



LEADERSHIP PLANNING – THE SUCCESS FACTOR FOR EMPLOYEE MORALE IN INSURANCE COMPANIES

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Abstract: The aim of this paper is to present the employee morale and leadership in the Insurance companies. Employee morale is the relationship that a particular employee or a group of employees have with their work and the organization they work for. This paper makes an attempt to highlight the GDP of Insurance companies in India is the fifth largest life insurance market in the world's emerging insurance markets, growing at a rate of 32-34% each year. In recent years the industry has been experiencing fierce competition among its peers which has led to new and innovative products within the industry, finally this paper focused on the leadership and employee morale in Insurance Companies.

Index Terms – Leadership, Employee, Morale, Insurance Companies.

I. INTRODUCTION

Morale is a vital ingredient of organizational success because it reflects the attitudes and sentiments of organizational members towards the organization, its objectives and policies. These attitudes and sentiments largely affect productivity and the satisfaction of individuals. Morale is the total satisfaction a person derives from his job, his work-group, his boss, his organization and his environment.

According to Napoleon, "In war, morale conditions make up three-quarters of the game, the relative balance of manpower accounts for the remaining quarter". Morale is equally important in management. High morale means willing cooperation and loyalty to the organization. Employees with high morale take greater interest in the job, feel a sense of identity with the organization and take pride in it. High morale is an index of sound industrial relations. It helps the management in overcoming labour-turnover, absenteeism, indiscipline, grievances and other labour problems.

High morale exists when employees' attitudes are favorable towards their jobs, their company and their fellow employees favorable to the total situation of the group and to an inhibits the willingness and ability of the group to attain the company's objective. Thus, the morale of employees should be high to achieve the organizational objectives efficiently and effectively. A high morale reduces absenteeism, labour-turnover, wastes and disharmony.

Signs of low morale are generally not noticed till it is obviously low or when something has gone amiss. By the time the management recognizes the fact that morale has deteriorated, it is faced with one crisis or another. Perceptive managers are, therefore, constantly on the lookout for clues to any deterioration in the morale of the employees.

Statement of the Problem

India's Insurance industry is one of the premium sectors experiencing upward growth. This upward growth of the insurance industry can be attributed to growing incomes and increasing awareness in the industry. India is the fifth largest life insurance market in the world's emerging insurance markets, growing at a rate of 32-34% each year. In recent years the industry has been experiencing fierce competition among its peers which has led to new and innovative products within the industry. Foreign Direct Investment (FDI) in the industry under the automatic method is allowed up to 26% and licensing of the industry is monitored by the insurance regulator the Insurance Regulatory and Development Authority of India (IRDAI).

The insurance industry of India has 57 insurance companies - 24 are in the life insurance business, while 34 are non-life insurers. Among the life insurers, Life Insurance Corporation (LIC) is the sole public sector company. There are six public sector insurers in the non-life insurance segment. In addition to these, there is a sole national re-insurer, namely General Insurance Corporation of India (GIC Re). Other stakeholders in the Indian Insurance market include agents (individual and corporate), brokers, surveyors and third party administrators servicing health insurance claims.

It's no secret that employee morale can have an enormous impact on your company's success. While many organizations use different incentives to lure top talents, one better and proven way of boosting your employees' happiness and increasing productivity is by offering them life insurance policies. Life insurance benefits both you and your staff in many ways. A happy employee is less likely to walk away from your company. This helps you retain top talents and reduces the hassle of hiring new employees.

Need of the study

Employee morale is the relationship that a particular employee or a group of employees have with their work and the organization they work for. High employee morale means that employees are happy, and this is reflective in the kind of work they produce. On the other hand, low employee morale results in less productivity and pessimism among employees. It is important for every organization to continually keep employee morale high. It is a concept that describes the level of favorable or unfavorable attitude of employees collectively to all aspects of their work the job, the company, their tasks, working conditions, fellow workers, Superiors

Review of Literature

David L. Groves & Bryan Cavins (2022) An Employee Services Model: Morale and Satisfaction Success in organizations is often related to a well-paid, trained, and motivated workforce. This is not a static process but is dynamic and must be constantly evaluated and changed. The achievement of success often is an investment in employees which results in greater productivity and profits. (Employees throughout the manuscript means members of the organization at all levels.) This expenditure leads to a competitive organization that increase its position in the marketplace. Even though the elements described seem simple, it is a process of effective strategies and leadership from management that determines success. This does not negate success based upon positive environmental conditions that influence demand. Good strategic planning and the ability of the leadership and employees within the organization to respond or change in a short period of time create opportunities. These opportunities also depend upon creative responses to changing conditions and the ability to use a contingency approach to management philosophies. This means that the organization must have a common goal and not be attached to one management philosophy that has brought success under previous conditions and situations

Dr. C K Gomathy, Ms. C.V.S.Vasavi Et.Al., (2022) The strategies for boosting employee morale in an organisation Morale is an Employee's attitude towards His or Her Job, Employer, and Colleagues. Employee Morale as the Psychological state with respect to satisfaction, confidence and resolve; The attitude of an individual or group of Employees, resulting in courage, devotion and discipline; Level of fulfillment one has with Intrinsic Work aspects, Such as Variety and Challenges, Feedback and Learning. Morale is essentially an in general attitude of an individual or group towards all aspects of work in a Organization. Morale even leads to effective work.

Objectives of the study

1. To examine the relationship between the variables such as leadership planning and Employee morale in Insurance company
2. To assess the impact of employee morale in the LIC
3. To offer findings and suggestions

Methodology of the study

This study was conducted in Life Insurance companies of Public and Private Companies Stratified random technique used for the study for collecting the sample of Executives, Trainees in the Company, Likert Five point scale are used for the study are Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree. Item statistics are used for the study to know reliability of the opinion of the respondents in the Companies,

ANOVA tool was used for the study to identify the hypothesis Type of the Employee Working Organization on Leadership & Planning (Factor-1).

LEADERSHIP & PLANNING

Most leaders understand the importance of planning. Individuals at all levels in an organization tend to be more comfortable when there is a plan in place because it reminds them of their goal. The first thing leaders must do is change their perceptions around planning. An organization with empowered leaders can navigate today's complex business environment and solve problems quickly and effectively. Effective leadership that knows how to increase engagement within teams using purpose and recognition has been shown to increase profitability within an organization. Planning is nothing but thinking before the action takes place. It helps us to take a peep into the future and decide in advance the way to deal with the situations, which we are going to encounter in future. It involves logical thinking and rational decision making. Planning is one of the most important project management and time management techniques. Planning is preparing a sequence of action steps to achieve some specific goal. If a person does it effectively, they can reduce much the necessary time and effort of achieving the goal. A plan is like a map. When following a plan, a person can see how much they have progressed towards their project goal and how far they are from their destination timeframes and review results frequently. Communicate with employees; their feedback will be really important. Come back to the plan and adjust it if necessary.

Table1- Item Statistics

	Mean	S.D	N
I understand the long-term strategy of this organization	3.40	.920	390
I have confidence in the leadership of this organization	3.46	1.038	390
The leaders of this organization care about their employees' well being	3.06	1.038	390
Senior leaders live the core values of the organization	2.48	1.048	390
There is adequate planning of departmental objectives	2.24	1.302	390
There is adequate follow-through of departmental objectives	3.62	.924	390
The leaders of this organization are open to input from employees	3.36	.796	390
I believe my job is secure	3.30	1.004	390
Deadlines at this organization are realistic	2.50	.998	390
I feel I am valued in this organization	2.91	.883	390
I am able to maintain a reasonable balance work and my personal life	3.09	1.013	390
My job makes good use of my skills and abilities	2.62	.932	390
Most days, I feel I have made progress at work	2.90	1.023	390
My manager treats me fairly	2.83	.996	390
My manager handles my work-related issues satisfactorily	2.59	.962	390
My manager acknowledges when I do my work well	3.15	1.111	390
My manager helps me develop to my fullest potential	2.60	.926	390
My manager tells me when my work needs improvement	3.21	1.069	390

The above table, reveals that 1,2,6,7 and 8th variables mean values are closely 3.5 it indicates that the opinion of the life insurance sector employees are closely to agreed level on those five variables, then 3,10,11,13,14,16 and 18th variables mean values are closely 3it indicates that the opinion of the life insurance sector employees are mixed opinion that is negative and positive side of neutral on those seven variables and 4, 5 9, 12, 15 & 17thvariables mean values are closely 2.5 it indicates that the opinion of the life insurance sector employees are closely to disagreed level on those six variables out of 18 variables. And

its standard deviation value is closely one it indicates based on their demographic attributes their opinion varies on selected 390 sample size.

The information about the precision of the mean we obtained. One can obtain this by determining the standard deviation of the sampled mean. Assuming statistical independence of the values in the sample, the standard deviation of the mean is related to the standard deviation of the distribution

Table 2: One Way ANOVA for LEADERSHIP & PLANNING (Factor-1) by Type of the Employee Working Organization

	Sum of Squares	df	Mean Square	F	p-value
I understand the long-term strategy of this organization	Between Groups	1	4.290	5.117	.024
	Within Groups	388	.838		
	Total	389			
I have confidence in the leadership of this organization	Between Groups	1	1.621	1.507	.220
	Within Groups	388	1.076		
	Total	389			
The leaders of this organization care about their employees' well being	Between Groups	1	1.388	1.288	.257
	Within Groups	388	1.077		
	Total	389			
Senior leaders live the core values of the organization	Between Groups	1	.000	.000	.984
	Within Groups	388	1.101		
	Total	389			
There is adequate planning of departmental objectives	Between Groups	1	12.901	7.743	.006
	Within Groups	388	1.666		
	Total	389			
There is adequate follow-through of departmental objectives	Between Groups	1	3.033	3.576	.059
	Within Groups	388	.848		
	Total	389			
The leaders of this organization are open to input from employees	Between Groups	1	2.350	3.738	.054
	Within Groups	388	.629		
	Total	389			

Null Hypothesis H₀: There is no significant effect of Type of the Employee Working Organization on Leadership & Planning (Factor-1).

Alternate Hypothesis H₁: There is significant effect of Type of the Employee Working Organization on Leadership & Planning (Factor-1).

Above **Table** reveals that 1st and 5th variables p-values < 0.05 that is Null Hypothesis has been rejected. Hence, **alternate hypothesis H₁ is accepted at 1% level of significance** showing that there is significant effect of Type of the Employee Working Organization on Leadership & Planning (Factor-1) in Life Insurance Organization.

That is Public Life Insurance Organization and Private Life Insurance Organization employees have different opinions on the “I understand the long-term strategy of this organization”(1st variable) and “There is adequate planning of departmental objectives” (5th variable) of Leadership & Planning (Factor-1).

All variables p-value .054 > .05 except 1st and 5th variables, hence null hypothesis has been accepted at 5% level of significance, i.e., Public Life Insurance Organization and Private Life Insurance Organization employees have same opinion on “I have confidence in the leadership of this organization”, “The leaders of this organization care about their employees' well being”, “Senior leaders live the core values of the organization”, “There is adequate follow-through of departmental objectives” and “The leaders of this organization are open to input from employees” of Leadership & Planning (Factor-1).

Findings

1. The reliability value 0.817 that is close to '1' then all the selected eighteen variables reliable and support to LEADERSHIP & PLANNING, JOB ROLE AND RELATION WITH MANAGER related variables.
2. Private Life Insurance Organization employees agreed opinion (55.5%) on 'understand the long-term strategy of the working organization' variable is 11% higher than the Public Life Insurance Organization employees' opinion (44.2%).
3. Private Life Insurance Organization employees agreed opinion (54.1%) on 'I have confidence in the leadership of this organization' variable is 6% higher than the Public Life Insurance Organization employees' opinion (48.1%).
4. But Public Life Insurance Organization employees disagreed opinion (18.8%) on 'I have confidence in the leadership of this organization' variable is 7% higher than the Private Life Insurance Organization employees' opinion (11.5%)
5. Public Life Insurance Organization employees neutral opinion (49.2%) on 'The leaders of this organization care about their employees' well being' variable is 10% higher than the Private Life Insurance Organization employees' opinion (38.8%). Hence it indicates **employee care** by **Public Life Insurance** Organization is better.
6. Public Life Insurance Organization employees disagreed opinion (45.3%) on 'senior leaders live the core values of the organization' variable is **similar** to the Private Life Insurance Organization employees' opinion (47.8%).
7. Public Life Insurance Organization employees strongly disagreed&disagreed combined opinion (57%) on 'There is adequate planning of departmental objectives' variable is 11% higher than the Private Life Insurance Organization employees' opinion (68%). Hence, Private Life Insurance Organization employees are good at **adequate planning of departmental objectives**.
8. Public Life Insurance Organization employees agreed opinion (52.5%) on 'There is adequate follow-through of departmental objectives' variable is similar to the Private Life Insurance Organization employees' opinion (50.7%).
9. Public Life Insurance Organization employees agreed opinion (47%) on 'The leaders of this organization are open to input from employees' variable is 13.5% higher than the Private Life Insurance Organization employees' opinion (33.5%). Hence Public Life Insurance Organization leaders of this organization are open up.
10. That is Public Life Insurance Organization and Private Life Insurance Organization employees have different opinions on the "I understand the long-term strategy of this organization" (1st variable) and "There is adequate planning of departmental objectives" (5th variable) of Leadership & Planning (Factor-1).

Suggestions of the study

A competitive long term strategy will support to existence of the organization and escape from privatization. Long term strategy will support to sustain the market share by providing quality and prompt service to customers.

Employees are expecting to enhance the 'Adequate planning of departmental objectives'.

The public life insurance organization has to rework on the compensation packages provided in this organization.

The public life insurance organization has to improve the mechanism to provide the necessary training to resolve the 'Technology issues / pending issues' are in a timely manner.

Competitive salaries will and job security support the employee wealth and for better employee morale.

Leader of private Life Insurance organizations have put some more efforts to care of their employees. Then it increases the employee morale.

The top level management has to improve in this aspect that 'the leaders of this organization are open to input from employees'.

In private organization the manager need to handles the work-related issues better than the existing and manager needs to treats their employees fairly on par with the counterpart organization

Conclusion

Employees with high morale like their jobs and co-operatefully with the management towards the achievement of the goals of the organization. It results from job satisfaction and generates job enthusiasm; high morale indicates a manifestation of the employees' strength, dependability, pride confidence and devotion. All these qualities of mind and characters taken together create high morale among the employees.

Low morale indicates the presence of mental unrest. Mental unrest not only hampers production but also leads to the ill health of the employees; low morale exists when doubt and suspicion are common and when individuals are depressed and discouraged, i.e., there is a lot of mental tension.

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