

Employee Retention In Life Insurance – An Investigation In Private Life Insurance Companies In Chhattisgarh

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ABSTRACT

Since the insurance sector relies heavily on people, human resources play a critical part in its development. A steady rise in the incidence of staff turnover is noted as a developing essential problem amongst the Indian life insurance service providers in the current cutthroat market rivalry. The current study, which is descriptive and empirical in nature, sought to identify the factors that contribute to attrition and make recommendations for effective staff retention strategies. 389 workers from private life insurance providers in the state of Chhattisgarh were chosen for a market study using the purposive sampling approach. Using SPSS, the data was analysed. The study's main findings include an increasing problem with staff turnover, especially in the lower levels, and that while most workers are happy with the organization's practices and work environment, there is still room for enhancement in a number of HR areas, including performance evaluation, job design, advantages and perks, work-life balance, etc. The article states that human resources are an organization's most valuable asset and that every company's achievement eventually rests on how productive and efficient its workforce is.

Keywords – Insurance, Attrition, Retention, Growth Opportunity, Work Environment, Welfare.

INTRODUCTION

Considering an overall attrition rate of 14%, which is higher than the worldwide average, several Indian organisations struggle to lure and keep talent. According to a survey by global professional services company Towers Watson, attrition in India is around 14%, which is somewhat higher than the worldwide and Asia Pacific averages of 11.30% and 13.81%, respectively. According to the study, 92% of businesses in the nation have trouble finding employees with the necessary abilities, and over 75% of businesses have trouble keeping hold of top performers. Career development chances and a demanding workplace are the top two goals for Indian companies, whereas stable employment and advancement in their careers prospects are the most important considerations for personnel. In comparison with 65% of employees internationally, 74% of employers in India believe that their staff members have an active connection with coworkers who are in other countries. A good tool for striking the right equilibrium among staff performance and corporate needs is the worker's proposition of value.

India is expected to see the greatest attrition rate in the world as the labour market's development tendencies solidify, with the prospect of one in every four workers there changing employment (Anitha, 2016). The number of individual agents has decreased by 10.63 percent, according to the IRDA (Insurance Regulatory Development Authority) Annual Report 2021–22. The life insurance sector closed the fiscal year 2022–23 on a high note in terms of the hiring of new agents (Jain and Arora, 2010). According to the most recent Life Insurance Council data, nearly 2.22 lakh rookie agents were admitted to the life insurance sector in the previous year. Private insurers had a significant role in the rise. Although LIC saw its agent count rise by 20,000, private companies recruited 2.02 lakh new agents to the life insurance sector in FY 2023. Approximately 26.28 lakh agents work in the life insurance sector as a whole. One of the main issues that HR professionals in the Indian Private Life Insurance Sector encounter is attrition. It has become the most pressing issue for the HR department since organisations struggle with issues like knowledge and skills loss, administrative and training costs, recruiting issues, etc. This is due

to the fact that businesses nowadays depend more on their human resources to survive and prosper (Singh 2012).

MEANING OF ATTRITION

Attrition in the workplace is the term used to describe the loss of staff members due to retirement, resignation, or death. The amounts that are invested in personnel are increased greatly by the high turnover rates (Abbasi and Hollman, 2000). The pace at which a company's staff is getting smaller or fewer in number is known as attrition rate. A straightforward formula may be used to determine attrition rates:

$$\text{Attrition} = \frac{\text{No. of employee left in a year}}{\text{Average employee in a year}} \times 100$$

CAUSES OF EMPLOYEE ATTRITION

- **Job Satisfaction-** The issue of turnover or job leaving is prevalent among disgruntled employees, and discontent may be brought on by intrinsic, extrinsic, or both reasons (Ashwathapa, 2008).
- **Work Environment-** While a poor working environment lowers worker efficiency and contentment levels, which may in turn constitute the reason for attrition, an enjoyable place to work has a more positive effect and reduces the amount of employee turnover. Employee retention depends in part on job security. In less stable jobs, turnover is typically high (Maran 2016).
- **Work Pressure-** A lot of workers are forced to explore for alternative options due to the increased job demands and company expectations. Consequently, a significant percentage of attrition may result from job-related stress (Kundu and Malhan, 2009).
- **Nature of Job-** The degree to which a person's employment offers fascinating tasks, learning opportunities, and the possibility to take on responsibility. Numerous studies show that less exciting, boring work causes considerable job dissatisfaction and compels workers to explore for alternative employment possibilities (Haider et al., 2015).
- **Career Growth Opportunity-** Every person's career

involves growth and development in some capacity. If a worker can't envision how his or her career will progress at the company where they are now employed, there is a probability that they will leave as soon as they have the chance (Suresh and Krishnaraj, 2013).

Table 1: Employee Turnover Rate in Some of the Leading Life Insurance Companies

Insurance Company	Rate of Attrition		
	Top Level	Middle Level	Lower Level
LIC Of India	8-10%	15-20%	20-25%
ICICI Prudential	Less than 10%	30-35%	40-50%
HDFC	10-12%	25-30%	35-40%

The attrition rate has multiplied during the past few months, according to table 1 above. On average, the front-line sales sector in the life insurance company reported turnover rates of 35–40%, and middle management churn rates of 25–30%. The most senior management levels are reportedly experiencing a significantly lower 10% change. If we examine the staff attrition rates of the top three life insurance firms, ICICI Prudential has the highest number of turnover, followed by HDFC Standard Life, and finally LIC. Front-line sales are affected by the highest turnover rates, which presents HR with its toughest issue. Since talent is in high demand, businesses compete to hire the top candidates (Menon and Vageesh, 2005). The demand for skilled labour was greater than the supply due to the recent explosion in the Indian insurance business, which is a sun-rise industry. Businesses were aggressively "cherry picking" their best workers. According to the majority of respondents to our poll, the attrition rate in the insurance business has decreased and is more or less constant since the economic downturn. As of March 2021, the non-life insurance sector employed around 1, 10,000 people, including 3, 20,000 agents. On the other hand, the life insurance sector has 29, 17,500 agents and 2, 68,000 workers. While the proportion of agency force to total manpower in the general insurance sector increased from 69 to 77% in the previous five years, the proportion of agency force in the life insurance industry remained consistent at 90 to 91%.

Another intriguing finding is that life insurance offices have been proliferating like mushrooms (Pathak and Tripathi, 2010).

OBJECTIVES OF THE STUDY

- To examine the attrition rate of private life insurance businesses in India.
- To determine the significant factors that contribute to employee turnover in Chhattisgarh's private life insurance firms.
- To provide solutions for the problem of increasing employee attrition.

RESEARCH METHODOLOGY

The study depends on both secondary and primary data, and the researcher has used both descriptive and exploratory research designs. 389 employees of private life insurance firms including HDFC Standard Life and ICICI Prudential Insurance Companies provided the primary data for this study. A well-written, pre-tested structured questionnaire is used to conduct the survey among the chosen respondents after adopting the purposeful sampling approach. The secondary data was gathered from many sources, including the internet, annual reports, insurance journals, and corporate websites. All of Chhattisgarh state's major cities were the focus of the study.

RESULTS AND DISCUSSION

Table – 2: Socio Economic Profile of the Respondents

Particulars	Frequency	Percentage
Gender		
Male	346	88.9
Female	43	11.1
Age group		
21-30	163	41.9
31-40	98	25.2
41-50	77	19.8
Above 50	51	13.1
Experience in years		
Below 5 years	77	19.8

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	5-10 years	144	37.0
	11-15 years	113	29.0
	15 +	55	14.1
Academic qualification			
	Grade 12 or lower	155	39.8
	Certificate/diploma	102	26.2
	Graduate/Postgraduate	132	33.9
Salary			
	Below Rs.10,000	101	26.0
	Rs.10,001 to Rs.20,000	121	31.1
	Rs.20,001 to Rs.30,000	89	22.9
	Above Rs.30,000	78	20.1
Level of employers			
	Lower Level	230	59.1
	Middle Level	102	26.2
	Top Level	57	14.7

The socioeconomic makeup of the respondents is seen in Table 2. There were 389 responses, 346 of them were men and 43 of whom were women. 163 respondents were between the ages of 21 and 30; 98 respondents were between the ages of 31 and 40; 77 respondents were between the ages of 41 and 50; and 51 respondents were beyond the age of 50. Regarding educational background, 155 respondents had completed Grade 12 or less, 102 held certificates or diplomas, and 132 held graduate or postgraduate degrees. Around 101 of those surveyed had monthly incomes of less than Rs. 10,000, 121 had monthly incomes of between Rs. 10,001 and 20,000, 89 had monthly incomes between Rs. 20,001 and 30,000, and 78 had monthly incomes of more than Rs. 30,000. According to the table, 77 respondents had less than five years' experience, 144 had five to ten years' experience, 113 had eleven to fifteen years' experience, and 55 had more than fifteen years' experience. In the various organisations, 57 of the respondents were in the top management cadre level, 102 were in the middle management category, and 230 were in the lower level group.

Key Factors of Joining Insurance Company: Only eight factors, out of many, are included as research variables for reasons for joining

the insurance firm. Growth potential, time flexibility, a challenging position, the company's reputation, and the workplace environment, The three main factors that influence whether someone joins an insurance firm are a competitive salary and incentive plans, job security, and the ability to earn extra money. The researcher attempted to determine the relationship between each variable and whether or not each one was significant.

Table-3: Pearson Inter-Correlation among Key Factors of Joining Insurance Company

		Correlations							
		Growth Opportunity	Flexibility of Time	Challenging Job	Reputation of the Company	Work Environment of the Company	Attractive Salary/ Incentive Plans	Job Security	Earn an Extra Amount
Growth Opportunity	Pearson Correlation	1	.755**	.755**	.739**	-.167	.741**	.741**	.301**
	Sig. (2-tailed)		.000	.000	.000	.126	.000	.000	.005
	N	389	389	389	389	389	389	389	389
Flexibility of Time	Pearson Correlation	.755**	1	.881**	.334*	.221	.499**	.499**	.399**
	Sig. (2-tailed)	.000		.000	.000	.042	.000	.000	.000
	N	389	389	389	389	389	389	389	389
Challenging Job	Pearson Correlation	.755**	.881**	1	.334*	.221	.499**	.499**	.399**
	Sig. (2-tailed)	.000	.000		.000	.042	.000	.000	.000
	N	389	389	420	389	389	389	389	389
Reputation of the Company	Pearson Correlation	.739**	.334*	.334*	1	-.102	.699**	.699**	.276*
	Sig. (2-tailed)	.000	.000	.000		.352	.000	.000	.001
	N	389	389	389	389	389	389	389	389
Work Environment of the Company	Pearson Correlation	-.167	.221	.221	-.102	1	-.153	-.153	-.113
	Sig. (2-tailed)	.126	.042	.042	.352		.163	.163	.302
	N	389	389	389	389	389	389	389	389
Attractive Salary/ Incentive Plans	Pearson Correlation	.741**	.499**	.499**	.699**	-.153	1	.684**	.413**
	Sig. (2-tailed)	.000	.000	.000	.000	.163		.000	.000
	N	389	389	389	389	389	389	389	389
Job Security	Pearson Correlation	.741**	.499**	.499**	.699**	-.153	.684**	1	.413**
	Sig. (2-tailed)	.000	.000	.000	.000	.163	.000		.000
	N	389	389	389	389	389	389	389	389
Earn an Extra Amount	Pearson Correlation	.301**	.399**	.399**	.276*	-.113	.413**	.413**	1
	Sig. (2-tailed)	.005	.000	.000	.001	.302	.000	.000	
	N	389	389	389	389	389	389	389	389

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

- Growth opportunity is highly significant with the variables like flexibility of time ($\gamma = 0.755$, $p < 0.01$), challenging job ($\gamma = 0.755$, $p < 0.01$), reputation of the company ($\gamma = 0.739$, $p < 0.01$), attractive salary and incentive plans ($\gamma = 0.741$, $p < 0.01$), job security ($\gamma = 0.741$, $p < 0.01$) and earn an extra amount ($\gamma = 0.755$, $p < 0.01$).
- Flexibility of time is highly significant with the variables like Challenging Job ($\gamma = 1$, $p < 0.01$), Reputation of the Company ($\gamma = 0.334$, $p < 0.01$), Attractive Salary/Incentive Plans ($\gamma = 0.499$, $p < 0.01$), Job Security ($\gamma = 0.499$, $p < 0.01$), Earn an Extra Amount ($\gamma = 0.399$, $p < 0.01$).
- Challenging Job is highly significant with the variables like

Reputation of the Company ($\gamma = 0.334$, $p < 0.01$). Attractive Salary/Incentive Plans ($\gamma = 0.499$, $p < 0.01$), Job Security ($\gamma = 0.499$, $p < 0.01$), Earn an Extra Amount ($\gamma = 0.499$, $p < 0.01$).

- Reputation of the Company is highly significant with the variables like Attractive Salary/Incentive Plans ($\gamma = 0.669$, $p < 0.01$), Job Security ($\gamma = 0.669$, $p < 0.01$).
- Attractive Salary/Incentive Plans is highly significant with the variables like Job Security ($\gamma = 1$, $p < 0.01$), Earn an Extra Amount ($\gamma = 0.413$, $p < 0.01$).
- Job Security is highly significant with the variable like Earn an Extra Amount ($\gamma = 0.413$, $p < 0.01$)

According to Table 3, the majority of employees believe that the insurance sector is beginning to grow. Agents for insurance companies have a lot of freedom in their work; they may meet consumers or clients wherever it is necessary and are not restricted in where they can do so. In comparison to other businesses, the financial benefits in the insurance industry are also extremely good. All of these variables influence people's decision to pursue a profession in insurance.

Table – 4 One Way ANOVA (Reason for Joining Insurance Company)

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		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Growth Opportunity	Between Groups	14.192	2	7.096	25.265	.000
	Within Groups	23.031	82	.281		
	Total	37.224	84			
Flexibility of Time	Between Groups	6.363	2	3.182	17.557	.000
	Within Groups	14.860	82	.181		
	Total	21.224	84			
Challenging Job	Between Groups	6.363	2	3.182	17.557	.000
	Within Groups	14.860	82	.181		
	Total	21.224	84			
Reputation of the Company	Between Groups	1.129	2	.565	7.569	.001
	Within Groups	6.118	82	.075		
	Total	7.247	84			
Work Environment of the Company	Between Groups	0.068	2	.034	.106	.899
	Within Groups	26.285	82	.321		
	Total	26.353	84			
Attractive Salary/ Incentive Plans	Between Groups	4.518	2	2.259	21.867	.000
	Within Groups	8.471	82	.103		
	Total	12.988	84			
Job Security	Between Groups	4.518	2	2.259	21.867	.000
	Within Groups	8.471	82	.103		
	Total	12.988	84			
Peer/Friends' Advice	Between Groups	1.339	2	.670	2.881	.062
	Within Groups	19.061	82	.232		
	Total	20.400	84			
Unemployment	Between Groups	1.339	2	.670	2.881	.062
	Within Groups	19.061	82	.232		
	Total	20.400	84			
Earn an Extra Amount	Between Groups	12.282	2	6.141	59.450	.000
	Within Groups	8.471	82	.103		
	Total	20.753	84			

The motivations to join an insurance company are interpreted in Table 4 and include: Job Security; Attractive Salary/Incentive Plans; Growth Opportunity; Flexibility of Time; Challenging Job; Reputation of the Company; and Earn an Additional Amount and all of these factors are taken into consideration when deciding whether to join an insurance business. According to the study, the company's work environment, advice from peers and friends, and unemployment are not relevant determinants.

Key Determinant Variables of Job Satisfaction - The quality of work life is positively impacted by job satisfaction. There is a tremendous improvement in both the employees' professional and personal lives if they are happy in their jobs. The organisation will be able to accomplish the stated aims and objectives thanks to

this. Only six factors—job security, work environment of the organisation, accomplishments, work-family balance, financial perks, and career growth—have been identified by the researcher as critical determinants of job satisfaction from studies on the topic. Here, the researcher attempted to establish a link between the major determinants of job satisfaction.

Table-5: Pearson Inter-Correlation among Key Factors of Job Satisfaction

		Correlations					
		Job Security	Work Environment of the Company	Accomplishments	Balance in Work and Family Life	Monetary Benefits	Career Growth
Job Security	Pearson Correlation	1	-.153	.320**	.699**	.203	.393**
	Sig. (2-tailed)		.163	.004	.000	.063	.005
	N	389	389	389	389	389	389
Work Environment of the Company	Pearson Correlation	-.153	1	.202	-.102	-.027	-.086
	Sig. (2-tailed)	.163		.063	.352	.806	.432
	N	389	389	389	389	389	389
Accomplishments	Pearson Correlation	.320**	.202	1	-.214	-.441	.396**
	Sig. (2-tailed)	.004	.063		.049	.000	.000
	N	389	389	420	389	389	389
Balance in Work and Family Life	Pearson Correlation	.699**	-.102	-.214	1	.486**	.263*
	Sig. (2-tailed)	.000	.352	.049		.000	.015
	N	389	389	389	389	389	389
Monetary Benefits	Pearson Correlation	.203	-.027	-.441	.486**	1	.542**
	Sig. (2-tailed)	.063	.806	.000	.000		.000
	N	389	389	389	389	389	389
Career Growth	Pearson Correlation	.393**	-.086	.396**	.263*	.542**	1
	Sig. (2-tailed)	.005	.432	.000	.015	.000	
	N	389	389	389	389	389	389

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

- Job security is positively significant with accomplishments ($\gamma = 0.320$, $p < 0.01$), career growth ($\gamma = 0.393$, $p < 0.01$) and job security is highly significant with the variable balance in work and family life ($\gamma = 0.669$, $p < 0.01$).
- Accomplishments is negatively significant with Monetary benefits ($\gamma = -0.441$, $p < 0.01$) and accomplishment is moderately significant with career growth ($\gamma = 0.396$, $p < 0.01$).
- Balance in Work and Family Life is highly significant with Monetary benefits ($\gamma = 0.486$, $p < 0.01$) and career growth ($\gamma = 0.542$, $p < 0.01$).

The majority of workers claim that advancement in one's career and accomplishments are the two biggest determinants of job stability. At the insurance firm, targets are nothing more than successes and are regarded as important factors. The achievement of goals is correlated with the job security of employees. Achievements and financial rewards have a favourable correlation and are connected to one another. Financial rewards are high if accomplishments are high, and vice versa. Workers feel less stressed about juggling work and family obligations because they are content with their professional and personal lives. The majority of workers believe that their job advancement is impeded by the financial rewards.

Table – 6: One Way ANOVA (Job satisfaction)

		ANOVA				
		Sum of Squares	df	Mean Square	F	Sig.
Job Security	Between Groups	4.518	2	2.259	21.867	.000
	Within Groups	8.471	82	.103		
	Total	12.988	84			
Work Environment	Between Groups	12.282	2	6.141	59.450	.000
	Within Groups	8.471	82	.103		
	Total	20.753	84			
Accomplishments	Between Groups	3.187	2	1.593	8.793	.000
	Within Groups	14.860	82	.181		
	Total	18.047	84			
Balance in Work and Family Life	Between Groups	1.129	2	.565	7.569	.001
	Within Groups	6.118	82	.075		
	Total	7.247	84			
Monetary Benefits	Between Groups	5.047	2	2.524	15.918	.000
	Within Groups	13.000	82	.159		
	Total	18.047	84			
Career Growth	Between Groups	7.722	2	3.861	24.971	.000
	Within Groups	12.678	82	.155		
	Total	20.400	84			

Table 4 lists the factors that influence work satisfaction. According to the research, job security, work environment, accomplishments, work-life balance, financial benefits, and career growth are all key factors in job satisfaction.

Reasons for Leaving the Insurance Company: The reasons given for quitting the insurance firm include better job opportunities, job opportunities, target pressures, no time for the family, job insecurity, relocation, and a poor work environment. To determine the significance level, the researcher must attempt to determine the relationship between these factors.

Table-7: Pearson Inter-Correlation among Variables of Leaving Insurance Company

		Correlations						
		Better Job Opportunity	Better Salary	Target Pressures	No Time for the Family	Job Insecurity	Relocation	Bad Work Culture
Better Job Opportunity	Pearson Correlation	1	.642**	.454**	.847**	-.247**	.154	.194
	Sig. (2-tailed)		.000	.001	.000	.022	.016	.075
	N	389	389	389	389	389	389	389
Better Salary	Pearson Correlation	.642**	1	.152	.641**	-.172	.105	.067
	Sig. (2-tailed)	.000		.165	.000	.116	.340	.543
	N	389	389	389	389	389	389	389
Target Pressures	Pearson Correlation	.454**	.152	1	.556**	-.404**	.187	.437**
	Sig. (2-tailed)	.001	.165		.000	.000	.087	.000
	N	389	389	420	389	389	389	389
No Time for the Family	Pearson Correlation	.847**	.641**	.556**	1	-.135	.095	.234*
	Sig. (2-tailed)	.000	.000	.000		.219	.389	.031
	N	389	389	389	389	389	389	389
Job Insecurity	Pearson Correlation	-.247**	-.172	-.404**	-.135	1	-.474**	-.277*
	Sig. (2-tailed)	.022	.116	.000	.219		.000	.001
	N	389	389	389	389	389	389	389
Relocation	Pearson Correlation	.154	.105	.187	.095	-.474**	1	-.027
	Sig. (2-tailed)	.016	.340	.087	.389	.000		.810
	N	389	389	389	389	389	389	389
Bad Work Culture	Pearson Correlation	.194	.067	.437**	.234*	-.277*	-.027	1
	Sig. (2-tailed)	.075	.543	.000	.031	.001	.810	
	N	389	389	389	389	389	389	389

** Correlation is significant at the 0.01 level (2-tailed).

* Correlation is significant at the 0.05 level (2-tailed).

- Better job opportunity is highly significant with better salary ($\gamma = 0.642$, $p < 0.01$), target pressures ($\gamma = 0.454$, $p < 0.01$), No Time for the Family ($\gamma = 0.847$, $p < 0.01$).
- Better Salary is highly significant with No Time for the Family ($\gamma = 0.641$, $p < 0.01$).
- Target Pressure is highly significant with No Time for the Family ($\gamma = 0.556$, $p < 0.01$) and bad work culture ($\gamma = 0.437$, $p < 0.01$). And Target Pressure has negative impact on job security ($\gamma = -0.404$, $p < 0.01$).
- Job insecurity is negatively significant on relocation ($\gamma = -0.474$, $p < 0.01$).

The majority of workers believe that pressure to meet targets and a decent income are related to greater career opportunities. Workers believe they would be unable to spend as much time as they would want with their families if they had better work opportunities. The majority of respondents believe that there's is no job stability and that promotions depend on the goals they have met because they are afraid of job instability, workers are not enthusiastic about moving.

The reasons for quitting an insurance company are listed in Table - 8. Based on the investigation, it is evident that employees view target pressures, job insecurity, and a negative work culture as key factors that influence their decision to quit the firm. These considerations have led them to search for better employment opportunities and higher pay.

Table – 8: One Way ANOVA (Reasons for Leaving Insurance Company)

ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Better Job Opportunity	Between Groups	1.607	2	.803	.224	.800
	Within Groups	293.641	82	3.581		
	Total	295.247	84			
Better Salary	Between Groups	3.160	2	1.580	.498	.609
	Within Groups	260.064	82	3.172		
	Total	263.224	84			
Target Pressures	Between Groups	36.763	2	18.381	11.088	.000
	Within Groups	135.943	82	1.658		
	Total	172.706	84			
No Time for the Family	Between Groups	4.703	2	2.352	0.646	.527
	Within Groups	298.403	82	3.639		
	Total	303.106	84			
Job Insecurity	Between Groups	7.722	2	3.861	24.971	.000
	Within Groups	12.678	82	.155		
	Total	20.400	84			
Relocation	Between Groups	.822	2	.411	1.101	.337
	Within Groups	30.590	82	.373		
	Total	31.412	84			
Bad Work Culture	Between Groups	28.928	2	14.464	29.519	.000
	Within Groups	40.178	82	.490		
	Total	69.106	84			

STRATEGIES FOR MITIGATING ATTRITION

As long as the attrition rate is within a typical range, it is beneficial to the organisation. This will assist in the organization's development and in bringing in fresh blood. However, when the attrition rate is over average, it becomes an issue. As a result, the HR department is the most important department in every company. When conducting interviews, HR staff members aim to match the appropriate candidate with the appropriate position. They have an extremely important function to perform since this is true even in cases when the attrition rate is abnormal.

Here are a few tactics to lower the attrition rate: -

- The likelihood that a staff member will be happy with their work and stay with the firm for a long time will rise significantly when hiring people who are genuinely

qualified for the role. Selection of employees should take into account factors more than only academic achievement and interpersonal abilities.

- Fresh rules and open communication on job descriptions, duties, and roles within the company will aid in employee retention.
- Employee participation in decision-making is crucial, particularly when choices affect them directly. This is known as participatory decision-making. This can assist in generating fresh viewpoints and ideas that upper management may not have considered.
- Permit members to share their expertise with others. This aids with knowledge retention. This also communicates to a team member his value as an employee of the company. In a similar vein, encouraging information exchange through staff mentorship programmes can have similar advantages.
- Reducing the feedback loop makes it easier for staff members to receive feedback on their job quickly. Additionally, it maintains high performance standards and encourages positive behaviour from staff members.
- Every worker wants to be compensated properly and adequately for the task they accomplish. To do this, do out research to ascertain the compensation package in other organisations of a similar kind, both locally and nationally.
- Family is undoubtedly very important to employees. When an employee's employment starts to negatively impact their family, no amount of money can keep them employed by the company. As a result, professional and personal life ought to be balanced. Allowing a worker to take a longer lunch once a week to see his son play cricket can foster loyalty and assist the employer keep the worker on staff.
- Make an effort to choose applicants who readily embrace and believe in the organisational culture
- Conducting exit interviews with departing workers might assist the organisation in determining the reasons behind the individuals' departures. This will also assist in identifying any shortcomings within the company.

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- Finding out why workers are quitting the company from those who have been there for a long time is another way to lower the attrition rate.
- Motivational training undoubtedly contributes to staff retention. Making ensuring that workers have plenty of possibilities for growth—which can be achieved via training—is one of the most important ways to inspire them.
- One strategy for keeping staff members in the company is to seek for individuals with a variety of skills, such as intelligence, adaptability, and multitasking ability.
- Attempting to hire the staff members through recommendations is an additional strategy. This keeps people loyal to the company.
- Allowing favouritism and special treatment for an employee is one of the best ways to incite hatred and resentment inside a company. Make sure you handle every employee fairly and abstain from favouritism at all costs.

RETENTION PRACTICES TO BE FOLLOWED BY PRIVATE LIFE INSURANCE COMPANIES

The goal of employee retention is to motivate staff members to work for the company for as long as possible. Below are some ideas for addressing staff turnover, particularly at the lowest level:

- Expressing gratitude and acknowledging the productive workers.
- Encouraging and satisfying employees with a good wage and other benefits.
- Workplace stress alleviation using WLB technique application.
- Assistance for employees, increased independence at work, and motivation to take part in decision-making.
- Continue conversing and never stop hearing
- Select the ideal candidate from the start.
- The introduction of an Employee Stock Option Scheme is part of the retention strategy, etc.
- Internal induction training programme for new hires.

CONCLUSION

With the employment market's growth tendencies solidifying, India is expected to have the highest attrition rate globally. The most valuable resource is human capital, and the largest difficulty facing life insurance firms in particular is the rising rate of attrition. Employee turnover has a detrimental effect on an organization's performance, profitability, competency, and goodwill. One of the key elements that determines the performance of the organisation is the quality of the workforce and its retention. Therefore, in order to successfully retain personnel for a longer period of time, private insurance service providers need to establish effective employee retention methods. It's typical for insurance firms to hire from one another. Workers in the sales function, particularly those at the middle and junior levels, frequently switch between insurance firms. An organization's productivity is impacted by a high attrition rate since it depletes resources such as time, money spent on hiring new employees, and resources for training and orientation. Because high attrition significantly affects a company's resources, businesses need to offer greater career possibilities and an appropriate work environment to keep talented employees.

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