

Training In Selected Public and Private Life Insurance Companies – A Comparative Study

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ABSTRACT

Training and development is of paramount importance at this juncture. As any other industry in the growth phase, the insurance industry has the capacity to create a large number of job opportunities. Training requirements in the insurance industry vary according to levels in the organization. People in the insurance industry may be segmented into sales, non-sales and senior management/ board. Training programs may be designed accordingly. The most frequently delivered training modules in the industry are designed for sales managers and agents. These modules emphasize on sales effectiveness, product knowledge, sales communication and relevant technology. The ones for non-sales staff are typically technical in nature, which senior management is trained on regulatory and corporate governance aspects. Training and development is the field which is concerned with organizational activity aimed at bettering the performance of individuals and groups in organizational settings. It has been known by several names, including human resource development, and learning and development. Training and development (T&D) encompasses three main activities: training, education, and development.

Key Words: Insurance companies, development, employees, increase in performance, training

INTRODUCTION

Favourable economic climate and number of other factors such as, growing urbanization, increasing consumerism, rise in the standard of living, increase in financial services for people living in rural areas, etc has increased the demand for wide range of financial products that has led to mutually beneficial growth to the insurance sector and economic growth process. This was coincided by technology development in the insurance operations. Training is essential for growth of the Insurance sector as well as for the employees.

Types of training given in insurance sector include:

Skills training
Refresher training
Cross functional training Team training
Orientation training
Organizational Level / Training Modules Administered

Study on the Training Procedures being Followed in the Insurance Sector in India

The present study helped to investigate and analyse the current trends training and development initiatives adopted in the Insurance Companies. A sample size of 100 employees working in some of the well-known insurance companies was taken for the study. The major observations obtained from the study were as follows:

Training is Conducted for All Levels of Employees

Among 100 employees 45 employees strongly agreed, 40 employees agreed and 15 employees disagreed with the fact that the training is being conducted for all levels of employees in the organization.

Frequency of the Training Programmes

Among the 100 employees surveyed 7 respondents reported that training is being organized for them once in a year, 32 employees said training is being organized for them once in every half year, 48 employees said that training is organized for them once in every quarter and 13 employees said that training programmes are organized in their company once in every month. Thus we can say that the frequency of training programmes for the employees in the Insurance Companies is generally once in every quarter and once in every half year.

Induction Training for the Newly Recruited Employees

Among the 100 employees who were questioned in order to find out that whether Induction Training Programmes are being organized for the newly recruited employees, 82 employees agreed and 18 disagreed. Therefore it could be inferred that all the major Insurance Companies do organize Induction Training Programmes for the newly recruited employees.

Training Methods being Employed

Among the 100 employees surveyed 58 employees said that their organization adopted On the Job Training methods, 33 employees said that their organization adopted Off the Job Training methods and 9 employees said that their organization adopted both On the Job as well as Off the Job Training Methods. Thus we can say that the Insurance Companies generally follow On the Job Training Methods.

On the Job Training Methods Being Used

Among the 58 employees; 28 employees said that their organization makes use of Mentoring in order to provide training to the employees, 19 employees said that their organization used Coaching in order to provide training to the employees and 11 employees said that their organization used Job Instruction Training Method in order to provide training to the employees. Thus we can say that the Insurance companies generally followed Mentoring and Coaching methods in order to provide training to the employees.

Off the Job Training Methods Being Used

Among the 33 employees; 11 employees said that the organization makes use of Lecture Method in order to provide training to the employees, 15 employees said that their organization used Role Playing in order to provide training to the employees, 3 said their organization used Programmed Instruction Method and 4 employees said that their organization used Conferences and discussions in order to provide training to the employees. Thus we can say that the Insurance companies generally followed Role Playing and Lecture Method in order to provide training to the employees.

Appointment of Trainer

Among the 100 employees being surveyed; 63 employees responded that the trainers for the training programme were being appointed by the organization from outside the organization. 37 employees said that the Senior employees acted as trainer for their subordinates in the organization.

Do the Employees Attend the Training Programs being organized for them Regularly?

76 respondents replied that they have regularly attended the training programs being organized for them by their organization and 24 employees felt that they were irregular at the training programs.

Satisfaction of the Employees about the Trainers being selected

77 employees were satisfied with the selection of the trainers in their organization and 23 employees were dissatisfied with the selection of the trainers in their organization.

Areas covered mostly in Training

41 employees said that their organization concentrated mostly in providing training in knowledge, 12 felt that their organization concentrates in providing training in techniques, 13 employees said that their organization provided training mainly in the area of Technical skills and 34 employees felt that their organization provided training mainly in the area of Social Skills. Thus we can say that Knowledge and Social Skills are the two areas in which the Insurance Companies provided training to the employees.

Soft Skills Training

87 employees said that their organization provided them Soft Skills training and 13 employees said that their organization did not provide them soft skills training. Thus we can say that the Insurance Companies did provide Soft Skills Training to their employees.

Team Training

63 employees said that their organization provided them Team Training whereas 37 employees said that their organization did not provided them Team Training. Thus we can say that the Insurance Companies did provided training to their employees about various aspects of working in a team.

Creativity Training

29 employees said that their organization provided creativity training to their employees whereas 71 employees said that the organization did not provided creativity training to their employees. Thus we can say that the Insurance companies did provided Creativity training to the employees.

Evaluation of Skills, Knowledge and abilities before Training

79 employees said that their organization evaluated their skills, knowledge and abilities before conducting the training programs whereas 21 employees said that their organization did not evaluated their skills, knowledge and abilities before conducting the training programs. Thus we can say that the Insurance companies did evaluate the skills, knowledge and abilities of the employees before conducting the training programs.

Evaluation of Skills, Knowledge and abilities during the Training

31 employees said that their organization evaluated their skills, knowledge and abilities during the training program whereas 69 employees said that the organization did not evaluated their skill, knowledge and abilities during the training program. Thus we can say that the Insurance Companies did not evaluate the skills, knowledge and abilities of the employees during the training.

Evaluation of Skills, Knowledge and Abilities after the Training

58 employees said that their organization evaluated their skills, knowledge and abilities after the training program is over whereas 42 employees said that the organization does not evaluated their skills, knowledge and abilities after the training program. Thus we can say that the Insurance Companies did evaluate the skills, knowledge and abilities of the employees after the training programs is over.

Feedback Collected about Training from the Employees

26 employees said that the organization collected feedback about the training program and the trainer from the employees whereas 74 employees said that the organization did not collected feedback from the employees about the training program and the trainer after the training program was over. Thus we can say that the Insurance Companies do not collect the feedback from the employees about the training program and the trainer after the training program is over.

Training Program helps in Career Development

25 employees said that the training programs being organized in their organization helped them in career development to a great extent, to 38 employees the training programs being organized in their organization helped them in career development to some extent, to 23 employees the training programs being organized in their organization helped the employees in their career development to a very little extent and 14 employees said that the training programs not at all helped the employees in career development.

Training Provided Helps in Day to Day Job Responsibilities to the Employees

41 employees said that they were able to employ the skills, knowledge and abilities learnt in the training programs being organized by their organization to a great extent, 25 said that they were able to employ them to some extent, 27 employees said that they employed them very little and 7 employees said that they did not employed the skills, knowledge and abilities. Thus we can say that the employees working in the Insurance companies were able to use the skills, knowledge and abilities learnt in the training programs being organized by their organization.

Use of Latest Technology

31 employees said that their organization made use of latest technology in the training programs whereas 69 employees said that their organization did not make use of latest technology in the training programs organized by their organization. Thus we can say that the Insurance Companies do not make use of latest technology in the training programs.

Employees Opinion about the Training Program

33 employees felt that the training programs being organized by their organization were excellent, 25 felt it was good, 23 felt fair and 9 felt that the training programs being organized by their organization were poor.

Motivational Training

87 employees said that the organization provided them motivational training whereas 13 employees said that their organization did not provided them motivational training. Thus we can say that the Insurance companies did provide Motivational training to the employees.

From the study we can interpret the following about the training programs in the Insurance Companies:

Training is generally needed for all levels of employees in the insurance sector.

Training programs are organized usually once in quarter or once in every half year in the insurance companies based on their performance.

Both on the Job training and off the job training methods are being employed in order to provide training to the employees. Coaching and Mentoring are the major On the Job training methods being used in the insurance Companies. Role Playing and Lecture Method are the major Off the Job training methods being used in the Insurance companies. Induction training for the newly recruited employees is a must for the Insurance Companies.

The trainers for the training programs are generally appointed by the company from outside. Employees being satisfied with the training programs regularly attend the training. Knowledge and Social Skills are the areas where the employees are trained the most.

Employees are given only soft skills and team training. However they are not given any creativity training. Evaluation of the Skills, Knowledge and Abilities of the employees is done before and after the training programs but not during the training programs.

The companies do not collect proper feedback from the employees about the training programs. The Insurance Companies do organize Motivational Training for the employees in order to improve their performance. The training organized in the Insurance companies do help the help the employees in their career development and in help them to improve in carrying out their day to day job responsibilities.

Recommendations and Suggestions

Following recommendations can be given from the study carried out on the training procedures being followed in the Insurance Sector:

1. Proper record of the training programs should be maintained.
2. Creativity training should be introduced for the employees as it helps them to discover their talents.
3. Proper Motivational training should be organized. Motivational training thus forms an important aspect to enhance the performance of the employees in the Insurance sector.
4. Regular feedback should be collected from the employees about the training programs and a proper record should be maintained. This is because the feedback serves as an important source to find out what are the flaws in the current training procedures and recording them would help to eliminate the same in the future.
5. The companies should try to employ potential in-house trainers as they understand employee need in a much better way.

CONCLUSION

In mature and increasingly regulated markets, performance directed training is gaining in prevalence. This is due to relatively higher job mobility being seen by the insurance industry in life, non-life and health sector in addition to Broking and Third Party administrators. The current need for specialization in underwriting, policy writing, and claims management if addressed, will go a long way in enhancing competency development. Best practices are no longer a matter of professional practice, but of compliance as well. Training is a learning process that involves acquisition of knowledge, sharpening of skills concepts, rules, or changing of attitudes and behaviour to enhance the performance. The need of the hour is to enhance insurance literacy to empower consumers to make informed decisions based on available choices. Further ,insurance industry must evince a commitment to insurance education; to develop professionalism within insurance stakeholders who have a decisive role to play in ensuring the distribution of the fruits of insurance to every nook and corner of this vast country.The training in insurance must embrace every aspect of the personnel elements that make up the industry including all ancillary services. Deciding about the programs to address specific performance problems needs lots of input and involvement of various stake holders associated with it, to set the standards vis-a-vis performance levels that are measurable. The exercise may lead to several courses to be conducted in a program, for specified duration to achieve the objectives. The exercise will also look into the content and delivery; and even where and when the program is to be



delivered. It will have tremendous impact, not only on the programs and their participants, but also on the insurers, insurance industry, and the entire society.

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