



## WORKING WOMEN POLICYHOLDERS UTILIZATION OF THE FACILITIES PROVIDED BY LIC

M.Akilanayaki\* Dr.R.Gopi\*\*

\*Assistant Professor of Commerce, NGM College, Pollachi, Tamil Nadu, India.

\*\*Assistant Professor of Commerce, Government Arts College, Udumalpet, Tamil Nadu, India.

### Abstract

Working women enjoys both personal and professional life. The advent of stiff competition has compelled LIC to continuously introduce variety of world-shattering policies and facilities to suit the budding needs of the policyholders. Today, working women policyholders have shifted from traditional way of paying life insurance premium to e-payment mode. Availability of information over net and provision for payment of premium at any branch are highly utilized by them. A study was carried out among 575 working women policyholders of LIC in Coimbatore district to assess their level of utilization of the facilities provide. It was found that respondents have a medium level of utilization. Age, marital status, educational qualification, occupation, family size, family income and level of awareness have a significant association with the level of utilization on the facilities provided by the LIC.

**Keywords:** Life Insurance, Working Women Policyholders, Utilization.

### Introduction

Today, women have become a significant part of the family and society and also influence the course of social change in the society (Important India, 2015)<sup>1</sup>. They live longer than men and it becomes important for them to save for future. Working women enjoys both personal and professional life. Life insurance is an excellent way of providing retirement savings and also protecting their families from financial constraints (S. Vinoth, 2012)<sup>2</sup>. Melinda Gates rightly quotes "A woman with a voice is by definition a strong woman. But the search to find that voice can be remarkable difficult". It substantiates that either the women is uninsured or under insured. Despite all of the changes, many married women still rely on their husband's insurance policy to protect them (Dr. Manish Srivastava and Megha Rastogi, 2010)<sup>3</sup>.

India is ranked 10<sup>th</sup> among 156 countries in the life insurance business (Insurance Regulatory and Development Authority Reports, 2016)<sup>4</sup>. With 360 million policies our life insurance sector emerges as the biggest sector in the world and it's anticipated to grow at a Compound Annual Growth Rate (CAGR) of 12 to 15 per cent and expected to penetrate by five per cent in the next five years (Sectoral Report, 2016)<sup>5</sup>. The state owned Life Insurance Corporation of India (LIC) was incorporated on September 1, 1956 by nationalizing 245 Indian as well as foreign companies with a view to provide life cover to various segments of people. Today, LIC is functioning with a large network to facilitate the society. The corporation offers a variety of products to cater the emerging needs of the public and is in forefront by providing innovative services to facilitate its policyholders.

### Review of Literature

1. Thirumaran and Jai Ganesh (2012)<sup>6</sup> in his study found that occupation influences the level of utilization.
2. Gopi. R (2009)<sup>7</sup> in has study found that age, area of residence, educational qualification, occupation, number of members in the family, income earned and family income and influence the level of utilization.

### Statement of Problem

The advent of stiff competition has compelled LIC to continuously introduce variety of world-shattering policies and facilities to suit the budding needs of the policyholders. The customized facilities offered by the players have induced the policyholders to utilize its facilities to the maximum extent. Today, working women policyholders have shifted from traditional way of paying life insurance premium to e-payment mode. Availability of information over net and provision for payment of premium at any branch are highly utilized by them. This induced the researcher to know the following: To what extent the working women utilize the facilities offered by LIC in the study area? What are the variables associated with their level of utilization?

### Objectives of the Study

The following are the objectives of the study:

1. To asses the level of utilization of working women policyholders on the facilities provided by LIC
2. To identify the variable associated with their level of utilization

### Research Methodology

The present study is based on both primary and secondary data. Interview schedule was used to collect the opinion from 575 working women policyholders of LIC in Coimbatore District by adopting convenient sampling technique. Annual reports of IRDA as well as LIC and articles from journals, bulletins and websites form the secondary sources. Data is analyzed by using Simple Percentage and Chi-square test.

### Limitation of the study

The study is confined to Coimbatore district. The statistical tools used to analyze the data have their own limitations. The opinion given by the policyholder may be biased in nature. So, caution must be taken while generalizing the result.

### Findings of the Study

#### Level of Utilization

Women policyholder level of utilization on the various facilities provided by the LIC has been measured by giving scores to utilization related questions. Twenty eight questions are in the questionnaire. Answer to the question is rated on two-point scale ranging zero and one. Thus, maximum score of a policyholder would get is 48. Based on utilization index score, policyholders are divided in three groups as policyholder with low, medium and high level of utilization. The mean value is 22.63 and the standard deviation 17.53. Accordingly, policyholders with utilization index score up to 5.10 are termed as policyholder of low level of utilization; the respondents with index score from 5.11- 40.15 are termed as policyholder with medium level of utilization and those policyholder with utilization index score with 40.16 and above are as termed as policyholder with high level of utilization on the facilities provided by LIC. Table 5.9 reveals that of the 575 policyholders, 52 (9.04 per cent) have low level of awareness; 440 (76.52 per cent) have medium level of utilization and the rest 83 (14.43 per cent) have high level of utilization on the facilities provided by LIC.

**Table 1, Level of Utilization**

Level of Utilization	Number of Respondents	Percentage
Low	52	9.04
Medium	440	76.52
High	83	14.43
Total	575	100.00

Sources: Primary Data

Table 1 reveals that out of 575 policyholders, 52 (9.04 per cent) have low level of awareness; 440 (76.52 per cent) have medium level of utilization and the rest 83 (14.43 per cent) have high level of utilization on the facilities provided by LIC.

#### Factors Influencing the level of Utilization

In order to find the association between the select variables and the level of utilization on the facilities provided by LIC, the following hypothesis is formulated.

*H0: There exists no association between the select variables and the level of utilization on the facilities provided by LIC.*

**Table 2, Association of Select Variables and Level of Utilization**

Variables	Level of Utilization			Total n=575:	d.f.	x <sup>2</sup> Value
	Low n=52:	Medium n=440:	High n=83:			
<b>Area of Residence</b>						
Rural	28(10.90%)	196(76.60%)	32(12.50%)	256	4	5.239
Semi urban	10(5.60%)	138(77.10%)	31(17.30%)	179		
Urban	14(10.00%)	106(75.70%)	20(14.30%)	140		
<b>Age</b>						
Up to 25 years	9(7.90%)	73(64.00%)	32(28.10%)	114	4	27.565*
26 to 40 years	28(8.00%)	278(79.20%)	45(12.80%)	351		
Above 40 years	15(13.60%)	89(80.90%)	6(5.50%)	110		
<b>Marital Status</b>						
Married	32(8.10%)	315(79.30%)	50(12.60%)	397		
Unmarried	17(12.90%)	83(62.90%)	32(24.20%)	132		

Single	3(6.50%)	42(91.30%)	1(2.20%)	46	4	22.351*
<b>Educational Qualification</b>						
Uneducated	6(9.20%)	57(87.70%)	2(3.10%)	65	10	20.389*
Up to HSC	12(13.80%)	67(77.00%)	8(9.20%)	87		
Diploma	4(8.30%)	34(70.80%)	20(20.90%)	48		
Under Graduate	14(9.00%)	112(72.30%)	29(18.70%)	155		
Post Graduate	16(8.10%)	148(75.10%)	33(16.80%)	197		
Professional	0(0.00%)	22(95.70%)	1(4.30%)	23		
<b>Occupation</b>						
Daily Wage Earner	5(7.10%)	61(87.10%)	4(5.70%)	70	10	30.868*
Business	10(14.70%)	37(54.40%)	21(30.90%)	68		
Govt. Employee	4(6.20%)	55(84.60%)	6(9.20%)	65		
Private Employee	19(8.10%)	177(76.00%)	37(15.90%)	233		
Agriculturalist	6(11.30%)	44(83.00%)	3(5.70%)	53		
Professionals	8(9.30%)	66(76.70%)	12(14.00%)	86		
<b>Family Type</b>						
Joint	16(8.20%)	143(73.00%)	37(18.90%)	196	2	4.814
Nuclear	36(9.50%)	297(78.40%)	46(12.10%)	379		
<b>Family Size</b>						
Up to Three	31(12.10%)	194(75.80%)	31(12.10%)	256	4	16.727**
Four	15(8.00%)	152(80.90%)	21(11.20%)	188		
Above Four	6(4.60%)	94(71.80%)	31(23.70%)	131		
<b>Female Earning Member</b>						
One	41(9.10%)	348(77.50%)	60(13.40%)	449	2	1.907
Above One	11(8.70%)	92(73.00%)	23(18.30%)	126		
<b>Earning Member</b>						
One	1(3.00%)	29(87.90%)	3(9.10%)	33	4	8.447
Two	39(11.10%)	266(76.00%)	45(12.90%)	350		
Above Two	12(6.20%)	145(75.50%)	35(18.20%)	192		
<b>Monthly Income</b>						
Up to Rs. 10,000	18(9.40%)	154(80.60%)	19(10.00%)	191	4	7.422
Rs. 10,001 to Rs. 20,000	12(6.90%)	137(78.20%)	26(14.90%)	175		
Above Rs. 20,001	22(10.50%)	149(71.30%)	38(18.20%)	209		
<b>Family Income</b>						
Up to Rs. 25,000	11(9.20%)	98(82.40%)	10(8.40%)	119	4	12.241**
Rs. 25,001 to Rs. 50,000	22(11.80%)	143(76.90%)	21(11.30%)	186		
Above Rs. 50,001	19(7.00%)	199(73.70%)	52(19.30%)	270		
<b>Total Savings</b>						
Up to Rs. 5,000	17(12.10%)	104(74.30%)	19(13.60%)	140	4	5.108
Rs. 5,001 to Rs. 15,000	17(8.90%)	152(79.60%)	22(11.50%)	191		
Above Rs. 15,000	18(7.40%)	184(75.40%)	42(17.20%)	244		
<b>Level of Awareness</b>						
Low	24(18.30%)	107(81.70%)	0(0.00%)	131	\	71.824*
Medium	27(7.80%)	270(78.30%)	48(13.90%)	345		
High	1(1.00%)	63(63.60%)	35(35.40%)	99		

Sources: Primary Data \*\* Significant at Five Per cent Level \*Significant at One Per cent Level

Table 2 reveals that among the thirteen demographic variables, seven variables are found to have a significant association with the level of awareness. Among them age, marital status, educational qualification, occupation and level of awareness are found to be significant at one per cent level. Family size and family income is found to be significant at five per cent level.



There is no significant association between the demographic variables namely area of residence, family type, female earning member, monthly income, earning member in the family and total saving and level of utilization on the facilities provided by LIC.

### Suggestions

Based on the study the following suggestion may be implemented to enhance the level of awareness of the policyholders:

- Introduce innovative facilities to facilitate working class people.
- Inculcate periodical awareness camps, seminar and meetings at the work place.
- Induce the policyholders to use e-service by providing incentives.

### Conclusion

LIC offers various facilities to meet the need of the women policyholders. Even in the competitive era the corporation was able to maintain high market share. The present study reveals that majority of the working women policyholders are with medium level of utilization. The select variables age, marital status, educational qualification, occupation, family size, family income and level of awareness have a significant association with the level of utilization on the facilities provided by the LIC. The corporation must frame innovative tactics for the effective utilization of the facilities put forth before the policyholders.

### Reference

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