Satisfaction and Problems Faced by Salesforce and Sales Agents in General Insurance : A Comparative Study of Public and Private Companies

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Abstract

Indian insurance industry was opened up in 1999 for the entry of private players. An open general insurance industry has witnessed the entry of more than twenty new general insurance companies. The present study is aimed at studying satisfaction among the salesforce and sales agents, and the problems faced by them in the sale of selected personal general insurance products, viz. car, home and health insurance. An attempt has been made to compare satisfaction and problems in the case of public and private sector companies. The sample includes 100 respondents each from the public and private sector companies. The study has been undertaken in the Union Territory of Chandigarh and the State of Punjab. The findings reveal that in general, the respondents are satisfied with the company, they are associated with. However, level of satisfaction among respondents in the case of private sector companies is relatively higher as compared to the public sector companies. Further, the findings reveal product-specific and other problems faced by respondents in the sale of chosen personal general insurance products. An attempt has also been made to present managerial implications based on findings of the study.

Key Words : Personal general insurance, salesforce, sales agents, public sector, private sector, satisfaction, problems

INTRODUCTION

Indian insurance industry was opened up in 1999 for the entry of private players. Prior to opening up of the Indian insurance sector, there were only four public sector players in general insurance, namely, National Insurance Company Limited, The New India Assurance Company Limited, The Oriental Insurance Company Limited and United India Insurance Company Limited. However, an open general insurance industry has witnessed the entry of more than twenty new general insurance companies. With opening up of the general insurance sector, big players are feeling the pinch. Effective marketing of insurance services will be very crucial for the success of a general insurance company in the market place. In this regard, the role of salesforce and agents is very important in effective delivery of insurance products. The present study that has been undertaken in the State of Punjab and the Union Territory of Chandigarh is aimed at studying satisfaction of the salesforce and sales agents, and the problems faced by them in the sale of personal general insurance products like car, home and health insurance. Already, Punjab and Chandigarh have seen the presence of the major private general insurance companies.

REVIEW OF LITERATURE

Moncrief et al. (1997) have commented that cause and effect of job stress still remain poorly understood. They have revealed that as productivity pressures, job uncertainties, changing sales strategies, and growing international competition increase, the salespersons experience unprecedented levels of job stress. Churchill (Jr.) et al. (1974) have attempted to explain job satisfaction in the case of a salesman and according to them it includes all characteristics of the job itself and the work environment which the salesman finds rewarding, fulfilling and satisfying or frustrating and unsatisfying. Matteson et al. (1984) have found no difference between Type A and B life insurance agents as regards to their sales performance and job satisfaction. Type behaviour is characterised in part as being extremely hard driving and competitive, highly achievement-oriented and work involved. A large number of studies (e.g. Behrman and Perreault, 1984; Franke et al., 1982; Behrman et al., 1981; Bagozzi, 1978, etc.) have considered the antecedents of job satisfaction in context of salesforce. Variables considered as antecedents include role conflict, role ambiguity, job performance, etc. Role conflict is likely to arise when insurance employees are unable to satisfy incompatible demands from customers and management (Chung and Schneider, 2002).

Some studies have attempted to examine the role of various organisational climate variables on job satisfaction among salesmen. Churchill (Jr.) et al. (1976) have found that salesmen are generally more satisfied with their jobs when management provides them with adequate assistance and support. Further, they have revealed that satisfaction is more when salesmen perceive they are active participants in determining the company policies and that their immediate supervisor closely directs and monitors their activities. It has also been found that when the salesman is uncertain about what his role partners expect him to do or how they will evaluate his performance, he is likely to suffer some anxiety and dissatisfaction. Balachandran (2000) has observed that insurance agents have to depend on employees of insurance company to be able to render satisfactory services to their policyholders. Hence, employees of insurance company influence satisfaction level of sales agents with the insurance company. Mayer and Greenberg (2006) have studied the problem of ineffectiveness of large numbers of salespeople in insurance industry and discovered flaws in the established methods of selection. Shepherd et al. (1993) have also suggested that salesforce turnover can be reduced through the use of better selection criteria. Teas and Horrell (1981) have revealed that performance feedback is an important predictor of job satisfaction. The manner in which performance feedback is given to sales persons has been found to be critically important in influencing their satisfaction level (Boshoff and Tait, 1996). The salespersons who display a higher tendency to leave their jobs are found to believe that their job preview has been less realistic than those who exhibit a propensity to stay in their positions (Pitt and Ramaseshan, 1995). An insurance agent or distributor should be given good remuneration so as to keep him motivated (Jawaharlal, 2003). Schwepker (2001) has suggested that salespeople's perceptions of a positive ethical climate are positively associated with their job satisfaction and organisational commitment. Organisational leaders in the sales and marketing professions should consider using ethics training to institutionalise an ethical environment in sales organisations. Sales managers and other professionals should be involved in this institutionalisation process. Such efforts could yield greater employee satisfaction for supervisors and co-workers (Valentine, 2009).

The sellers of intangible services like insurance face special problems in making customers aware of the benefits they are receiving. Intangible products are highly people-intensive in their production and delivery methods leading to enormous quality control problem. Unique to intangible products is the fact that customer is seldom aware of being served well (Levitt, 1981; Palande et al., 2003;

Ramakrishna, 2005). Insurance agency system in India is over-manned and massive agency force in insurance companies is largely under-producing, under-motivated and under-guided (Kalyani, 2005).

None of the above-mentioned studies has tried to contrast the satisfaction and problems of salesforce and sales agents of public and private sector general insurance companies. In India, research work on satisfaction and problems of salesforce and sales agents in general insurance industry has not received sufficient attention. Thus, the present study is an attempt in that direction.

RESEARCH OBJECTIVES

Given below are the specific objectives of the present study :

1. To study and compare the satisfaction among the salesforce and sales agents of public and private sector general insurance companies.
2. To ascertain the problems faced by the salesforce and sales agents of public and private sector general insurance companies in the sale of selected personal general insurance products.

Hypotheses

The study has been conducted under the framework of the following two hypotheses :

H_1 :   There is no significant difference between the respondents who are selling personal general insurance products of public and private sector companies with respect to their satisfaction from the general insurance companies, they are associated with.

H_2 :   There is no significant difference between the respondents who are selling personal general insurance products of public and private sector companies with respect to the problems faced by them in selling such products.

RESEARCH METHODOLOGY

The scope of the study is restricted to three personal general insurance products, viz. (1) private car insurance, covering privately-owned cars, (2) packaged home insurance, covering home and various household goods, and (3) individual health insurance, covering sickness and accident in the case of individuals and their family members. The selection of these covers has been made on the basis of their penetration and potential. Car insurance is considered

to be the most deeply penetrated form of general insurance in India, the reason being that insurance of car is mandatory by law. As per the Motor Vehicles Act, 1988, it is mandatory for every owner of a vehicle plying on public roads to take an insurance policy. Home insurance is one of the most upcoming forms of general insurance in India. In fact, home insurance is a pre-condition for availing home loan in the case of almost all the financial institutions. Health insurance also holds a lot of business potential in India. Scarcity and affordability issues in the healthcare sector are forcing the Indian Government to create awareness regarding health insurance. Tax incentives are offered against premium paid for availing health insurance cover. The Government has allowed establishment of the insurance concerns to focus exclusively on health insurance. Almost, all the general insurance companies offer the three insurance covers and are also trying to market them aggressively.

The universe of the study consists of salesforce and sales agents who are associated with the sale of general insurance products in major cities of Punjab and the Union Territory of Chandigarh. The cities of Punjab that have been selected include Ludhiana, Amritsar, Jalandhar and Patiala. These are the most prominent cities of Punjab. Chandigarh, although a union territory, is also the state capital of Punjab. Chandigarh is a modern city and is home to people from diverse cross-sections of the society. Many of the general insurance companies have their regional control offices in Chandigarh only. The general insurance companies who are in existence in the State of Punjab and the Union Territory of Chandigarh for at least last two years and selling all the selected insurance covers have been selected. Given below is the list of the companies selected for the study :

Public Sector Companies

1. National Insurance Company Limited
2. The New India Assurance Company Limited
3. The Oriental Insurance Company Limited
4. United India Insurance Company Limited.

Private Sector Companies

1. Bajaj Allianz General Insurance Company Limited
2. Cholamandalam MS General Insurance Company Limited
3. HDFC ERGO General Insurance Company Limited (formerly known as HDFC Chubb General Insurance Company Limited)

4.   ICICI Lombard General Insurance Company Limited
5.   IFFCO-TOKIO General Insurance Company Limited
6.   Reliance General Insurance Company Limited
7.   Royal Sundram Alliance Company Limited (formerly known as Royal Sundram Sun Alliance Company Limited)
8.   Tata AIG General Insurance Company Limited.

For sampling purpose, the population consists of the entire salesforce and all the sales agents, who sell at least one of the chosen personal insurance products offered by these general insurance companies. Owing to the exploratory nature of the study, non-probability convenience sampling technique has been adopted. A sample of 200 respondents has been taken. The sample includes 100 respondents each from the public and private sector companies. Further, an attempt has been made to represent salesforce as well as sales agents in the two sub-samples of the respondents from public and private sector companies. It has been ensured that respondents include salesforce and sales agents from all the chosen four public sector and eight private sector general insurance companies. All the four public sector companies have their offices in each of the five selected cities. In the case of private sector companies, some companies do not have offices in some of the selected cities. In the case where an insurance company has an office in the selected city, 2-3 sales persons as well as 2-3 sales agents per company have been selected.

Survey method using personal interview has been adopted for collection of the data. Pre-tested, structured and non-disguised questionnaire was used as instrument for this purpose. The offices of the general insurance companies have been personally visited in order to collect data from the respondents. In certain cases, the sales agents have also been approached after getting their address details through contacts available with the companies. The data has been analysed using measures such as cross tabulation, per centages, mean scores and t-test for independent samples.

RESULTS AND FINDINGS

Out of a total of 100 respondents from public sector companies, 40 are working as salesforce and 60 as sales agents. Further, all the selected respondents from public sector companies sell car insurance (100.00%), followed by health insurance (92.00%) and home insurance (86.00%). Out of a total of 100 respondents from private sector companies, 50 are working as salesforce and 50 sales agents. Further, most of the respondents from private sector companies sell

car insurance (92.00%), followed by health insurance (90.00%) and home insurance (77.00%).

Demographic Profile of the Respondents

Table 1 depicts demographic profile of the respondents selected for the study. The table indicates that majority of the respondents (84.50%) are males. Number of males in the case of public sector companies (90.00%) is more than that of the private sector companies (79.00%). However, number of females in the case

Table 1
Demographic Profile of Respondents

Demographic Characteristics	Categories	Number of Respondents		
		Overall Sample	Public Sector	Private Sector
Sex	Male	169 (84.50)	90 (90.00)	79 (79.00)
	Female	31 (15.50)	10 (10.00)	21 (21.00)
Age (in years)	20 – 30	91 (45.50)	34 (34.00)	57 (57.00)
	30 – 40	70 (35.00)	39 (39.00)	31 (31.00)
	40 – 50	20 (10.00)	13 (13.00)	7 (7.00)
	50 – 60	16 (8.00)	11 (11.00)	5 (5.00)
	60 or more	3 (1.50)	3 (3.00)	0 (0.00)
Monthly Income (in Rs.)	Up to 20,000	67 (33.50)	46 (46.00)	21 (21.00)
	20,000 – 30,000	24 (12.00)	11 (11.00)	13 (13.00)
	30,000 – 40,000	9 (4.50)	3 (3.00)	6 (6.00)
	40,000 or more	9 (4.50)	5 (5.00)	4 (4.00)
	Did not respond	91 (45.50)	35 (35.00)	56 (56.00)
Education	Matriculation	7 (3.50)	5 (5.00)	2 (2.00)
	Under graduation	16 (8.00)	11 (11.00)	5 (5.00)
	Graduation	95 (47.50)	55 (55.00)	40 (40.00)
	Post graduation	43 (21.50)	19 (19.00)	24 (24.00)
	Professional Qualification	39 (19.50)	10 (10.00)	29 (29.00)
Marital Status	Married	155 (77.50)	83 (83.00)	72 (72.00)
	Unmarried	45 (22.50)	17 (17.00)	28 (28.00)
	N	**200**	**100**	**100**

of private sector companies (21.00%) is more than that in public sector companies (10.00%).

Further, it has been revealed that most of the respondents (45.50%) are in the age group of 20-30 years, followed by those in the age groups of 30-40 years (35.00%), 40-50 years (10.00%), 50-60 years (8.00%) and 60 years or more (1.50%). Sector-wise analysis reveals that respondents selling insurance products of the private sector companies are comparatively younger than those in the public sector companies. In the case of public sector companies, most of the respondents (39.00%) are in the age group of 30-40 years, followed by those in the age groups of 20-30 years (34.00%) and 40-50 years (13.00%). However, in the case of private sector companies, most of the respondents (57.00%) are in the age group of 20-30 years, followed by age groups of 30-40 years (31.00%) and 40-50 years (7.00%).

As regards income level, 45.50 per cent of the respondents have not revealed their income. As many as 33.50 per cent of the respondents are in the monthly income group of up to Rs. 20,000, followed by those in the income groups of Rs. 20,000 - 30,000 (12.00%) and Rs. 30,000 - 40,000 as well as Rs. 40,000 or more (4.50% each). Sector-wise analysis indicates that relatively more respondents are unwilling to reveal their income in the case of private sector companies (56.00%) as compared to those in public sector companies (35.00%). Further, in the case of public sector companies, as many as 46 per cent of the respondents are in the monthly income group of up to Rs. 20,000, followed by income groups of Rs. 20,000-30,000 (11.00%) and Rs. 30,000 or more (8.00%). In the case of private sector companies, 21 per cent of the respondents are in the monthly income group of up to Rs. 20,000, followed by those in income groups of Rs. 20,000-30,000 (13.00%) and Rs. 30,000 or more (10.00%).

The table also indicates that most of the respondents (47.50%) are graduates, followed by postgraduates (21.50%), professionals (19.50%), undergraduates (8.00%) and matriculates (3.50%). Sector-wise analysis reveals that number of respondents who are graduates is relatively more in the case of public sector companies (55.00%) as compared to the private sector companies (40.00%). Further, 19 per cent of the respondents in the case of public sector companies and 24 per cent in private sector companies are post-graduates. However, 10 per cent of the respondents in the case of public sector companies and 29 per cent in the private sector companies are professionals.

Majority of the respondents are married (77.50%). Further, married

respondents are relatively more in the case of public sector companies (83.00%) in comparison to the private sector companies (72.00%).

Satisfaction from General Insurance Companies

In order to study satisfaction of the respondents, a five-point scale varying from 1 (highly dissatisfied) to 5 (highly satisfied) has been used and respondents were asked to specify their level of satisfaction. The mean scores (m.s.) of satisfaction have been calculated. The responses received are detailed in the forthcoming paragraphs.

Satisfaction with respect to Various Features of the Companies

Table 2 shows mean scores revealing satisfaction of salesforce as well as sales agents from various features of the companies, they are associated with.

Table 2

Mean Scores of Satisfaction with respect to Various Features of General Insurance Companies

Features	Overall Sample	Public Sector	Private Sector	t-test Values
(a) Corporate Culture	3.66	3.24	4.07	6.076*
(b) Product/ Sales Training System	3.92	4.09	3.75	3.367*
(c) System of Target Fixation	3.47	3.04	3.89	9.035*
(d) Compensation System	3.57	3.14	4.00	6.562*
(e) Reward System	3.12	2.47	3.77	8.506*
(f) Communication System	3.62	3.35	3.89	4.090*
(g) Time taken for processing your requests	4.23	4.16	4.30	1.043

*Significant at 5% level

The table shows that most of the respondents are 'satisfied' with 'corporate culture' (m.s.=3.66), 'product/sales training system' (m.s.=3.92), 'compensation system' (m.s.=3.57), 'communication system' (m.s.=3.62) and 'time taken for processing requests' (m.s.=4.23). Further, the respondents are close to being 'indifferent' with 'system of target fixation' (m.s.=3.47) and 'reward system' (m.s.=3.12). Sector-wise analysis reveals that in the case of public sector companies, most of the respondents are 'satisfied' with 'product/sales training

system' (m.s.=4.09) and 'time taken for processing requests' (m.s.=4.16). Most of the respondents are 'dissatisfied' with 'reward system' (m.s.=2.47). Further, the respondents from the public sector companies are close to being 'indifferent' with rest of the features. In the case of private sector companies, most of the respondents are 'satisfied' (m.s. being nearly 4) with all the features.

The values of mean scores shown in the table indicate that satisfaction with 'product/sales training system' is relatively higher in the case of public sector companies in comparison to the private sector companies. However, satisfaction with the features like 'corporate culture', 'system of target fixation', 'compensation system', 'reward system' and 'communication system' is relatively higher in the case of private sector companies as compared to the public sector companies. The values of mean scores further show that there is not much difference between the two categories of respondents as far as satisfaction from 'time taken for processing requests' is concerned. The results of t-test confirm that statistically, the two categories of respondents do not differ significantly at 5 per cent level with respect to their level of satisfaction with 'time taken for processing requests'; thus, accepting the null hypothesis H_1 in the case of this feature. Significant difference, however, exists with respect to rest of the features. Hence, null hypothesis H_1 is rejected in the case of all the features except 'time taken for processing requests'.

The respondents working as salesforce of the companies have been further asked to specify their satisfaction from some additional features of the companies, they are associated with. Mean scores in this respect are presented in Table 3.

The table indicates that most of the respondents are 'satisfied' with 'recruitment and selection system' (m.s.=4.21), 'conditions of work' (m.s.=3.69), 'performance appraisal system' (m.s.=3.59), 'availability of equal growth opportunities' (m.s.=3.80) and 'job security' (m.s.=4.19). However, the respondents are close to being 'indifferent' with 'opportunity for independent decision-making' (m.s.=3.37) and 'job promotion policy' (m.s.=3.44). Sector-wise analysis depicts that in the case of public sector companies, most of the respondents are 'highly satisfied' (m.s.=4.60) with 'job security'. However, most of the respondents are 'satisfied' (m.s.=4.13) with 'recruitment and selection system'. Further, the respondents are lose to being 'indifferent' with rest of the features. In the case of private sector companies, most of the respondents are 'satisfied' (m.s. being nearly 4) with all the features.

Table 3

Mean Scores of Satisfaction of Salesforce with respect to Features of General Insurance Companies

Features	Overall Sample	Public Sector	Private Sector	t-test Values
(a) Recruitment and Selection System	4.21	4.13	4.28	0.882
(b) Conditions of Work	3.69	3.15	4.12	4.845*
(c) Performance Appraisal System	3.59	2.98	4.08	4.645*
(d) Opportunity for Independent Decision-making	3.37	2.75	3.86	6.159*
(e) Availability of Equal Growth Opportunities	3.80	3.43	4.10	3.291*
(f) Job Promotion Policy	3.44	2.80	3.96	4.638*
(g) Job Security	4.19	4.60	3.86	5.335*

*Significant at 5% level

The values of mean scores confirm that for 'job security', satisfaction level of the respondents is relatively higher in the case of public sector companies as compared to the private sector companies. However, satisfaction level with respect to the features like 'conditions of work', 'performance appraisal system', 'opportunity for independent decision-making', 'availability of equal growth opportunities' and 'job promotion policy' is relatively higher in the case of private sector companies as compared to the public sector companies. There is not much difference between the two categories of respondents as far as satisfaction from 'recruitment and selection system' is concerned. The results of t-test also reveal that statistically, the two categories of respondents do not differ significantly at 5 per cent level with respect to their level of satisfaction with 'recruitment and selection system'; thus, accepting the null hypothesis H_1 in the case of this feature. However, significant difference exists with respect to rest of the features; thus, rejecting the null hypothesis H_1 in the case of all the features except 'recruitment and selection system'.

Overall Satisfaction from General Insurance Companies

The respondents have been asked to specify level of their overall satisfaction with the general insurance companies, they are associated with. It has been revealed that in general, most of the respondents are 'satisfied' (m.s.=4.07)

with the company, they are associated with. However, level of satisfaction among respondents is relatively higher in the case of private sector companies (m.s.=4.32) as compared to the public sector companies (m.s.=3.81). The value of t-test (3.879, significant at 5 per cent) also confirms that statistically, the two groups of respondents differ significantly at 5 per cent level with respect to their overall satisfaction with the general insurance companies, they are associated with. Hence, null hypothesis H_1 is rejected as far as overall satisfaction of respondents with general insurance companies is concerned.

Problems faced by the Respondents

An attempt has been made to determine the problems faced by the respondents in selling the general insurance covers. The respondents were asked to specify their level of agreement/disagreement on a five-point likert scale to various listed statements, specifying the problems. Mean scores for various statements have been calculated. Further, an attempt has also been made to identify the product-specific problems and other general problems faced by the respondents. The responses are given in the forthcoming paragraphs.

Problems faced in Selling General Insurance Products

Table 4 depicts mean scores for level of agreement/disagreement to various statements, specifying the problems in selling the general insurance covers.

The mean scores given in the table reveal that most of the respondents 'agree' with the statements 'there is a lack of awareness regarding the concept of insurance' (m.s.=3.72), 'increased competition means customers have a large number of options' (m.s.=4.66), 'the customers demand a share in the commission/incentive' (m.s.=4.19) and 'it is difficult to sell due to customers having a bad experience in the past' (m.s.=3.79). However, the respondents are close to being 'indifferent' to the statements 'it is difficult to convince customers to buy insurance as they feel nothing wrong would happen to them' (m.s.=3.48) and 'it is difficult to make customers understand the product due to numerous legal jargons' (m.s.=3.46).

Sector-wise analysis provides that level of agreement to the statement 'there is a lack of awareness regarding the concept of insurance' is relatively higher in the case of private sector companies as compared to the public sector companies. However, there is not much difference between the respondents belonging to public and private sector companies as far as level of agreement to rest of the statements is concerned. The results of t-test reveal that statistically,

Table 4

Problems faced in Selling General Insurance Covers

Features	Overall Sample	Public Sector	Private Sector	t-test Values
(a) There is a lack of awareness regarding the concept of insurance.	3.72	3.58	3.85	1.849
(b) It is difficult to convince customers to buy insurance as they feel nothing wrong would happen to them.	3.48	3.53	3.43	0.672
(c) It is difficult to make customers understand the product due to numerous legal jargons.	3.46	3.54	3.38	1.265
(d) Increased competition means customers have a large number of options.	4.66	4.62	4.69	0.851
(e) The customers demand a share in the commission/incentive.	4.19	4.21	4.17	0.393
(f) It is difficult to sell due to customers having a bad experience in the past.	3.79	3.69	3.88	1.598

Note : The t-test values are not significant at 5% level of significance.

there is no significant difference at 5 per cent level between the two categories of respondents with respect to their agreement to various statements, specifying problems faced in selling the general insurance covers; thus, accepting the null hypothesis H_2.

Product-specific Problems

It has been observed that relatively more respondents have reported 'lack of brand image' (19.27%) in the case of car insurance, 'complex valuation system followed by the company' (21.47%) in the case of home insurance and 'high premium rates' (24.18%) in the case of health insurance as the main problems perceived by them. Further, most of the respondents from the public sector companies have perceived 'complex claim settlement' in the case of car insurance; 'complex documentation processing' in the case of home insurance; and 'high premium rates' in the case of health insurance as the main problems. However, most

of the respondents from the private sector companies have reported 'lack of brand image' as the main problem in the case of all the insurance covers under study.

General Problems faced from the Company

Table 5 presents frequencies and per centages in respect of the general problems faced by the respondents from the companies, they are associated with. The values outside the parentheses indicate frequencies, while values within the parentheses indicate per centages.

Table 5

General Problems faced from the Company

Features	Overall Sample	Public Sector	Private Sector	t-test Values
(a) Lack of Promotional / Sales Support	93 (46.50)	52 (52.00)	41 (41.00)	1.559
(b) Lack of Proper Product / Sales Training	27 (13.50)	9 (9.00)	18 (18.00)	1.862
(c) Lack of Co-operation from your Sales Officer	22 (11.00)	14 (14.00)	8 (8.00)	1.356
(d) Improper Reward / Compensation System	87 (43.50)	58 (58.00)	29 (29.00)	4.136*
(e) Delay in the Release of Commission/ Salaries	28 (14.00)	6 (6.00)	22 (22.00)	3.261*
(f) Lack of Communication regarding Updated Information	20 (10.00)	13 (13.00)	7 (7.00)	1.414
(g) Delay in the Policy Issuance	28 (14.00)	19 (19.00)	9 (9.00)	2.038*
(h) Lack of Agent/Employee Complaint Redressal System	41 (20.50)	26 (26.00)	15 (15.00)	1.927
N	200	100	100	

Note : 1. * t-test values are significant at 5% level.

2. Total more than 100% because of multiple responses.

The table shows that most of the respondents face problem of 'lack of promotional/ sales support' (46.50%) from the company, they are associated with.

This is followed by 'improper reward/ compensation system' (43.50%), 'lack of agent/ employee complaint redressal system' (20.50%), 'delay in the release of commission/ salaries' (14.00%), 'delay in the policy issuance' (14.00%), 'lack of proper product/ sales training' (13.50%), 'lack of co- operation from sales officer' (11.00%) and 'lack of communication regarding updated information' (10.00%).

Sector-wise analysis reveals that in the case of public sector companies, most of the respondents have reported 'improper reward/ compensation system' (58.00%) and 'lack of promotional/ sales support' (52.00%) as the major problems faced from the company. In the case of private sector companies, most of the respondents (41.00%) have reported 'lack of promotional/sales support' as the main problem. It has been revealed that problems like 'lack of promotional/ sales support from the company', 'lack of co-operation from the sales officer', 'improper reward/ compensation system', 'lack of communication regarding updated information', 'delay in the policy issuance' and 'lack of agent/ employee complaint redressal system' are faced by relatively higher number of respondents in the case of public sector companies as compared to private sector companies. However, relatively higher number of respondents from the private sector companies face problems like 'lack of proper product/ sales training' and 'delay in the release of commission/salaries'. The results of t-test reveal that statistically, the two categories of respondents differ significantly at 5 per cent level with respect to the problems like 'improper reward/ compensation system', 'delay in the release of commission/ salaries' and 'delay in the policy issuance'; thus, rejecting the null hypothesis H_1 in the case of these problems. However, no significant difference exists with respect to rest of the problems; thus, accepting the null hypothesis H_1 in the case of rest of the problems.

CONCLUSION

The findings reveal that overall level of satisfaction among respondents in the case of private sector companies is relatively higher as compared to the public sector companies. Most of the respondents from the public sector companies do not seem to be satisfied with 'reward system', 'compensation system' and 'job promotion policy'. However, satisfaction with 'product/ sales training system' and 'job security' is relatively higher in the case of public sector companies in comparison to the private sector companies. No significant difference exists between the two groups of respondents with respect to the problems faced in selling the insurance covers. However, the respondents from the public sector companies have perceived

'complex claim settlement' in the case of car insurance; 'complex documentation processing' in home insurance; and 'high premium rates' in health insurance as the main product-specific problems. Further, most of the respondents from the private sector companies have reported 'lack of brand image' as the main product-specific problem in the case of all selected insurance covers. As regards the general problems faced from the company, most of the respondents face problems like 'lack of promotional/ sales support' and 'improper reward/ compensation system' from the company, they are associated with. It has also been seen that problems like 'improper reward/ compensation system' and 'delay in the policy issuance' are faced by significantly higher number of respondents in the case of public sector companies as compared to private sector companies. However, 'delay in the release of commission/salaries' is experienced by significantly higher number of respondents from the private sector companies.

The study has come out with some important implications for insurance companies. For their sales personnel, the public sector companies need to develop a reward and promotion system, as prevalent in the private sector companies. The insurance companies should come up with performance-based incentives for sales agents. The public sector companies should implement product-wise and customer-wise system of sales targets for agents as well as all other sales personnel. The companies, especially from the public sector, should work towards improving performance appraisal system and try to provide opportunity for independent decision-making to the salesforce. Promotion in job should be linked with performance. The insurance companies, especially from public sector should improve communication system. Regular feedback should be given to the sales personnel and agents regarding status of policy issue as well as claim settlement in the case of their clients. More frequent meetings and informal get togethers of sales officers and sales agents/ sales teams should be held. The companies need to evolve a mechanism for efficient query and grievance handling of the sales agents. The sales officer and administrative staff should be trained to be more forthcoming in helping and co-operating with the agents and the sales team. Further, the public sector companies need to work upon improving their corporate culture and conditions of work. The companies should also ensure that salesforce and agents have an updated knowledge of various features of insurance covers. In general, the respondents from the private sector companies are less satisfied as compared to the public sector companies with product/ sales training system. It is suggested that insurance companies should hire experienced trainers who have experience of

sales of general insurance covers. Live field experiences and examples should be shared during the course of training. Further, more product related information should be imparted in training. The companies should aim to make their claim settlement procedure speedy, efficient and hassle free. If a company is not able to settle claim in the promised time, the customers should be monetarily compensated. In general, pricing should be done based on the risk profile and claim history of the customers. In a de-tariffed rate regime, this is possible to do. There should be least possible documentation in the case of policy issuance and claim settlement. The insurance companies should run insurance awareness programmes for general public. These programmes should aim at educating the public about various general insurance products and their features, and the related terminology. An effort should be made to create willingness for purchasing general insurance products. Effective sales support should also be provided to the sales personnel and sales agents. In fact, 'lack of promotional/ sales support' has been reported by more than 40 per cent of the respondents in the case of public sector as well as private sector companies. It is required that general insurance companies, especially from private sector, should go in for aggressive brand building and promotion exercise. It is suggested that the companies may go in for product-specific brand building. The general insurance companies should also launch attractive promotional schemes periodically.

DIRECTIONS FOR FURTHER RESEARCH

The present study has attempted to examine satisfaction and problems of salesforce and sales agents who are selling the personal general insurance products under study. The study may be extended to other general insurance as well as life insurance products. Further, satisfaction and problems of various intermediaries like brokers, corporate agents, etc. may be studied. The present study is cross-sectional and brings out results relating to satisfaction and problems of salesforce and sales agents. However, longitudinal studies may also be conducted to compare and contrast the findings in order to observe the changes over a period of time. The study has been conducted in the State of Punjab and the Union Territory of Chandigarh. The study may be extended to other geographical regions and area-wise comparison of findings with respect to public and private sector companies may be made. The analysis may also be carried out on the basis of demographic variables of salesforce and sales agents.

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