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PILOT SURVEY FOR ACCESSING TRAINING AND DEVELOPMENT ACTIVITIES IN NON-LIFE INSURANCE COMPANIES IN AHMEDABAD AND GANDHINAGAR CITIES

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There is lot of news revolving around the non-life insurance sector in the recent past. With the proposed IPOs of government non-life insurance companies to new companies coming in this market, future will be very hyper turbulent. With this major changes coming in non-life insurance market, there has to be systematic foundation for providing training to the employees and advisors in this sector. As the penetration level is on the high and the financial literacy is low for the customers in this sector, an employee plays a key role in the sales of non-life insurance products. This research paper tries to focus on a pilot survey conducted in Ahmedabad and Gandhinagar cities of Gujarat state. The paper is trying to access various training and development activities conducted by non-life insurance companies. It is to be noted that there has been a positive outcome of the pilot survey for the non-life insurance companies. The researcher has conducted this pilot survey for validating the questionnaire.

INTRODUCTION

The general insurance business in India is currently at Rs. 78,000 crore (US$ 11.7 billion) premium per annum industry and is growing at a healthy rate of 17%. Out of 29 non-life insurance companies, five private sector insurers are registered to underwrite policies exclusively in health, personal accident and travel insurance segments. They are Star Health and Allied Insurance Company Ltd., Apollo Munich Health Insurance Company Ltd., Max Bupa Health Insurance Company Ltd., Religare Health Insurance Company Ltd. and Cigna TTK Health Insurance Company Ltd. There are two more specialised insurers belonging to public sector, namely, Export Credit Guarantee Corporation of India for Credit Insurance and Agriculture Insurance Company Ltd. for crop insurance. The country is the fifteenth largest insurance market in the world in terms of premium volume, and has the potential to grow exponentially in the coming years.

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The sector is poised for an unprecedented growth in the coming years. Given the insurance training infrastructure in the form of various institutes'; there is enough opportunity for the young to get qualified and employed in the insurance sector. Insurance Regulatory and Development Authority (IRDA), being the regulator of insurance sector in the country, also provides career opportunities for experienced insurance professionals.

While the Indian general insurance industry has evolved significantly over the past decade or so, the insurance penetration and insurance density levels are significantly lower than the developed as well as comparable developing countries. The under-penetration is driven by lack of overall financial awareness, lack of understanding of general insurance products, low perceived benefits, and propensity to purchase insurance based on reactive drivers such as insistence by financers, statutory requirements, etc.

Lack of adequate training to the distribution intermediary coupled with lack of motivation, makes it difficult to explain the products to largely uneducated customers. The role and profile of the agency manager largely in the industry involves agent recruitment, profiling, training, hand-holding and activation amongst others.

Inefficient agent recruitment process leads to high attrition amongst the agency managers and agents; it also leads to cost build up for recruitment, and training of this sales force. Some agents lack the skill to provide sound financial advice and accordingly, there is a lot of mis-selling that also happens in this channel. The overall stickiness of this sales force needs to be increased to ensure a more sustainable model.

Thus seeing to the scenario of growth in non-life insurance companies and not appropriate knowledge of the customers, the employees and the insurance agents should be provided with sound training by all the non-life insurance companies.

BASIC BACKGROUND TOWARDS PILOT SURVEY

An exhaustive literature review was carried. The researcher had collected around 100 research papers pertaining to training and development from referred online journals. The whole database of literature review was tabulated in a systematic manner pertaining to basic topics covered by various authors and table was generated.

On the basis of literature review 8 basic gaps were found out and these gaps were put in the form of 8 questions. A small pilot survey was conducted of 18 senior employees of Non-life insurance companies in Ahmedabad and Gandhinagar cities for validating the gaps generated from the literature review. The responses of these 18 employees were put in a tabulated form according to 8 questions.

PREPARATION OF QUESTIONNAIRE FOR PILOT SURVEY

On the basis of the responses received from senior employees of non-life insurance companies and the literature review, the questionnaire has been prepared in a systematic manner keeping in mind the gaps. The pilot survey which was conducted for 18 employees of non-life insurance companies had helped in consolidating the questionnaire for final pilot survey. The six basic factors which have been considered for the final pilot survey has been taken

from the gap which was identified in the literature review and from the base pilot survey of 18 employees. The six major factors that have been considered in the questionnaire are Need assessment, Designing and Implementing, Transfer of training to the workplace, Positive effects of training, Training evaluation and Impact of IT in training. On the basis of the literature review and base pilot survey these factors were further divided into sub factors and various statements were formed which was put on the likert scale of 7.

ANALYSIS OF PILOT SURVEY

Pilot survey for validating the questionnaire was carried out in Ahmedabad and Gandhinagar cities and the survey of 30 employees of non-life insurance companies was undertaken in the month of September and October 2015.

The responses of these 30 employees in the final pilot survey have been on the positive side for the companies. On the likert scale of 7 majority of the responses were for 5, 6, 7. Thus the gaps which were identified in the literature review and further discussed with 18 employees have been validated through final pilot survey.

The six major factors that have been considered in the questionnaire are Need assessment, designing and implementing, transfer of training to the workplace, positive effects of training, training evaluation and impact of IT in training. The researcher has tried to see what percentages of responses are for 4, 5, 6, 7 likert scales for each of these factors. The responses for 1, 2, 3 has been very less by the respondents and thus the researcher has neglected the same and analyzed the other likert scale response.

1) Training Need Analysis

Training need analysis is the process of identifying the areas where both individuals and groups in an organization would benefit from training to become more effective in achieving their own objectives and the objectives of their organization.

The concept of need typically refers to a discrepancy or gap between what an organization expects to happen and what actually occurs. The researcher has framed 6 statements on need analysis. The researcher is trying to find out whether the non-life insurance companies are doing the need assessment of training programs? If they are doing then employees are taken into consideration or not?

Thus from the above table one can say that the need assessment has been properly considered by majority of non-life insurance companies and the employees are also considered for the same.

2) Training Designing and Implementation

The key activities which are involved in designing effective program are setting of objectives, developing a lesson plan, selecting program methods and techniques, preparing various training materials and scheduling of the program. On the basis of the above topics 4 statements have been set and rest 4 statements have been prepared on the basis of the implementation of the training program. The 8 statements on the basis of designing and implementation of training are as under.

From the above table majority of the respondents are happy with the designing and implementation of the training and development programs. Majority of the respondents has given the response of 5 and 6 on the likert scale of 1 to 7.

Table 1: Training Need Analysis					
Statement No	Particulars	4 on likert scale	5 on likert scale	6 on likert scale	7 on likert scale
	Need Assessment				
1	Identification of training need is done on systematic basis	3.3	43	47	3.3
2	Trainings are designed after considering the requirements of employees	17	43	37	0
3	Performance appraisal data are considered for assessing the training needs	6.7	30	47	3.3
4	Individual's job related skills and abilities are considering in accessing needs	3.3	60	33	0
5	Employees participate in determining the training	6.7	30	60	3.3
6	There is a process for accessing organizational training needs	0	30	53	13

Table 2: Training Designing and Implementation					
Statement No	Particulars	% of Response for 4 on Likert Scale	% of Response for 5 on Likert Scale	% of Response for 6 on Likert Scale	% of Response for 7 on Likert Scale
	Designing and Implementation of Training				
1	Happy with the training program conducted in your organization	10	37	50	0
2	Employees are involved in suggesting various methods of training	13	50	27	6.7
3	Employees are informed about objectives of training	17	40	33	10
4	Training materials are send to the participants before the training program	10	27	60	0
5	Practical training are provided according to the training objectives	0	23	70	3.3
6	Delivery mechanism is according to the requirements of the participants	3.3	40	50	6.7
7	Majority of the training is through classroom with some kind of static media like ppt	0	40	53	6.7
8	Practical training is implemented through on the job training	6.7	37	47	6.7

3) Transfer of training to the workplace

It refers to trainees effectively and continually applying what they learned in training (knowledge, skill, behavior, etc.). Transfer of training includes both the generalization of training to the job and the maintenance of learned material. The researcher is trying to see that the transfer of training at the workplace is happening in non-life

insurance companies and trying to find the factors which will lead to systematic transfer of training.

Thus from the above table one can depict that the transfer of training to the workplace is happening and the things that has been learned during the training program, are able to transfer to the workplace and there is very less fadeout of training.

4) Positive effects of training

Companies can reap the rewards of providing the training to their employees because well trained workers help to increase productivity and profits. Investments in the training can improve worker retention rates, customer satisfaction and creativity in products. Training saves money in the long run by producing a better workforce. 7 statements has been framed in finding the positive effects of training in non-life insurance companies in Gujarat state.

It can be depicted from the above table that there is a positive effect of training and the

employees are satisfied with the training in non-life insurance companies of Gujarat state.

5) Training Evaluation

Training evaluation refers to the process of collecting the outcomes needed to determine whether training is effective. Training effectiveness refers to the benefits that the company and the trainees receive from training. Thus training evaluation provides a way to understand the investments that training produces and provides information needed to improve training. 4 statements has been framed to know the training evaluation.

Training evaluation is happening in a systematic manner in non-life insurance companies in Ahmadabad and Gandhinagar cities of Gujarat state.

6) Information Technology in training

Computers have had an enormous impact on the

Table 3: Transfer of Training to the Workplace					
Statement No	Particulars	% of Response for			
		4 on likert scale	5 on likert scale	6 on likert scale	7 on likert scale
	Transfer to training to the workplace				
1	Learning and transfer of training is happening at the workplace	20	33	47	0
2	Usage of skill by the collogues affects in transferring the skill learnt in the training	0	57	40	3.3
3	Ability to coach one another is helping the participant to transfer the training	6.7	27	60	6.7
4	Transfer of training is happening for the decision making training programs	6.7	47	43	3.3
5	Transfer of training is happening for the technical and the communication skills	13	33	50	3.3
6	Organization is not a constraint for transferring the training to the workplace	6.7	33	47	3.3
7	Training for the young generation are conducted in a different way when compared to other age groups	6.7	27	60	6.7

Table 4: Positive Effects of Training

Statement No	Particulars	% of Response for			
		4 on likert scale	5 on likert scale	6 on likert scale	7 on likert scale
	Positive effects of Training				
1	Training has a positive effect on employee and reduces attrition rate	3.3	27	60	10
2	Increases an overall profile of an employee with performance improvement	0	43	47	10
3	Improves employee development aspect of job satisfaction	0	43	50	6.7
4	Improves learning aspect of job performance and technical knowledge	6.7	57	30	6.7
5	Improves customer satisfaction	0	47	40	13
6	Gives a focus of achieving goals and objectives for the employees	0	47	40	13
7	Improves the organizational commitment	0	43	50	6.7

Table 4: Positive Effects of Training

Statement No	Particulars	% of Response for			
		4 on likert scale	5 on likert scale	6 on likert scale	7 on likert scale
	Training Evaluation				
1	Post training the employees are given the time to reflect and plan the improvement learnt in training	3.3	33	57	6.7
2	Seniors provides the right climate to implement new ideas acquired	3.3	43	50	3.3
3	Employees can give feedback on training to the management	0	40	57	3.3
4	Employees are asked for the feedback immediately after the completion of the training	3.3	50	43	3.3

delivery of training in organization. New technologies have made it possible to reduce the costs associated with delivering training to employees, to increase the effectiveness of the learning environment and to help training contribute to business goals. 3 statements has been framed to what extent technologies are used in implementing the training programs in non-life insurance companies.

From the above table to a very large extent the training is implemented using the latest technologies and considering the Information technology.

Table 6: Information Technology in Training					
Statement No	Particulars	% of Response for			
		4 on likert scale	5 on likert scale	6 on likert scale	7 on likert scale
	Information Technology in Training				
1	IT is used for providing training materials to the participants	0	23	70	6.7
2	Training programs are implemented through online learning and intranet	0	33	53	13
3	When implementing training through IT, characteristics of the participants are considered	0	53	37	10

FUTURE PROSPECTS OF THE TOPIC

In the above analysis the researcher tried to validate the questionnaire through the pilot survey. It has been seen in all the 6 variables that majority of the employees are in favor or the companies are giving importance to training and development activities. Further the researcher will be implementing the questionnaire on a larger scale in Gujarat state, to access the training and development activities in non-life insurance companies.

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ANNEXURE 1

**Questionnaire for
Assessment of Training and Development Practices in Non-Life Insurance Companies with
Special Reference to Gujarat State**

1) How many years of experience you have in general insurance companies? _____

2) Since how many years you are working with this organization. _____

3) In one year how many training programs you have undergone in this company. _____

4) Overall rank your satisfaction of training programs in this company

Rank between 0 to 10 (0 being least satisfied and 10 being highest satisfied) _____

From Question 5 to question 10 select anyone option for the statements

1 = Strongly Disagree

2 = Disagree

3 = Disagree Somewhat

4 = Neutral

5 = Agree Somewhat

6 = Agree

7 = Strongly Agree

5. Give your response regarding Training Need Analysis

Select any one from the following options for the statements.	Strongly Disagree	Disagree 2	Disagree Somewhat 3	Neutral 4	Agree Somewhat 5	Agree 6	Strongly Agree 7
Identification of training need is done on systematic basis							
Training programs are designed after considering the need and requirement of employees							
Performance Appraisal data is taken into consideration while assessing training needs							
Individual's job related skills and ability is considered in accessing training needs							
Employees participate in determining the training they need							
There is a process for assessing organization training needs and individual needs							
6. Give your response regarding Training Designing and Implementation							
You are happy in the way training program is conducted in your organization							
Employees are involved in suggesting various methods of training							

ANNEXURE 1 (CONT.)

Select any one from the following options for the statements.	Strongly Disagree	Disagree 2	Disagree Somewhat 3	Neutral 4	Agree Somewhat 5	Agree 6	Strongly Agree 7
Employees are informed about various objectives of training programs							
Training materials are send prior to the participants before starting of the training							
Implementation of practical training are provided according to the objectives of training							
Delivery mechanism is according to the requirement of participants							
Majority of the training program is implemented through classroom training with some kind of static media like ppt							
Majority practical training is implemented through On-The-Job training							
7. Give your response regarding Transfer of Training to the workplace							
The earning and transfer of training is happening at the workplace							
Usage of skill by the colleague affects you in transferring the skills learnt in the training program							
The ability to coach one another is helping the participants to transfer the training to the workplace							
Transfer of training to the workplace is happening for decision making training programs							
Transfer of training to the workplace is properly happening for technical and communication skills							
Organization is not a constraint for transferring of training to the workplace							
Training for the young generation are conducted in a different way when compared to other age group of employees							
8. Give your response regarding Positive Effects of Training							
Training has a positive effect on employees and reduces the attrition rate							
Training increases an overall profile of employees with their performance improvement and productivity							
Training improves employee development aspects of job satisfaction and career success							
Training improves the learning aspect of job performance and technical knowledge							
Training improves customer satisfaction							

ANNEXURE 1 (CONT.)

Select any one from the following options for the statements.	Strongly Disagree	Disagree 2	Disagree Somewhat 3	Neutral 4	Agree Somewhat 5	Agree 6	Strongly Agree 7
Training gives a focus on achieving goals and objectives for the employees							
Due to training, employees have a positive impact on the organizational commitment.							
9. Give your response regarding Training Evaluation							
Post training employees are given some time to reflect and plan the improvement learnt in the training							
Seniors provide the right climate to implement new ideas acquired during training							
Employees can give feedback on training to the management							
Employees are asked for the feedback immediately after the compilation of the training program							
10. Give your response regarding Information Technology in Training							
Information technology is used for providing training materials to the participants							
Training programs are implemented through online learning and intranet							
When implementing training through information technology the characteristics (age, education qualification, computer literacy) of participants are kept in mind							

Personal Details

Name:-_____

Gender: Male   Female

Currently working with which department _____

Current position in the company _____   Age: _____

Qualification. _____

Contact Details: Mobile _____   E-Mail _____