



A Review Of Life Satisfaction Among Employees In Public And Private Sector Insurance Companies

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Abstract - Life satisfaction, an essential measure of overall well-being, is closely associated with job satisfaction, especially in high-pressure industries such as insurance. This review consolidates existing research on life satisfaction among workers in both public and private sector insurance firms, emphasizing comparative studies, contributing factors, and the implications for organizational practices. Based on empirical research primarily conducted in India and other developing economies, the findings indicate varied outcomes: employees in the public sector frequently report higher life satisfaction attributed to job security and work-life balance, whereas those in the private sector enjoy superior training and incentives but encounter increased stress levels. Significant factors include workload, remuneration, and social support. The review underscores the need for more longitudinal studies and advocates for initiatives aimed at improving well-being. The references comprise 15 academic sources.

Keywords: Life satisfaction, Job satisfaction, Insurance sector, Public vs. private, Employee well-being

1. Introduction

Life satisfaction refers to an individual's evaluation of their overall quality of life, incorporating both cognitive and emotional aspects across various domains such as employment, family, health, and recreational activities. In the context of the workplace, this notion is closely associated with job satisfaction, which is a significant determinant of overall well-being, especially in service-oriented industries like insurance. Professionals in this sector frequently encounter considerable emotional pressures, regulatory requirements, and regular client interactions, rendering job satisfaction an essential element of their overall life satisfaction. The insurance sector is pivotal in sustaining economic stability and employs millions globally. Public sector entities, such as the Life Insurance Corporation of India, generally prioritize stability, whereas private firms like ICICI Prudential focus on innovation and performance to address the changing demands of the market.

Since the liberalization of the Indian economy in 1991, the insurance sector has experienced considerable transformation, leading to a more diverse landscape that poses distinct challenges concerning employee well-being. In the public sector, employment is frequently marked by stability and security, which can unintentionally impede professional growth and development opportunities for workers. On the other hand, roles in the private sector generally provide a more dynamic work environment; however, this often compromises a healthy work-life balance, resulting in potential dissatisfaction among employees. This

review seeks to investigate the differences in life satisfaction across various employment sectors by synthesizing findings from comparative studies, thus offering valuable insights for human resource strategies. It will examine three primary areas: the conceptual connections between job satisfaction and overall life satisfaction, specific findings related to different sectors, and the various factors that affect these dynamics.

2. Conceptual Framework: Job Satisfaction and Life Satisfaction

Job satisfaction, which includes elements such as compensation, opportunities for advancement, quality of supervision, and interpersonal relationships, plays a significant role in influencing overall life satisfaction. Research, including various meta-analyses, indicates a moderate positive correlation between these two constructs, with correlation coefficients ranging from approximately 0.30 to 0.40. In the insurance sector, where professionals are tasked with evaluating risks and providing guidance to clients, feelings of dissatisfaction in their roles can have detrimental effects that extend beyond the workplace. This discontent can lead to increased stress levels and a subsequent decline in life satisfaction, highlighting the importance of fostering a positive work environment to enhance both professional fulfillment and personal well-being.

Self-Determination Theory (SDT) suggests that intrinsic motivation, characterized by the elements of autonomy, competence, and relatedness, plays a crucial role in enhancing both job satisfaction and overall life fulfillment. In contrast, extrinsic motivators, such as financial compensation, tend to provide only temporary benefits. Research indicates that a poor work-life balance (WLB) within the insurance sector is associated with lower life satisfaction, with family-work conflict acting as a significant mediator in this dynamic. Furthermore, the distinctions between public and private sectors arise from their structural characteristics: public sector jobs often promote a sense of relatedness through job stability, while private sector roles typically emphasize opportunities for personal and professional growth.

Construct	Definition	Link to Life Satisfaction	Insurance Context
Job Satisfaction	Affective response to job facets (e.g., pay, security)	Positive spillover to overall well-being	High due to customer stress
Work-Life Balance	Equilibrium between professional and personal roles	Reduces conflict, boosts satisfaction	Disrupted by overtime in private sector
Intrinsic Motivation	Internal drive for task enjoyment	Stronger predictor of sustained life satisfaction	Lower in public due to bureaucracy

3. Literature Review

(i) Life Satisfaction in Public Sector Insurance Employees

Public sector insurance employees, particularly those working in state-owned general insurance companies, tend to report a moderate to high level of life satisfaction, primarily due to the job security and predictable nature of their work. A study conducted in Bangladesh involving 385 general insurance workers revealed that these public employees appreciate the structured hierarchies and favorable working conditions within their organizations, although there is a noted deficiency in team cohesion. In contrast, employees in the public sector life insurance industry in India demonstrate a higher degree of satisfaction regarding their workload and organizational culture. This positive sentiment is closely linked to improved work-life balance (WLB) and overall life satisfaction, indicating that a supportive work environment can significantly enhance employee well-being in the public insurance sector.

Kazakhstan's comparative study, which involved 705 participants, indicated that public sector employees generally reported higher levels of satisfaction than their private sector counterparts across nine distinct areas, such as job security and access to social programs. These factors significantly contribute to various aspects of life quality. Nevertheless, the presence of monotony in public sector roles, coupled with insufficient training opportunities, tends to diminish intrinsic motivation among employees. This decline in motivation can lead to a gradual decrease in overall life satisfaction over time. Additionally, research from Italy highlights a phenomenon known as the "happiness premium" for low-income public sector workers, suggesting that the stability associated with public employment not only enhances job satisfaction but also positively influences overall life satisfaction.

(ii) Life Satisfaction in Private Sector Insurance Employees

The roles within the private sector insurance industry are marked by a dynamic environment that fosters competition and encourages innovation, leading to greater opportunities for professional growth and financial rewards. However, this competitive landscape often comes at a cost, as employees frequently experience heightened levels of stress that can negatively impact their overall life satisfaction. A study conducted in India, which surveyed 200 employees from various firms in Punjab, revealed that private sector workers placed a high value on training and incentive programs. Despite this appreciation, many reported a decline in self-esteem due to the pressures associated with performance expectations. Similarly, in Kerala, a smaller study involving 50 private insurance employees highlighted significant work-family conflict, which was attributed to extended working hours and inadequate support systems. This conflict was found to diminish life satisfaction more severely than among their public sector counterparts, underscoring the challenges faced by private sector employees in balancing their professional and personal lives.

Slovenian research involving 288 participants revealed no significant differences in life satisfaction across various sectors. However, it was noted that private sector employees who are not in managerial positions exhibited a higher level of extrinsic motivation related to life improvements, indicating potential compensatory mechanisms at play. The analysis also highlighted the influence of demographic factors, particularly noting that women and employees from nuclear families within private companies experience heightened levels of conflict. While private sectors demonstrate strengths in identified regulation, which reflects alignment with personal values, they also face challenges related to risks of amotivation, suggesting a complex interplay between motivation and job satisfaction in these environments.

4. Comparative Studies

Comparative studies in the insurance sector are limited yet provide valuable insights. A survey conducted in India in 2012, which included 300 participants, revealed that employees in the private sector generally received better salaries, training, and supervision, with statistical significance ($F > 4$, $p < 0.05$). Conversely, public sector employees reported greater job security, suggesting that both sectors contribute to a balanced sense of life satisfaction among workers. Further analysis in Tamil Nadu, involving 165 respondents, highlighted similar trends: public sector employees scored higher in job security (mean=8.24 compared to 7.10, $p < 0.001$), while private sector employees excelled in opportunities for promotions (mean=9.27 versus 4.56, $p < 0.001$). Notably, despite these differences in specific areas, there was no significant disparity in overall life satisfaction between the two groups, indicating that both sectors offer unique advantages that can lead to comparable levels of contentment among employees.

A study conducted in Kerala involving 100 private sector employees revealed that these individuals experience significantly higher levels of mental strain and frequent job transfers, which are associated with decreased life satisfaction, as indicated by a statistically significant t-test ($p < 0.05$). In a broader context, research across various countries suggests that employees in the public sector tend to report higher life

satisfaction, particularly among those from low socioeconomic status (SES) backgrounds, with a notable effect size ($\beta \approx 0.15$, $p < 0.01$). This advantage, however, appears to be less pronounced for individuals in higher SES brackets. Additionally, various academic theses from India have highlighted the benefits of public sector employment in terms of quality of work life, suggesting that such positions may serve as a buffer, enhancing overall life satisfaction for employees.

Sector	Strengths for Life Satisfaction	Weaknesses	Key Study
Public	Job security, WLB (e.g., mean security=8.24)	Limited training, monotony	,
Private	Incentives, growth (e.g., mean promotions=9.27)	Stress, conflict (higher FWC)	,

5. Factors Influencing Life Satisfaction

(i) Demographic factors play a significant role in determining satisfaction levels across both private and public sectors. Research indicates a positive correlation between age and satisfaction, with a correlation coefficient of $r=0.20$ and a significance level of $p < 0.05$. However, gender disparities are evident in the private sector, where males tend to benefit more from flexible work arrangements. Additionally, educational attainment is linked to higher intrinsic motivation and overall life satisfaction, particularly among individuals with university degrees, suggesting that higher education may enhance personal fulfillment and contentment in life.

(ii) Organizational factors also significantly influence job satisfaction, with compensation and recognition being key drivers in the private sector, while job security and supportive policies are more critical in the public sector. Implementing work-life balance (WLB) interventions, such as flexible working hours, has been shown to alleviate conflicts between personal and professional responsibilities, resulting in an increase in life satisfaction by approximately 15 to 20 percent. This highlights the importance of organizational support in fostering a positive work environment that contributes to overall well-being.

(iii) Psychological factors are crucial in understanding life satisfaction, with intrinsic motivation emerging as a stronger predictor than extrinsic motivation, evidenced by a beta coefficient of $\beta=0.35$ and a significance level of $p < 0.01$ across both sectors. Conversely, stress stemming from workload negatively impacts life satisfaction, with a more pronounced effect observed in the private sector, where the significance level is $p < 0.001$. This underscores the need for organizations to address workload management and promote intrinsic motivation to enhance employee satisfaction and well-being.

6. Discussion

The existing literature highlights a complex distinction between public and private sectors regarding their impact on life satisfaction. Public sector employment tends to promote stability, which is particularly beneficial for employees who are risk-averse, as it provides a sense of security and predictability. In contrast, the private sector is characterized by opportunities for growth and advancement, appealing to those who are more oriented towards personal and professional development. Within this context, specific stressors related to the insurance industry can exacerbate these differences, particularly as deficiencies in work-life balance (WLB) in the private sector may lead to challenges in employee retention. The Self-Determination Theory (SDT) offers insights into these variations, suggesting that public sector roles enhance feelings of relatedness among employees, while private sector positions tend to foster a sense of competence. However, the research is not without its limitations; many studies rely on cross-sectional designs and predominantly focus on the Indian context, which may overlook important cultural differences that could influence these dynamics. To address these gaps, future research should consider employing

longitudinal methodologies and incorporating health-related metrics to provide a more comprehensive understanding of the interplay between work environments and employee well-being.

7. Conclusion

Life satisfaction among employees in the insurance sector is significantly influenced by factors that are specific to the public and private domains. Public sector employees often benefit from a sense of resilience, which is fostered by job security and stability, while those in the private sector experience a dynamic work environment that can enhance motivation and engagement. To effectively improve employee well-being, organizations should implement targeted interventions that cater to the unique needs of each sector. For instance, public sector employees may greatly benefit from comprehensive training programs that enhance their skills and career development, while private sector employees might find greater satisfaction through work-life balance initiatives that allow for flexibility and personal time. Furthermore, policymakers in India have the opportunity to promote hybrid models that combine the strengths of both sectors, thereby increasing overall competitiveness and fostering a more satisfied workforce. By incentivizing such models, the government can create an environment that not only enhances employee satisfaction but also drives productivity and innovation within the insurance industry.

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