FACTORS INFLUENCING EMPLOYEE ENGAGEMENT IN INSURANCE SECTOR

A. AJITHA

PhD., Part Time (External) Research Scholar, Annamalai University, Chidambaram, Tamil Nadu, India.

Dr. P. RAMYA

Assistant Professor, Department of Business Administration, Government Arts College, C Mutlur, Chidambaram, Tamil Nadu, India.

Abstract

The study investigates factors that cause insurance employees to be passionate about their jobs. The research included acquiring knowledge of the idea, learning about and analysing the organisation's employee engagement rules, collecting and analysing employee input, and suggesting changes. The term "Employee Engagement" is often used to describe the employee's level of interest in, and commitment to, the company. Organisational efforts toward employee engagement should be fair and equitable, fostering a bond between management and employees. Employee motivation may be affected by a variety of different circumstances. Those factors are crucial to the investigation. Work environment, the organisation's reputation, working relationships with supervisors and co-workers, training and development and decision-making are independent variables. This quantitative investigation used the survey questionnaire to obtain data from 50 employees. SPSS was utilised as the statistical analysis tool. After researching and analysing the state of employee involvement in the insurance industry, a few changes are proposed to increase it to an optimal level.

Keywords: Employee Engagement, Work Environment, Organisation Reputation, Working Relationship with Supervisor and Co-worker, Training and Development, Decision Making

1. INTRODUCTION

As a result of growing globalisation, Indian companies have come to see their employees as their most valuable asset and HR as the essential strategic resource for every business. Therefore, HR has evolved from a "backstage" support role to one of equal importance to the company. The HR department has been trying to become more strategic, with the HR director playing a crucial role on the executive team. The significance of involving and inspiring one's staff to excel in their work has grown over the years and is now recognised by all businesses. What is often overlooked, though, is that people seek jobs where they can feel they are making a beneficial impact on the world. Over the years, one of the most challenging tasks for many company owners has been ensuring that staff check in physically, psychologically, and emotionally each day. In a nutshell, they must ensure their workers are enthusiastic about their jobs.

Today, employee engagement is a significant factor in the success of any organisation. It directly impacts morale, productivity, and motivation to stay with the organisation. In order to achieve their business goals, many companies are tapping into the strategic competency of their engaged workforce. An enthusiastic worker will always go above and beyond expectations. Employees that are invested in their work add to a company's bottom line, and their dedication

to consumers is evident in the quality of their work. When employees are invested in their work, they assist in bringing in new clients and keep existing ones coming back.

1.1 Review of Literature

Patro (2013) demonstrated that businesses should prioritise retention due to three HR priority areas: employee engagement, career advancement & reward, and pay.

According to research by Kaliannana and Adjovu (2014), employees who are fully involved in their work exhibit a range of positive emotions and actions due to the strong bonds they have built with their managers and co-workers. Through its mediating effects, employee engagement may help improve workers' actions, intentions, and attitudes, ultimately leading to higher productivity on the job.

Dajani (2015) discovered that leadership and organisational justice were the two most significant drivers of employee engagement, with other elements having a positive relationship with job performance and organisational commitment.

According to Otieno et al. (2015), companies should carefully consider candidates' personalities throughout the hiring process to attract and retain dedicated employees.

Ghuman (2016) found that the factors most responsible for fostering a culture of engagement include strong leadership, employee contentment, and satisfied customers.

According to research by Kohli and Zodage (2016), a company's success may be attributed, in large part, to the way its top executives inspire and motivate their staff. Most workers also report feeling satisfied with their pay and that their ideas and concerns are heard and addressed.

In the Sri Lankan context, Iddagoda and Gunawardana (2017) found no empirical evidence connecting employee engagement with financial success.

Weerasooriya and Alwis (2017) discovered that Employee communication, employee development, and organisation reputation substantially impact employee engagement. Employee involvement in the LM system is not significantly influenced by co-worker support, incentive, and recognition.

1.2 Conceptual Model
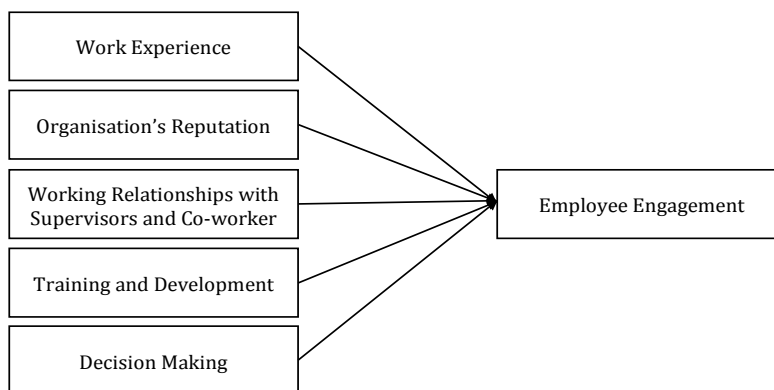
1.3 Objective of the Study

- To study the various factors influencing employee engagement in the insurance sector.

1.4 Testing Hypotheses

- H_{01}: The work environment has no significant influenceon employee engagement.

- H_{02}: The organisation's reputation has no significant influence on employee engagement.

- H_{03}: Working relationships with supervisors and co-worker has no significant influence on employee engagement.

- H_{04}: Training and development has no significant influence on employee engagement.

- H_{05}: Decision-makinghas no significant influence on employee engagement.

2. METHODS AND MATERIALS

2.1 Data Collection

A survey was conducted utilising a standardised questionnaire consisting of 36 questions that included all criteria and demographics. Participants were employed in the insurance industry at the middle management level. The residents of the Mayiladuthurai district were selected at random to provide data. Questionnaires were presented to them with the request that they fill out on the spot.

2.2 Sampling Method

The size of the sample is determined by applying the formula that is shown further down:

$$n = \frac{z^2(pq)}{e^2}$$

The data were obtained from 50middle management employees working in the insurance sector in the Mayiladuthurai district.

Where, p = probability of occurrence = 0.3

q = probability of non-occurrence =0.7

e = standard error = 0.01

z = confidence level =1.96 at 95% confidence interval

2.3 Questionnaire Design

Five independent variables were: work environment, organisation reputation, working experience with supervisors and co-workers, training and development, and decision-making. Employee engagement serves as the dependent variable, and it is measured using a 5-item scale. Gender, years of experience, degree of education, and job title were also considered. The 5-point Likert scale is used to evaluate all of the variables.

3. ANALYSIS OF DATA

Table 1: Result of the KMO Test

	IV	DV
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.924	0.906

The sampling size to be adequate, and the KMO value should be greater than 0.5. Values ranging from 0.90 to 0.92 says that the adequacy is excellent. Hence, the sampling adequacy for items of the independent and dependent variables is excellent. Stating it is acceptable.

Table 2: Rotated Component Matrix

	Component				
	1	2	3	4	5
VAR2	0.886				
VAR4	0.820				
VAR5	0.719				
VAR6	0.623				
VAR7	0.596				
VAR1		0.847			
VAR3		0.835			
VAR8		0.713			
VAR9			0.736		
VAR13			0.627		
VAR14			0.616		
VAR15			0.594		
VAR12				0.894	
VAR16				0.750	
VAR17				0.730	
VAR10					0.768
VAR11					0.700

The 17 items of 5 variables are taken into factor analysis using the rotated component matrix. They result in the table above. This shows that the 17 items are condensed and grouped into five under five variables suppressed by the value 100. The variables more significant are work environment, organisation's reputation, working relationships with supervisor and co-workers, training and development and decision making.

Table 3: Result of z-Test

Variables	z-Value
Work Experience	2.88
Organisation's Reputation	3.65
Working Relationships with Supervisors and Co-workers	2.54
Training and Development	3.43
Decision Making	-1.43

The calculated z-value is greater than 1.96 (95% CL) in the work environment, organisation's reputation, working relationships with supervisors and co-workers, training and development on employee engagement. Hence null hypothesis is rejected. Therefore, there is a significant influence of these variables on Employee Engagement. In the decision-making, the calculated z-value is less than 1.96 (95% CL). Hence null hypothesis is accepted. Therefore, there is no significant influence of decision-making on Employee Engagement.

4. FINDINGS OF THE STUDY

There is a positive relationship between the work environment, the organisation's reputation, working relationships with supervisors and co-workers, training and development on employee engagement. Decision-making has no significant influence on employee engagement.

5. CONCLUSION

As a result, the research concludes that it is up to an organisation to raise and sustain employee engagement. The company must offer all employees a decent work environment and training and development. It is also vital to maintain a reputable organisation, and the organisation should make its employees feel their importance to the organisation's success by including them in decision-making. Finally, the connection between supervisors and co-workers must be in excellent condition.

6. RECOMMENDATIONS

Employees spend the majority of their time at work. Their attitude and, by extension, their productivity may be affected by workplace norms. In light of this, businesses need to foster a pleasant workplace where workers may enjoy their daily activities. Key factors driving employee engagement in the insurance sector include a good work environment, frequent training and development of employees, employee involvement in decision-making, cordial working relationships with supervisors and co-worker relations, and an ethical organisation's reputation.

In addition to the measures mentioned above, businesses can implement employee suggestion systems, problem-solving committees, fun and sparkly birthday and anniversary celebrations, a quick response system for all employee-related issues, and monthly and annual staff awards for well-performing employees. As a result of implementing these measures, employee engagement may increase.

Engagement among employees is not something that occurs by accident; it grows only in businesses that prioritise their employees' happiness. Accurately measuring and monitoring employee engagement is critical, as is a thorough understanding of the factors that motivate employees at a given firm. Companies will succeed more with their organisational plans if they know how to improve employee engagement.

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