the laudable objective of the LIC of India of 'providing financial security' extensively to diverse population groups in urban and rural areas, in different segments and in all income levels, especially as envisaged in the Marketing Policy of the Corporation. As the life insurance agent is the central figure in the insurance marketing process, the success of insurance company is highly dependent on the army of agents.

The job of a life insurance agent is to convert a suspect into prospect and the prospect into a policyholder (customer). To be successful in the profession, the agent is required to possess good knowledge about various life insurance products/plans/schemes, products of competitors, provisions of the Income-tax law, capital market conditions, etc.

### Literature of Review

Dubinsky *et al.* (1988) examined that when agents' sales supervisors are high on initiating structure, agents had less role ambiguity and more job satisfaction. When sales supervisors were high on consideration, agents tend to have less role conflict and higher job satisfaction. Moreover, it was concluded that role conflict apparently raises agents' role ambiguity, reduces their job satisfaction, and augments their performance. Arora (1992) found that majority of agents are dissatisfied with the functioning of LIC. Rao and Machiraju (1988) contended that a proper understanding of the environment, characteristics, strengths & weaknesses of the available financial instruments, and the changing scenario would be of immense advantage for the proper and successful functioning of LIC marketing force. McElory *et al.* (1993) investigated three forms of commitment namely, job involvement, professional commitment, community commitment and their relationship to insurance agents' perceptions, attitudes, and performance. The results revealed that professional commitment demonstrated strong and pervasive relationship with job perceptions, job attitudes, and annual earned income. Community commitment exhibited only isolated effects. In addition, Job involvement was significantly associated with some specific job perceptions and attitudes but not with performance. Chung (2000) observed that 'ideological system' of control not only encourages agents to provide life-long personalized and quality services to customers, generate strong/mutual trust among agents and managers themselves, but also made agents willing to behave altruistically, in turn sustaining a warm and supportive working environment. Tam and Wong (2001) examined that satisfaction, the salesperson's self-disclosure, and relation orientation significantly influenced future insurance business opportunities. Malliga (2000) suggested that LIC should adopt special marketing strategies and modern sales techniques for better performance of the agents. Eastman *et al.* (2002) found that agents appeared to be more concerned about non-Internet direct marketing. Lal and Dhanda (2003) conducted a survey of agents, development officers, and Agents to know their perception towards different variables viz., life insurance



products, amount of premium, working conditions, training programmes, computerization and efficiency level etc. The study revealed that there are no significant differences in the opinion of agents, development officers, and employees with respect to the aforesaid variables. Mathew *et al.* (2003) found that independent agents who have ability to effectively communicate information, provide service and effectively solve customers' problems, will no doubt, be able to sustain long-term business relationship with the customers. Noor and Muhamad (2005) suggested that organizational commitment and intrinsic motivation positively influence salespeople to perform customer-orientation behaviour in their selling activities. Rajatanavin (2005) found that whole brand image of the company depends directly on the sales force and its ability to develop strong relationship with customers. Fan and Cheng (2006) suggested that life insurance companies need to train their sales representatives to an adequate standard in competencies of problem solving, communication, information technology utilization, culture compatibility, emotional intelligence, collective competence and ethics.

It is evident from the literature that most of the studies on agents have been done in foreign countries. In India, much effort has not been devoted to record the views of agents towards LIC in respect of supervisors' behaviour, training, systematization, working condition etc. thus, the present research focuses on those issues of agents' perception which are not yet considered from an Indian perspective.

### **Objectives**

The specific objectives of the study are crystallized as follows:

1. To study the nature and functioning of LIC.
2. To see the differences, if any, between the relationships of different levels of Agents.
3. To study the perception of agents in terms of identifying the factors those affect the Job satisfaction of the Agents.
4. To find out the elements responsible for job satisfaction in LIC, it Guntur and Krishna District.
5. To understand the percentage of agents of marketing problem faced at rural and urban areas.

### **Hypothesis**

The study is proposed to test the following hypotheses.

- a) We hypothesized that there would be significant difference in job satisfaction at different levels of agents.
- b) There is no significant difference in marketing problems between urban and rural areas.

### **Methodology**

The methodology adopted in the present study is under three heads namely, sample design, database and analytical tools.

### **Sample Design**

The Agents were divided in two groups as the Ordinary and Rural Career level in LIC, Guntur and Krishna District. This was done on the basis of a preliminary opinion survey of the Ordinary executives of LIC, in Guntur and Krishna District. They were asked to group the Agents of LIC, in Guntur and Krishna District as belonging to the Ordinary and Rural Career. It was a convenient sampling scheme. We covered as many people as were willing to co-operate.

We covered group of 200 (Ordinary) and 150 (Rural Career) of LIC, in Guntur and Krishna District. They represented about 57% & 43% of LIC, in Guntur and Krishna District of their respective cadres (Ordinary and Rural Career levels). The sampling procedure adopted for this study is "Convenient stratified random sampling".

### **Database**

The database covers the sources and collection. Though the major requirements of data are met through field study, both primary and secondary sources form the database.



**(i) Primary data:** Data for the present study were collected from the sample on a person-to-person interview basis and with a structured questionnaire. The questionnaire had three features.

- Open-ended questions – to gather perception of the respondents toward the elements of job satisfaction.
- Close-ended questions – to gather information regarding causes of job satisfaction.
- The opinions of the respondents regarding the elements of job satisfaction were taken on “Likert five point scale” ranging from 1 to 7; depending on the importance attached to each element. For example, “Extremely low was given with value 1 followed by “Moderate low” with value 2, “Low” with 3, “Neutral” with 4, “High” with 5, “Moderate high” with 6 and “Extremely high” with 7.

**(ii) Secondary Data:** Secondary data were collected from various documents such as Annual reports, Audit reports, statement of Accounts, Booklets, Registers of Agents, Souvenirs etc., of LIC of India.

### **Analysis**

The data so collected was subjected to both conventional and functional analysis. The conventional approach includes average and percentage methods. The functional analysis includes Chi-Square test and Co-efficient of variance.

### **Period of the Study**

The study covers a period of one year 2013-14, which has been considered sufficient for a study of its kind which, seeks to evaluate the Agents job satisfaction.

### **Scope of the Study**

The study has been undertaken with a selected sample of 350 respondents employed in LIC, Guntur and Krishna District, in 2014.

### **Agents' Perception about Job and Job Satisfaction**

Life insurance agents have, historically, not had a great image in India. People used to devise innovative ways to dodge them because they were seen as people pushing their own agenda for a quick sale and a hefty commission. It is not sufficient to have an army of agents in terms of numbers alone, but to have highly efficient, productive and satisfied agency force. This army of agents needs to have quality insurance salesman. Over the years on account of the trust and the huge network of agents that has been built, LIC has come to occupy a special place in the hearts of its policyholders and especially those in rural areas. The successful life insurance salesperson has to market first the company he represents and its credentials and thereafter himself and the product he has to offer. The agent can acquire knowledge about various products from literature, training classes, and from development officers and other sources. He/she should be able to get accurate picture of the job and job prospects, and support from the organization. At the same time, the agent should have a feeling of job security in his mind. Degree of success in agency profession in turn depends up on the degree of success in prospecting. A satisfied agency force is not only an asset to the organization, but establishes and strengthens relationships with a large number of customers and also enhances the value of the organization over the horizons.

The respondents were asked to rate their perceived degree of satisfaction on a three point scale about the various aspects of life insurance agency profession, in order to assess the perception of agents towards their job and also to assess job satisfaction perceived by them. On the basis of rating score obtained, the degree of job satisfaction of agents and their perception towards the profession is depicted in Table 1.



**Table – 1: Respondents’ Perception about Job**

Dimensions	Degree of Satisfaction and Frequencies			Weighted Score	Mean Score	S.D. Score
	High (3)	Moderate (2)	Low (1)			
Status of LIC agents job in Society	98 (28.00)	156 (44.57)	96 (27.42)	702	117.00 (2.76)	3.07
Support from LIC to agency Profession	79 (22.85)	209 (59.42)	62 (17.71)	767	127.83 (2.72)	4.66
Job security	82 (23.28)	208 (59.28)	60 (17.42)	682	113.66 (1.98)	2.58
Job satisfaction	77 (22.00)	204 (58.28)	69 (19.71)	778	129.66 (2.92)	4.78
Work load in agency profession	69 (19.85)	219 (62.28)	62 (17.85)	777	129.50 (2.06)	5.46
Success in prospecting	73 (20.14)	206 (58.71)	71 (20.14)	742	123.66 (2.64)	3.95
Receiving job picture from LIC	78 (22.57)	229 (65.71)	43 (12.71)	752	125.33 (2.72)	3.35
Interaction with branch manager	76 (21.71)	217 (62.85)	57 (16.42)	799	133.16 (2.88)	6.58
Overall:					2.59	0.71

Source: Field Survey, 2014

### Respondents (Agents) Perception about Job

The analysis of Table – 7 reveals the LIC agents perception about their job viewed under specific dimensions. From the present study in relation to above table nearly 60% of the agent’s perception about the status of their job in the society is moderate. Regarding the dimension of support from LIC of India to agency profession, agent’s perception is moderate as 206 respondents out of 350 had responded to this status. Also nearly 23% of the responders had rated high to this dimension. Form this it is clear that if LIC of India extends its supporting had to agents can increase its business. Nearly 23% of the respondents have perceived that their job security is low, while 59% had perceived the moderate job security. Job satisfaction dimension is viewed positively from the perception of the LIC agents as the mean score is 204 which are high compared to the overall mean score of 2.92. Thus making to retaining and maintaining the high level of job satisfaction of agents LIC has to focus keen on this aspect which in turn increases the business. Agent’s perception about the work load is slight high i.e., 129.5 when compared to the overall mean score. Agents have opinioned that score. The dimensions of job receiving picture from LIC and the interaction with the branch manger have been positively perceived by the agents as the mean scores for these aspects are high when compared to the overall mean scores.

**Table - 2: Overall Satisfaction Level of Respondents**

Level of Satisfaction	Number	Percent
High	79	23
Moderate	206	58
Low	65	19
Total	350	100

Source: Field Survey, 2014

From the above observation it is clear that the overall agents perception about their job is satisfactory, which makes the present study probe to keenly focus on the different elements of job satisfaction which helps LIC of



India to take care on the identified elements on deviation so as to retain and increase the job satisfaction of Agents, as nearly 65 % of the LIC of India's business is turned by the agents.

### Testing of Hypothesis No. 1

Since the overall mean score obtained is 2.59 the null hypothesis that LIC agents are least satisfied in their job and job prospects is rejected. Their satisfaction level is 'moderate'.

### Problems in Marketing

One of the distinct emerging trends after liberalization is the enlargement of the insurance market and gradual coverage of uninsured population. Liberalization of Indian economy has not only created new ideas of product development and needs in the insurance sector but also created many problems in marketing insurance products. Enlargement of insurance market resulted in to establishment of more than a score private insurers in the life sector. Private players have been introducing new products, especially market linked products and offer products through corporate, individual and banc assurance channels. They have established their presence even in rural areas by opening business procuring centers. In urban area too, many people are ignorant about the needs of insurance and different types of products/schemes/plans of LIC. This has made the job of marketer rather difficult. The public sector life insurer (i.e., LIC) need to bear the responsibility of offering the world class services to the ultimate users which need innovative marketing practices. Therefore, it was thought worthwhile to identify the problems faced by the agents in marketing life insurance products.

The respondents were asked to rank the problems faced by them, if any, in urban and rural areas on the basis of severity. Out of the total 350 agents, 200(65 percent) urban agents and 150 rural agents (35 percent) expressly stated that they face certain problems in marketing. The result obtained is depicted in Table 3 and 4 for urban and rural area respectively.

**Table - 3: Marketing Problems in Urban Area**

Problems	Rank and Frequencies							Total Score (Mean Square)	S.D. Score
	Extremely High (7)	Moderate High (6)	High (5)	Neutral (4)	Low (3)	Moderate Low (2)	Extremely Low (1)		
Inadequate training in profession	56	42	51	36	12	2	1	200 (4.96)	31.79 (0.69)
Inter rivalry between agents	91	57	23	11	12	5	1	200 (3.89)	38.31 (1.19)
Competition from private players	25	55	61	20	23	15	1	200 (4.62)	29.45 (1.56)
Lack of awareness of the public	15	24	31	66	27	22	15	200 (4.48)	23.15 (1.48)
Lack of conviction	5	16	24	37	42	37	39	200 (2.83)	16.73 (1.42)
Procedural delay from LIC	2	13	12	23	53	61	36	200 (2.49)	29.75 (1.56)
Non co-operation from Development Officers	1	16	13	14	24	48	84	200 (1.96)	47.60 (1.64)
Overall:								21.31	1.36

Source: Field Survey, 2014



Table - 3 reveals that inadequate training in life insurance agency profession is the major problem (Mean 4.96 and S.D. 0.69) faced by the respondents in urban area in marketing life insurance products. This has caused to low product knowledge and lack of expertise on the part of the agents. Inter rivalry between agents is the second major problem in urban area (Mean 3.89 & S.D. 1.19). Many of the agents were found not keeping professional ethics in their profession. Competition from private players (Mean 4.62 and S.D. 1.56) and lack of awareness of the public (Mean 4.48 and S.D.1.48) are other serious marketing problems in urban area.

**Table – 4: Marketing Problems in Rural Area**

Problems	Rank and Frequencies							Total Score (Mean Square)	S.D. Score
	Extremely High (7)	Moderate High (6)	High (5)	Neutral (4)	Low (3)	Moderate Low (2)	Extremely Low (1)		
Inadequate training in profession	31	22	36	36	12	12	1	150 (5.68)	27.75 (1.39)
Inter rivalry between agents	61	17	23	21	22	5	1	150 (5.46)	26.02 (1.34)
Competition from private players	25	25	31	30	23	15	1	150 (5.19)	26.41 (1.36)
Lack of awareness of the public	15	14	21	36	27	22	15	150 (3.41)	24.17 (1.67)
Lack of conviction	5	16	14	17	22	37	39	150 (2.62)	26.46 (1.30)
Procedural delay from LIC	2	13	12	23	33	41	26	150 (1.85)	31.59 (1.44)
Non co-operation from Development Officers	1	16	13	24	24	28	44	150 (1.97)	51.60 (1.32)
Overall:								26.18	1.40

Source: Field Survey, 2014

Table - 4 reveals that inadequate training in life insurance agency profession is the major problem (Mean 5.68 and S.D. 1.39) in rural area faced by the agents in marketing life insurance products. It is followed by lack of awareness of the public (Mean 5.46 and S.D. 1.34), inter rivalry between agents (Mean 5.09 and S.D. 1.25), competition from private players (Mean 5.19 and S.D. 1.36), as the second, third and fourth problems in the order of mean score. Lack of conviction of the people (Urban Mean 2.83 & S.D. 1.42 and Rural Mean 3.41& S.D. 1.67), procedural delay from LIC (Urban Mean 2.49 & S.D. 1.56, Rural Mean 1.85 & S.D. 1.44), and non co-operation from Development Officers (Urban Mean 1.96 & S.D. 1.64 and Rural Mean 1.97 & S.D. 1.32) are other problems in the order of mean score obtained.

The significance of difference in mean values of marketing problems in urban and rural area is tested with the help of variance analysis (Table - 5).

**Table – 5: Analysis of Variance of Marketing Problems (ANOVA)**

Source of variation	Mean	S.D.	'p' Level
Urban	21.31	1.36	0.6868134
Rural	26.18	1.40	
All groups	47.49	2.76	



### Testing of hypothesis No. 2

Since the 'p' value obtained in the analysis of variance (ANOVA) is 0.6868134, it falls in the acceptance region. Hence the null hypothesis at 0.05 levels of significance is accepted and it is concluded that there is no significant difference in marketing problems between urban and rural areas.

### Data Analysis and Results

#### Analysis of findings

The findings of the present study have been analyzed under the following heads:

**Table 6: Demographic Characteristics of Sampled Agents (n=350)**

Demographics	No. of Agents
<b>1. Gender</b>	
Male	284 (81)
Female	66 (19)
<b>2. Age (in years)</b>	
Upto 20	27(8)
21-40	175(77)
41-60	138(12)
Above 60	10(3)
<b>3. Marital status</b>	
Married	266(76)
Unmarried	64(18)
Other categories	20(6)
<b>4. Place of residence</b>	
Rural	70(20)
Urban	280(80)
<b>5. City</b>	
Krishna	192(55)
Guntur	158(45)
<b>6. Education level</b>	
10 <sup>th</sup> Class	30(9)
Senior Secondary	63(18)
Graduate	173(49)
Post Graduate	31(9)
Professional	53(15)
<b>7. Monthly salary (in Rs.)</b>	
Upto 5000	54(15)
5001-10000	75(21)
10001-20000	139(40)
Above 20000	82(24)
<b>8. Working as</b>	
Ordinary Agent	200(57)
	150(43)



Rural Career agent	
<b>9. Nature of job</b>	
Full time LIC Agent	227(65)
Retired Employees	48(14)
Self employed	45(12)
Business	30(9)
<b>10. Major Reasons to Take up</b>	
As a means of livelihood	202(58)
To supplement family income	89(25)
As a kind of social service	31(9)
Pressure from friends	28(8)
<b>11. Working experience (in years)</b>	
Upto 10	226(64)
11 – 20	62(18)
Above 20	62(18)
<b>12. Policies Sold per year</b>	
Upto 20	86(24)
21 –50	97(28)
Above 50	167(48)

Source: Field Survey, 2014

### Findings

1. Gender category shows that the Life Insurance Corporation of India business is major carried by the male segment.
2. Major part of the business for LIC of India is run by the agents of the age group between 21 to 40 years.
3. Majority of the agents i.e., 76% represent the married marital status with 8% of the agents residing in urban areas.
4. It is observed that most of the agents i.e., 49% are graduates as the carriers of Insurance business.
5. 40% of the agents responded that their monthly salary ranges from 10,000 to 20,000, which 24% responded to 20,000 and above and the rest with below Rs. 10,000/-.
6. 57% of the respondents are working under the category of ordinary agent while 43% are working as rural career agent.
7. It is interesting that 65% of the respondents are working as full time LIC agents, while 14% of the respondents working for LIC are retained employers and the other are self employed with 12% and business people with 9%.
8. 58% of the respondents were opted the LIC agency as a means of their livelihood, while 25% opted to supplement family income and others as a kind of social service and pressure from friends and relating.
9. Work experience had showed that 64% of the agents had work experience up to 10 years and the work experience of 11 to 20 above 20 years showed the percentage of 18 each.
10. 48% of the agents were capable of selling 50% and more per year.
11. The study covered 55% of respondents form Krishna district and 45% of respondents from Guntur district.



**Table - 7: Agents' Perception towards the Job Elements.**

Elements of Job	Category of Agents	Percentage of Respondents		
		YES	NO	Chi-Square
1. LIC provides information/details about innovations on a regular basis	Ordinary	161	14	98
	Rural Career	74	101	
2. Future of LIC lies in better services and competitive products	Ordinary	161	14	96
	Rural Career	75	100	
3. Performance-oriented incentives are provided	Ordinary	154	21	92
	Rural Career	67	108	
4. Development officers/managers provide enough support to solve agents' problem	Ordinary	124	51	40
	Rural Career	65	110	
5. Behaviour of the supporting staff is inappropriate	Ordinary	158	17	31
	Rural Career	114	61	
6. Agents are discouraged to put forward their points of view on organizational functioning and performance	Ordinary	142	33	0.28
	Rural Career	138	37	
7. LIC pays individual attention to the agents as much as possible	Ordinary	159	16	0.33
	Rural Career	162	13	
8. LIC services have improved with the entry of private players in the insurance sector	Ordinary	158	17	45
	Rural Career	103	72	
9. Speedy documentation and processes at the time of issue of the policies and settlement of Claims	Ordinary	161	14	33
	Rural Career	117	58	
10. Medical checkup of the customers is not done properly	Ordinary	156	19	0.52
	Rural Career	95	80	
11. Computerized information system provides best and quick services to the agents	Ordinary	131	44	26
	Rural Career	84	91	



12. Ineffective grievance redressal system for agents	Ordinary	137	38	16
	Rural Career	102	73	
13. Feedback from customers is not effectively used to improve the service standards of LIC	Ordinary	126	49	52
	Rural Career	58	117	
14. LIC emphasizes quality rather than volume of sale	Ordinary	108	67	0.1
	Rural Career	111	64	
15. Quality plays a vital role in strengthening the LIC ability to compete in a highly competitive Market	Ordinary	79	96	31
	Rural Career	30	145	
16. Operating hours and days of the branches are convenient	Ordinary	60	115	5
	Rural Career	82	93	
17. Location of the branch offices is inconvenient	Ordinary	103	72	43
	Rural Career	42	133	
18. Drinking water and sanitary facilities are properly available	Ordinary	144	31	21
	Rural Career	105	70	
19. Physical layout of premises and other furnishings are not comfortable for agents to interact with official staff	Ordinary	124	51	18
	Rural Career	84	91	
20. LIC should impart training in special marketing strategies and modern sales techniques for the better growth of agents' performance	Ordinary	117	58	0.61
	Rural Career	110	65	
21. LIC should arrange periodical refresher courses for agents at branch level for the effective implementation of marketing strategies	Ordinary	138	37	6
	Rural Career	117	58	

Source: Field Survey, 2014

Note: Compared at table value of 6.635 at 1% of level of significance

### Agent's Perception towards Job Elements

The following table analysis the different job elements of LIC agents, while categorizing the agents as ordinary agents and rural career agents. Also, study focuses on observe whether there is any difference is the perception of job elements with reject to the category of agents. Chi-square test is used to analysis these elements of job compared at 1% level of significance for 1% degree of freedom with the table value of 6.635.



From the above table on the basis of the chi-square value the element that LIC provides details about innovations are a regular basis is differed by the category of agents. Both the categories did not feel comfortable. Future of any organization lies in its best services and competitive products. Both the categories of agents agreed with no difference as the calculated  $\chi^2$  value is let's compared to table value. Both the category of agents differed on the element of performance-oriented incentives. Support from development officers to solve agent's problem is also rejected based on Chi-Square which indicates that there is difference of perception in both the category of agents. On the element of supporting staff both the category of agents.

It showed no difference of opinion accepting that the behaviour supporting staff is appropriate. It is the element for which LIC of India has to focus on as both the category of agents put forward commonly that agents are discouraged to put forward their points of view on organizational functioning and performance. Also the element of individual attribution to agents in need show no difference among the two categories of agents both the category of agents showed difference of opinions regarding the improvising of LIC services with entry of private players, documentation process and its time, medical checkup of the customers. As there is difference of opinions on these elements it would be better if the view points of agents are considered to improvise the service. Computerized information system is best

Received by both the category of agents in providing the best and quick services to them. Agents also expressed that grievance red-resell and feedback from the customers is not effectively used by the LIC. Even to the elements like LIC emphasizes quality rather than volume and operating hours and days of branches are convenient the agents have similar perception to these elements. Also agent's opinioned that LIC should impart periodical refresher courses and training programs for effective implementation of marketing strategies and for better growth of the agent's performance. However, the category of agents differed in this perception towards sanitary facilities, layout of premises. To the major elements like agents participation, LIC services, LIC quality, grievance red-resell, feedback system, computerized information stem, branch locations, working hours and days, training programme organization implementing marketing strategies are viewed by both category of agents with no difference in perception.

**Table - 8: Level of job stress**

Level of Job stress	Agents in LIC, Guntur and Krishna District			
	Ordinary	%	Rural Career	%
No Stress	37	18.5	35	23.33
Little Stress	64	32	47	31.33
Moderate Stress	57	28.5	39	26
High Stress	42	21	29	19.33
Heavy Stress	200	100	150	100

Source: Field Survey, 2014

### Level of Job Stress

Stress has become an inevitable factor in human life. Job is no more an exemption to stress. But stress undergone at different levels disturbs the work impartation. Stress is to be managed and balanced for effective work at job. This factor of stress is surveyed from the two categories of LIC agents by dividing the stress is low, moderate, high and heavy levels. 50% of the agents in both the categories felt heavy stress, little stress level is experienced by 20% of ordinary category and 25% of rural career category, 10% of ordinary and 15% of rural career category felt No stress. High stress is experience by 10% of ordinary and 5% of rural career category and is the same levels with moderate stress level. As heavy job stress levels is perceived by both the category of Agents stress relief strategies from the side of agents and LIC India plays a major role in improving the performance and work status of agents.



## Conclusion

The socio economic background of life insurance agents attached to LIC's branch offices in Krishna and Guntur Districts, their perception towards the job and job prospects, problems faced by them in marketing life insurance products are dealt with in this study. The overall job satisfaction analysis reveals that the agents are 'moderately' satisfied in their profession. At the same time the agents receiving accurate picture of the job and job prospects from the organization is not satisfactory. More than fifty percent of the agents have no separate office of their own and no definite work schedule. The quality of training imparted to them is not up to the standard. Lack of professionalism among agents is a serious problem of life insurance agency business. Majority of the agents face problems in marketing life insurance products and there is no significant difference between urban and rural areas regarding the problems.

Success and overall growth potential of the insurance business depend on the efforts being made by the insurance companies in selling insurance products and services to the policyholders. Selling insurance products is a smart strategy and the real challenge is to retain and service the customer in the vibrant multiplayer competitive industry. Agents serve as the kingpin for insurance companies seeking to provide traditional and innovative products, and focal points for customers seeking to procure insurance coverage and long term saving. The factor analytic result of the present study reveals that there are seven factors influencing the perception of agents towards their organization. Agents perceive *Staff co-ordination* as the most important factor followed by other factors, viz., Customer target, Competitive advantage predicates, Material hallmarks, Promising products & process, Service enhancement, and Exclusive attention. If agents are satisfied with their organization in every respect (efficiency of supporting staff and their behaviour, training/refresher courses, working environment etc.) then they can provide efficient services to the policyholders and which would increase the brand image of the Corporation. So, LIC should consider its agency system as the most crucial distribution channel and should make efforts to provide them efficient facilities to improve its business performance to a great extent.

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