

Human Resource Development in Life Insurance Corporation of India – A Study **Sonika Solunke**

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Abstract

A set of effective human resource management practices can influence company performance and help the company in achieving a sustainable competitive advantage. The Life Insurance Corporation of India (LIC), established in 1956, is among the world's largest life insurers. With magnificent performance, at enormous scale, LIC dwarfs the other 23 life insurance players in India. LIC is fully owned by the Indian government; and given the popular perception that privately-managed organizations perform better, LIC's sustained success and dominating growth is intriguing. LIC of India has been imparting Training and Development Programs to their employees from time to time. The present study reveals that, Induction Training conducted by LIC of India for their employees are organized in a very systematic and orderly manner.

Keywords: Organizational Development, Career Development, Employee Orientation, Skill and Technical Training, Management Training

Introduction

In the present day society, the need for well developed and qualified human resources is being felt profoundly by the LIC, functioning in a scenario characterized by global competition, innovative and newer wide variety of goods and services and ever changing technology; all giving rise to human resource development. In order to meet the challenges; the employees of the LIC became focal point. For, the traditional employees needed to be properly developed so as to handle new technology, to manage new risks attached, to cope up with wider markets and to incorporate professional touch. In this backdrop, the researcher undertook a study of HRD in LIC and their impact on employee's productivity. There was a time when personnel manager was expected to manage employees to achieve eventually the overall goals of the organization. But, of late, the practicing personnel manager could perceive wider scope of managing the employees with the basic approach 'enlightened self interest' - a two way traffic to manage employees not only for the benefit of the corporation but also for the benefit of employees too. HRD is being practiced as a dynamic and creative means to achieve increased productivity and profitability, improved morale and career development of employees, better industrial relations, etc., to achieve the overall goals of the corporation.

Objection of the Study

1. To study the Human Resource Development Procedure in Life Insurance Corporation of India.
2. To study the process of training of employee in the corporation.
3. To study the system of Training and development of employee in the corporation

Research Methodology

The study is based on secondary data collected from annual reports of corporation, IRDA and other agencies as per the requirement. The data also collected from books, research paper and articles. The suitable and required statistical tools are used to summarizing the data.

Human Resource Development Policies of LIC

When Life Insurance Contract is completed between the insurer and the insured, a policy is issued to the insured by the insurer which contains all the terms and conditions of the contract. There are large number of Life Insurance Policies and in view of this Life Insurance Corporation of India issue a printed policy form for each major plan of insurance which contains all the details about the plan such as sum assured, premium amount to be paid during the year, mode of payment, name and address of the life assured etc. The policy document is divided in to following sections: •

Preamble; Operative Clause; Provision; Schedule; Attestation and Privileges and conditions.

There are three types of training centers with defined functions.

1. Management Development Centre (MDC):

- a. Management programmes and special seminars/ workshops.
- b. Training of trainers programme.
- c. Functional programmes.

2. Zonal Training Centre (ZTC):

There are eight zonal training centers to impart training in:

- a. Courses on General Management
- b. Courses on Supervision
- c. Functional Training
- d. Sales Training
- e. Seminars on special subject
- f. Staff training.

3. Sales Training Centres (STC):

There are 2s STCs, and they are spread widely so as there are three/four STCs for each zone depending on the need and impart training in:-

- a. Assistant Administrative Officers training
- b. Development officer's training
- c. club members other than chairman & zonal members
- d. Selected top agents training

For the above training necessary administrative arrangements like faculty support, teaching aids are provided by the zonal office.

Importance and Objectives of Training in LIC

One of the objectives of the Corporation is to involve all the people working in the Corporation to the best of their ability in furthering the interest of the insuring public to provide efficient service with courtesy. Training inter- alia is an essential support to achieve this objective. Training contributes in keeping people dynamic and provides an opportunity to employees to develop better understanding of what they do apart from enhancing their capability individually.

1. To acquire knowledge and skills necessary for the job, by understanding why the job is performed and how it can be improved.

2. To acquire necessary supervisory managerial skills in areas of decision making, problem solving, role clarity and role performance, interpersonal relationship etc.

3. Training is seen as an important factor for managing change and achieve excellence.

4. To develop internal faculty support on all areas, by a systematic faculty development.

5. To identify the training needs of the entire personnel in consultation with operating managers.

6. To dovetail training to the career planning and personnel in the industry.

Training Structure in LIC of India

There are three types of training centres with defined functions.

1. Management Development Centre (MDC): This is for imparting knowledge in:-

- a. Management programmes and special seminars/ workshops.
- b. Training of trainers programme.
- c. Functional programmes.

2. Zonal Training Centre (ZTC): There are seven zonal training centres to impart training in:-

- a. Courses on General Management
- b. Courses on Supervision
- c. Functional Training
- d. Sales Training
- e. Seminars on special subject
- f. Staff training.

3. Sales Training Centres (STC): There are 25 STCs, and they are spread widely so as there are three/four STCs for each zone depending on the need and impart training in :-

- a. Assistant Administrative Officers training
- b. Development officer's training
- c. Club members other than chairman & zonal members
- d. Selected top agents training

For the above training necessary administrative arrangements like faculty support, teaching aids are provided by the zonal office.

Approaches of Training

- Training needs survey
- Competence analysis
- Performance analysis

- Task analysis or group dynamism analysis
- Feedback recommendations
- Management decisions.

Criteria for Selecting Trainees

- The size and population of the employees
- Time available
- Client training commitment
- Type of programme to be taken up
- Level of trainees
- Resources available in house and outside
- Budget allowed
- Cost effectiveness criteria

Benefits of training to the organization

- Investment in training will have a focus and direction
- Performance problem will be solved leading to performance level
- Enhanced knowledge/skills
- Changed attitude
- Adaptability to new methods and technology
- Reduce time lags
- Reduce wastage, costs, frictions/conflicts
- Improve quality - cheaper than self-learning

Details of the training activities for Administrative Personnel Trained is as follows:

Sr. No.	Training Institute	No. Trained	
		2020-21	2021-22
1	Management Development Centre, Mumbai	8, 423	3, 779
2	Zonal Training Centre	43,235	63, 111
3	Divisional/Employee Training Center	9, 711	31, 564
4	National Insurance Academy, Pune	3, 584	2, 339
5	(Open programs) by Central Office	394	395
6	External Training (Customized programs) by Central Office	48	232
7	External Training by the Zonal HRD Department	679	1, 095
8	Total Administrative Staff Trained	66,074	1, 02, 515
9	Workshop on IRDAI Regulations	8, 218	22, 932

Source: 65th LIC Annual Report 2022

In order to provide new insight and perspectives to our Officials regarding emerging trends and innovations across the globe and to imbibe the best practices in various areas of operations, they are nominated to various external training Programs of relevance through External Training Institutes i.e. National Insurance Academy, Pune, Institute of Actuaries, College of Insurance, Indian Institute of Management, National Institute of Bank Management, Indian Chamber of Commerce, Administrative Staff College of India, Confederation of Indian Industry, ASCI, Hyderabad, etc. Further, in view to cover large number of employees, during the year 2021-22, various short duration Webinars have been conducted on topics viz; Digital Innovations, Cyber Securities, Product Mix and Channel Mix of Life Insurance Business across companies, Concept of

Mortality Tables, Global Underwriting Practices.

Conclusion

Training plays a very important role in the success of any organization because directly or indirectly it affects the performance of the employees. Through training opportunities, workers can develop and maintain skills that are required for employment in a continually changing workplace. By providing training, employers support the skill development of their employees. If the training is good than the employees will contribute their maximum for the achievement of the organizational objectives.

In the insurance, employee's behavior plays a vital role in improving the productivity of an organization. By incorporating personality development programmes such as role play, group discussion and business games the

superior and subordinate relationship can be strengthened. Corporation should take necessary steps in such a way that employees should feel training is essential to enhance the productivity and customer satisfaction to meet the present challenges in India.

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