IJCRT.ORG ISSN : 2320-2882

INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

Influence Of Motivation On Employee Performance Of Selected Insurance Companies In Coimbatore

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ABSTRACT

Employee performance in insurance companies is critical to achieving organizational goals and ensuring sustained business growth. This paper explores the role of motivation in enhancing employee performance within the insurance sector. By examining various motivational theories and their application to the insurance industry, the study identifies key drivers that influence employee engagement, productivity and overall job satisfaction. Factors such as intrinsic and extrinsic motivation, leadership styles, reward systems and the work environment are analyzed to understand their impact on performance outcomes. Implementing effective motivational strategies such as performance-based incentives, professional development programs and a positive organizational culture can help retain top talent and reduce turnover rates. The findings highlight the importance of creating a supportive, empowering work culture, alongside effective incentive programs to maximize employee potential and enhance organizational performance in the competitive insurance market.

Keywords: Motivation, Employee Performance, Insurance company, Monetary and Non-Monetary Benefits.

INTRODUCTION

Motivation is a key driver of employee performance which plays an essential role in the success of insurance companies such as LIC, United India Insurance, Shriram Life Insurance, and Star Health Insurance in Coimbatore. In a highly competitive and customer-centric industry like insurance, the ability to inspire, engage and retain motivated employees directly impacts productivity, customer satisfaction, and long-term business growth. Motivational factors including leadership styles, reward systems, organizational culture and career development opportunities have a significant influence on employee performance. Effective leadership fosters an environment of trust and innovation while well-structured reward systems and clear career advancement paths encourage employees to meet and exceed performance targets. A positive organizational culture built on values like teamwork and employee well-being contributes to job satisfaction, loyalty and enhanced customer relationships. By understanding these factors, insurance companies can craft strategies that not only boost employee engagement and performance but also ensure a competitive edge in an ever-evolving market. This article explores the impact of various motivational drivers on employee performance in these selected insurance companies and offers insights into how such strategies can enhance business success in the insurance sector.

OBJECTIVES

1. To examine the impact of motivation on employee performance in selected insurance companies in Coimbatore.
2. To identify the factors influencing employee motivation in selected insurance companies in Coimbatore.
3. To analyze the effect of monetary and non-monetary benefits on employee performance in selected insurance companies in Coimbatore.

RESEARCH DESIGN

The research design is the blueprint for conducting the research study, outlining how the research will be carried out to answer the research questions and meet the objectives. In this case, the search design will focus on Influence of Motivation on Employee Performance in Selected Insurance Companies such as LIC, Star Health, United India and Shriram Life insurance in Coimbatore. The approach was based on descriptive Research. With 120 employees.

REVIEW OF LITERATURE

1. Aghazadeh (2024)1 This study investigates the impact of employee motivation on job performance in Iran's insurance sector. It finds that both intrinsic and extrinsic motivation significantly improve employee performance and job satisfaction. The research highlights the importance of motivation for enhancing productivity in the industry. The study emphasizes the role of motivation as a key driver of organizational success.

2. Alwabel & Zubairu (2023)2 This study analyzes the intrinsic and extrinsic motivational factors affecting employee performance in Saudi Arabia's insurance industry. The study shows that a balance of recognition, rewards, and job autonomy boosts performance. Their findings emphasize the importance of these factors in increasing work efficiency. It offers insights into effective human resource strategies for the sector.

3. Triansyah et al. (2023)3 This article provides a systematic review of factors influencing employee performance across industries, including insurance. They identify personal, organizational, and environmental motivators as key drivers of performance. The study underlines that motivation plays a critical role in employee success. It serves as a comprehensive guide for organizations seeking to improve performance.

ANALYSIS AND INTERPRETATION

Data was analyzed by using descriptive statistics using the Likert Scale, Garret Ranking Techniques and Chi-Square.

TOOLS AND TECHNIQUES

LIKERT TABLE

TABLE SHOWING THE DISTRIBUTION OF RESPONDENTS BASED ONSATISFACTION LEVEL

FACTORS	HIGHLY SATISFIED	SATISFIED	NEUTRAL	DISSATISFIED	HIGHLY DISSATISFIED	TOTAL
Monetary and non-monetary benefits provided fair and equitable	25 (20.8%)	55 (45.8%)	31 (25.8%)	6 (5%)	3 (2.5%)	**120 (100%)**
Satisfaction level monetary and non-monetary benefits	18 (15%)	56 (46.7%)	33 (27.5%)	7 (5.8%)	6 (5%)	**120 (100%)**

INFERENCE:

A satisfaction level program was conducted by 120 participants, yielding positive results. The majority of participants, 46.7% of respondents are satisfied with the monetary and non-monetary benefits. 45.8% of respondents are satisfied with the monetary and non-monetary benefits provided by the organization are fair and equitable.

PERCENTILE POSITION AND GARRET VALUE

S.NO	100(Rij-0.5)/Nj	CALCULATION OF VALUE	GARRET VALUE
1	100(1-0.5)/6	8.3	77
2	100(2-0.5)/6	25	63
3	100(3-0.5)/6	41.7	54
4	100(4-0.5)/6	58.3	46
5	100(5-0.5)/6	75	37
6	100(6-0.5)/6	91.7	23

TABLE SHOWING THE DISTRIBUTION OF RESPONDENTS BASED ON INFLUENCE OF MOTIVATIONAL FACTORS IN JOB PERFORMANCE

S.NO	FACTORS	1	2	3	4	5	6	TOTAL	RANK
1	Salary	1617	1701	1080	1150	333	414	6295	**III**
2	Allowances	1155	1134	2322	1242	629	0	6482	**II**
3	Commission	2387	1890	1674	552	481	69	7053	**I**
4	Promotion	616	819	486	1196	1517	529	5163	**V**
5	Recognition Awards	1386	1197	540	782	1110	368	5383	**IV**
6	Carrier Development	1309	819	378	598	370	1380	4854	**VI**

INFERENCE

The above table shows the garret table score value and ranking. Firstly, the garret rank is calculated using the appropriate garret ranking formula. Then, based on the garret, the ranks of the garret table value are ascertained. The garret values given are multiplied to record the garret score in the table. Finally, by adding each, the total garret score is obtained. Then, the garret scores are according to their values.

The first rank is given to "Commission"
The second rank is given to "Allowances"
The third rank is given to "Salary"
The fourth rank is given to "Recognition Awards"
The fifth rank is given to "Promotion"
The sixth rank is given to "Carrier Development"

TABLE SHOWING THE RELATIONHIP BETWEEN ROLE AND TYPES OF INCENTIVES MOTIVATES THE EMPLOYEES

HYPOTHESIS: There is no significant relationship between role of the respondent and types of incentives motivates the respondent.

		TYPE OF INCENTIVES MOTIVATES			TOTAL
		Both	Financial incentives	Non-financial incentives	
ROLE	Claims	7	5	6	18
	Customer service	12	14	6	32
	Marketing	10	10	7	27
	Others	1	0	0	1
	Sales	19	19	4	42
Total		49	48	23	120

Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	7.549[a]	8	.479
Likelihood Ratio	8.016	8	.432
N of Valid Cases	120		

a. 4 cells (26.7%) have expected count less than 5. The minimum expected count is .19.

INFERENCE

Degree of freedom = (r-1) (c-1)
= (3-1) (5-1)
= 8
Chi-Square 5% significance 8df = 7.549

Since, the calculated value of chi – square value (7.549) is less than table value (15.51) at 5% level of significance. It is significant and null hypothesis is accepted.
Hence this study concluded that role of the respondent has no significant relationship between types of incentives motivates the respondent.

FINDINGS

LIKERT SCALE

- 46.7% of respondents are satisfied with the monetary and non-monetary benefits.
- 45.8% of respondents are satisfied with the monetary and non-monetary benefits provided by the organization are fair and equitable.

HENRY GARRET RANKING

- The highest score is awarded to "**COMMISSION**". The least score is awarded to "**CARRIER DEVELOPMENT**".

CHISQUARE

- There is no significant relationship between role and types of incentives motivates the respondent.

SUGGESTION

- To enhance employee performance, it is crucial to provide sufficient time for completing targets, offer targeted training programs in areas like customer service, sales, and claims management, and implement performance-based incentives.
- Regular feedback sessions help employees feel valued, while equipping them with modern digital tools streamlines tasks and reduces workload.
- A respectful work environment, along with mentorship programs and also plays a key role in employee development and retention.
- Managers maintain an open communication, offering guidance and support to help employees feel confident in their roles.
- Promoting work-life balance through mental health resources, stress management workshops, and counseling ensures employees stay focused and maintain their well-being.

CONCLUSION

Motivation plays a crucial role in enhancing employee performance within an insurance company. By fostering a work environment that emphasizes recognition, growth opportunities, and a sense of purpose, organizations can significantly increase employee engagement and productivity. Implementing effective motivational strategies, such as performance-based incentives, professional development programs, and a positive organizational culture, can help retain top talent and reduce turnover rates. Insurance industry becomes increasingly competitive, a motivated workforce becomes a key differentiator for achieving sustainable growth and building long-term client relationships. Therefore, investing in employee motivation is not only beneficial for individuals but also essential for the organization's continuous success.

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