



A STUDY ON EMPLOYEE PERCEPTION TOWARDS MOTIVATIONAL METHODS WITH REFERNECE TO SELECTED INSURANCE COMPANIES IN COASTAL ANDHRA PRADESH

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Abstract

In an increasingly competitive world it is essential for an organization to be flexible, innovative and adoptive. This necessitates a clear definition of roles and responsibilities of the employees. Employee motivation is extremely critical in ensuring this. Organizations and individuals have to develop work quality and performance simultaneously in order to survive. Times are changing and to keep pace with continuous changes organizations must progress continuously. This can be done only through effective motivational methods.

During the past decade, a number of factors have emerged in the field of Employee Motivation. The most obvious of these is that adopting suitable motivational method procedure for today and for tomorrow must not be in deep trouble. If it is, then sooner or later the employing organization will suffer consequently. Hence, motivation is seen more as a direct management concern and responsibility not merely because managers are the bosses of the employees and are in the best position to identify their motivational needs.

In this context the present study was conducted on employee motivation in Indian Insurance Industry, the purpose of study is to measure the attitudinal differences among the executives of various departments in identifying need for employee motivational programs. A total 223 employees among the two companies with the pilot study. Both primary and secondary data was used to analyze data. Few statistical techniques like "Factor Analysis", KMO Test, and Frequencies etc are also used to provide statistical inferences. After the data was analyzed the conclusions are drawn and suggestions are given to the policy makers for implementation to improve the performance of insurance sector.

Key Words: Employee, Motivation, Performance, Satisfaction.

Introduction

The role of the Human Resource Manager is evolving with the change in competitive business environment and the realization that Human Resource Management must play a crucial role in the organizational success. Organizations that do not place emphasis on attracting and retaining talents may find themselves in direct consequences, as their competitors may be outplaying them in the strategic employment of their human resources.

Due to global competition, organizations must become more adaptable, and market-focused to succeed. In addition, within this change in environment, the HR experts has to evolve to become a strategic partner, an employee sponsor, and a change mentor within the organization.. In general, the focus of today HR Manager is on employee retention and talents management. Motivation is a powerful method in the hands of managers for inspiring and enhancing job performance of the work force. By motivating the employees management creates a systematic mechanism for monitoring and developing job performance. The issue of employee dissatisfaction and related attitudinal differences towards work is assuming alarming rate global organisations.

Research Problem

An extensive investigation of the literature provides numerous studies on the topic of Employee Motivation. However, there are very few studies related to employee motivation in insurance sector among executive level employees. Based on investigator personal observation and data collected from secondary sources, many insurance company employees had undergone various motivational programs but have shown minimal satisfaction regarding motivational methods and also very few studies were attempted in identifying perceptions of employees regarding employee motivational programs.

Nature And Scope of the Study

The nature of the study is descriptive as it attempted to find out the views of employees of different insurance companies on various aspects like job environment, motivational methods and evaluation of the motivational programs etc. The scope of the study is limited to three districts of Coastal Andhra Pradesh viz Guntur, Krishhna and Prakasam.

Objectives of the Study

- To study the employee motivational methods in selected insurance companies and to assess the variations among those companies in development and execution of employee motivational programs.

- To measure the attitudinal differences among the executives of various departments in identifying the need for employee motivation.
- To analyze the effectiveness of employee motivational programs offered in insurance sector.
- To offer pertinent suggestions based on the study for the improvement of employee motivational strategies for insurance sector.

Research Methodology

A brief outline of the methodology for the study is given below:

Data Sources

Data sources are primary and secondary. Data relating to attitudes of the employees of insurance companies towards employee motivation and the execution of various employee motivational programs was collected through primary data.

Data Collection

Primary data was collected through administration of a structured questionnaire (questionnaire attached in annexure). The required secondary data was collected through the records of the selected insurance companies, relevant websites, etc.

Sample Design

Sampling

For the present study, purposeful sampling technique is adopted for selecting the respondents from the insurance companies. The respondents comprise the various levels of executives of selected insurance companies located in various districts of Coastal Andhra Pradesh.

The selected insurance companies for the present research work are:

1. "Life Insurance Corporation of India"
2. "ICICI Prudential Life Insurance Company Ltd".

The above companies are selected on the basis of their market shares, which is collected from the websites of the companies:

1. LIC has a market share of 50% which is a public sector company.
2. ICICI Prudential has a market share of 10% which is leading in the private sector.

Sample Adequacy Test

For the study Kaiser-Meyer-Olkin (KMO) test was conducted to estimate the adequacy of the sample. The formula for the test is as follows

"KMO Test = (sum of the observed correlation coefficient) / (the sum of the observed correlation coefficients) + (sum of the partial correlation coefficients between all pairs of variables)".

Table:1 Results of KMO Test

Company	Sample Size	Result
LIC	123	0.60899052
ICICI	100	0.52232339

Data Analysis and Interpretation

Table:2 Employee Perceptions on Various Job Environment Factors

Job Environment	Public Sectors		Private Sector	
	Frequency	Percentages	Frequency	Percentages
Adequate Authority	35	28.46	36	18.00
Challenging Nature	34	27.64	59	29.50
Status in Society	27	21.95	36	18
Improve Customer Satisfaction	24	19.51	33	16.50
Updating Skills	3	2.44	36	18

Interpretation: In case of all the respondents of public sector have given more preference to the statement that job provides more authority and responsibility. In case of private sector respondents prefer statement that job is challenging nature and varies from time to time.

Table: 3 Employee Perceptions on Various Motivational Factors

Motivational Factors	Public Sectors		Private Sector	
	Frequency	Percentages	Frequency	Percentages
Job	26	21.14	46	23.00
Promotions	31	25.20	21	10.50
Good Salary	47	38.21	75	37.50
Working	16	13.01	18	9
Working	17	13.82	48	24
Motivational	30	24.39	32	16

Interpretation: In case of all the respondents of both public and private sector have given more preference to the good salary. This implies that most of the employees accepted that salary is an effective motivational tool.

Table: 4 Employee Perceptions on Various Monetary Issues

Monetary Rewards	Public Sectors		Private Sector	
	Frequency	Percentages	Frequency	Percentages
Fringe Benefits	29	23.58	54	27
Salary	50	40.65	54	27
Bonuses	28	22.76	61	30.50
Pensions	15	12.20	29	14.50
Profit Sharing	1	0.81	2	1
Performance Pay	16	13.01	35	17.50

Interpretation: In case of all the respondents of public sector have given more preference to salary. In case of private sector respondents prefer bonuses. This implies that monetary rewards play a crucial role in employee motivation.

Table: 5 Employee Perceptions on Various Non-Monetary Issues

Non-Monetary Factors	Public Sectors		Private Sector	
	Frequency	Percentages	Frequency	Percentages
Job Security	56	45.53	52	26.00
Appreciation for work done	27	21.95	55	27.50
Physical Environment	27	21.95	56	28
Work Content	12	9.76	36	18
Relationship with Co-workers	56	45.53	52	26.00

Interpretation: In case of all the respondents of public sector have given more preference to job security. In case of private sector respondents prefer appreciation for work done. This implies that non- monetary factors also play a crucial role in employee motivation.

Findings

- 1) The study reveals that there are significant differences in the views of executives on various statements relating to job environment, significant differences are also noticed in the views of respondents across public and private sectors.
- 2) The study reveals that there are significant differences in the views of executives on various factors relating to employee motivation, significant differences are also noticed in the views of respondents across public and private sectors.
- 3) The study reveals that there are significant differences in the views of executives on various factors related to monetary factors, significant differences are also noticed in the views of respondents across public and private sectors.
- 4) The study reveals that there are significant differences in the views of executives on various statements relating to job environment, significant differences are also noticed in the views of respondents across public and private sectors.
- 5) The study reveals that there are significant differences in the views of executives on various factors relating to non-monetary issues, significant differences are also noticed in the views of respondents across public and private sectors.

Suggestions

- 1) The study found that there is a difference between the opinions of the respondents in job environment. So the concerned authorities are required to identify the causes and make a necessary action for overcoming job



environmental issues.

- 2) In the light of these observations, there is a need on the part of organisations to bring improvements in certain employee motivational methods.
- 3) It is suggested that sufficient care has to be taken by both the public and private insurance companies in designing effective employee motivational methods.
- 4) The insurance management should adopt innovative methods for evaluating employee motivational methods.

Conclusion

The insurance sector has been playing a crucial role in the process of economic development since independence in the country. The insurance sector has witnessed a phenomenal growth in terms of advances, number of branch offices, investments, priority sector advances, sponsored regional rural sector, profits, customer relationship management, corporate governance, manpower deployment, non-performing assets etc. The insurance companies also positively and adequately responded to the insurance Sector reforms, which are introduced since 1991. The consequences of such reforms include maintaining Trust on new areas, employee motivation and job performance.

It has been a widely accepted fact that human resources play an important role in the process of development of any organisation in the country. The effective implementation of policies relating to human resources will yield the expected results in satisfying the expectations of different groups which are dependent on the organization. This kind of institutions is also expected to fulfill the needs of various groups, which are dependent on them. This can be effectively achieved only where the executives and other cadres of employees in the insurance companies are properly motivated towards attainment of desired expectations from the different groups.

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