HRD
Practices in LIC

Dr. Rita

Human Resource Development Practices in LIC

By:

Dr. Rita

MBA, M.COM, MBE, M.PHIL, Ph.D
Associate Professor & HOD
Swami Devi Dyal Institute of Management Studies
Barwala, (Panchkula)

Human Resource Development Practices in LIC

Rs. 550/-

Dedicated to

My Late. Parents

PREFACE

Insurance industry plays an important role in the financial sector. It provides services to the people who seek security for their assets and life. Every insurance company strives to provide better services to its customers. Without a dedicated, committed and enthusiastic employees the objectives of optimum level can't be achieved. Therefore this book covers the human resource development practices in life insurance company and their impact on employees productivity.

I sincerely believe that students should acquire balanced knowledge of theory as well as practical aspects of insurance sector. It is sincerely hoped that the book will be useful to insurance officers, managers, students & faculty members. I invite suggestions from one and all for improvements in next edition of this book.

ACKNOWLEDGEMENT

TABLE OF CONTENTS

CHAPTER-1

INTRODUCTION OF LIC

INTRODUCTION OF LIC

Life insurance is actually an agreement between the insured and the insurer in which the policy holder accepts to pay regular premium to the insurer. In return, the insurer guarantees monetary protection to the insured in case of any accident or mishaps. If the insured dies in accident, financial help is provided to his family members. Thus, life insurance is necessary as it provides protection to not only you but also to your family in case of any unwanted disaster.

A thriving insurance sector is very important to every modern economy.Firstly because it encourages the habit of saving, secondly because it provides a safety net to rural and urban enterprises and productive individuals. And perhaps most importantly it generates long- term invisible funds for infrastructure building. The nature of the insurance business is such that the cash inflow of insurance companies is constant while the payout is deferred and contingency related. This characteristic feature of their business makes insurance companies the biggest investors in long-gestation infrastructure development projects in all developed and aspiring nations. This is the most compelling reason why private sector (and foreign) companies, which will spread the insurance habit in the societal and consumer interest are urgently required in this vital sector of the economy. Opening up of insurance to private sector including foreign participation has resulted into various opportunities and challenges in India.

1.1 HISTORY OF LIC

In India, insurance has a deep-rooted history. It finds mention in the writings of Manu, (Manusmrithi), Yagnavalkya (Dharmasastra) and Kautilya (Arthasastra). The writings talk in terms of pooling of resources that could be re-distributed in times of calamities such as fire, floods, epidemics and famine. This was probably a pre-cursor to modern day insurance. Ancient Indian history has preserved the earliest traces of insurance in the form of marine trade loans and carriers' contracts. Insurance in India has evolved over time heavily drawing from other countries, England in particular.

The process of insurance has been evolved to safeguard the interests of people from uncertainty by providing certainty of payment at a given contingency. Life insurance in its modern form came to India from England in 1818 with the formation of Oriental Life Insurance Company (OLIC) in Calcutta mainly by Europeans to help widows of their kin. Later, due to persuasion by one of its directors (Shri Babu Muttyal Seal), Indians were also covered by the company. By 1868, 285 companies were doing business of insurance in India. Earlier these companies were governed by Indian company act 1866. By 1870, 174 companies ceased to exist, when British parliament enacted insurance Act 1870. These companies were however, insuring European lives. Those Indians who were offered insurance cover were treated as sub-standard lives and were accepted with an extra premium of 15% to 20%.

First Indian Company -Pioneering efforts of reformers and social workers like Raja Ram Mohan Ray, Dwarakanath Tagore, Ramatam Lahiri, Rustomji Cowasji and other led to entry of Indians in insurance business. First Indian insurance company under the name "Bombay Life Insurance Society" started its operation in 1870, and started covering Indian lives at standard rates. Later "Oriental Government Security Life Insurance Company", was established in 1874, with Sir Phirozshah Mehta as one of its founder directors and later emerged as a leading Indian insurance company under the name "Bombay Life Assurance Society" started its operations in 1870.

Pre-Independence Scenario -With the patriotic fervour of Non-Corporation Movement (1919) and Civil Disobedience Movement (1929), number of Indian companies entered the insurance arena. Eminent figures in political area like Mahatma Gandhi and Pandit Nehru openly encouraged Indians to enter the fray. In 1914 there were only 44 companies, by 1940 this number grew to 195. Business in force during this period grew from Rs.22.44 crores to Rs.304.03 crores (1628381 polices). Life fund steadily grew from Rs.6.36 crores to Rs.62.41 crores. In 1938, the insurance business was heavily regulated by enactment of insurance Act 1938(based on draft bill presented by Sir N.N.Sarcar in Legislative Assembly in January 1937). From here onwards the growth of life insurance was quite steady except for a setback in 1947-48 due to aftermath of partition of Indian. In 1948, there were 209 insurances, with 712.76 crores business in force under 3,016, 000 policies. The life fund by then grew to 150.39 crores.

Nationalization of Life Insurance (1956) - Despite the mushroom growth of many insurance companies per capita insurance in Indian was merely Rs.8.00 in 1944(against Rs.2,000 in US and Rs.600 in UK), besides some companies were indulging in malpractices, and a number of companies went into liquidation. Big industry houses were controlling the insurance and banking business resulting in inters looking of funds between banks and insurance companies. This shook the faith of insuring public in insurance companies as custodians of their savings and security. The nation under the leadership of Pandit Jawaharlal Nehru was moving towards socialistic pattern of society with the main aim of spreading of life insurance to rural areas and to channelise huge funds accumulated by life insurance companies to nation building activities. The Government of India nationalized the life insurance industry in January,1956 by merging about 250 life insurance companies and forming Life Insurance Corporation of India (LIC), which started functioning from 01.09.1956.

Some of the important milestones in the life insurance business in India are:

1818: Oriental Life Insurance Company, the first life insurance company on Indian soil started functioning.

1870: Bombay Mutual Life Assurance Society, the first Indian life insurance company started its business.

1912: The Indian Life Assurance Companies Act enacted as the first statute to regulate the life insurance business.

1928: The Indian Insurance Companies Act enacted to enable the government to collect statistical information about both life and non-life insurance businesses.

1938: Earlier legislation consolidated and amended to by the Insurance Act with the objective of protecting the interests of the insuring public.

1956: 245 Indian and foreign insurers and provident societies are taken over by the central government and nationalized. LIC formed by an Act of Parliament, viz. LIC Act, 1956, with a capital contribution of Rs. 5 crore from the Government of India.

Post Nationalization Trend - After completing the arduous task of integration of about 250 life insurance companies, the LIC of India gave an exemplary performance in achieving various objectives of nationalization.

The following table shows the achievements of LIC in 40 odd years of its existence.

Table - 1.1: Growth of LIC between 1959 and 1999

S. No.	Particulars	1957	1999
1	**Annual Business** Sum Assured Policies First year premium	 336.3 crores 8,00,000 14 crores	 75606 crores 14857000 4171 crores
2	**Business in force** Sum Assured Policies Renewal premium	 1477 crores 5686000 74 crores	 459201 crores 91726000 16136 crores
3	**Group Business in force** Sum Assured	 5.29 crores	 69558 crores
4.	**Life Fund**	41040 crores	127389.06 crores

Source: Secondary Data – Annual Reports of LIC

In spite of phenomenal progress of LIC of India, especially in the 80s, the government and public at large were not quite satisfied with it. By signing GATT, the government of India committed to opening of insurance sector to private sector – to local and global operators. A committee under the chairmanship of late R.N.Malhotra (Ex- governor of RBI) was appointed by the government to look into all the aspects of insurance industry in India. The committee too, opined that in its about 40 years of existence, LIC had been

able to insure only 22 percentage of the insurable population. A moot reason may be the lack of competition. Further, the monopoly has resulted in lack of sensitivity to the policy holders. There is a greater scope for product innovation and service improvement. The committee recommended a number of measures to revamp LIC of India, GIC of India and its four subsidiaries. It also recommended allowing outside insurance companies to operate in India with an Indian partner. After a great deal of discussion, finally the Lok Sabha has enacted the Insurance Regulatory and Development Authority Act, 1999. In terms of the act, Insurance Regulatory and Development Authority is being set-up to regulate and develop the insurance industry by opening it up to the private sector. Foreign insurance companies can enter into the insurance sector in India only with an Indian partner, as a joint-venture, with a capital contribution up to a maximum of 26 percentage of the capital in the joint-venture. The Authority has the power to frame regulations under Section 114A of the Insurance Act, 1938 and has from 2000 onwards framed various regulations ranging from registration of companies for carrying on insurance business to protection of policyholders' interests.

Today LIC functions with 2048 fully computerized branch offices, 113 divisional offices, 8 zonal offices, 992 satellite offices and the corporate office. LIC also has a network of around 13,37,064 individual agents, 242 Corporate Agents, 79 Referral Agents, 98 Brokers and 42 Banks (as on 31.3.2011) for soliciting life insurance business from the public. The slogan of LIC is "Zindagi ke saath bhi, Zindagi ke baad bhi".Its main asset is its staff strength of 1.15 lakh employees and including about 21,000 class-I officers. Meanwhile, LIC is also planning to expand its overseas presence by setting up a subsidiary in Singapore. LIC already has presence in countries like the UK, Mauritius, Kenya, Nepal and Sri Lanka. In the Middle East, LIC is present in Saudi Arabia, Kuwait, Dubai, Abu Dhabi, Oman and Qatar business in overseas and has regional offices in Fuji, Mauritius and the UK.

 LIC's Wide Area Network covers 109 divisional offices and connects all the branches through a Metro Area Network. LIC has tied up with some banks and service providers to offer on-line premium collection facility in selected cities. LIC's ECS and ATM premium payment facility is an addition to customer convenience. Apart from on-line Kiosks and IVRS, Info Centre have been commissioned at Mumbai, Ahmedabad, Bangalore, Chennai, Hyderabad, Kolkata, New Delhi, Pune and many other cities with a vision of providing easy access to its policyholders. LIC has launched its SATELLITE SAMPARK offices. The satellite offices are smaller, leaner and closer to the customer. The digitalized records of the satellite offices will facilitate anywhere servicing and many other conveniences in the future.

1.2 INSURANCE SECTOR REFORMS

In 1993, Malhotra Committee- headed by former Finance Secretary and RBI Governor R.N. Malhotra- was formed to evaluate the Indian insurance industry and recommend its future direction. The Malhotra committee was set up with the objective of complementing the reforms initiated in the financial sector. The reforms were aimed at creating a more efficient and competitive financial system suitable for the requirements of the economy keeping in mind the structural changes currently underway and recognizing that insurance is an important part of the overall financial system where it was necessary to address the need for similar reforms. In 1994, the committee submitted the report and some of the key recommendations included:

I) STRUCTURE

- Government stake in the insurance Companies to be brought down to 50%.

- Government should take over the holdings of GIC and its subsidiaries so that these subsidiaries can act as independent corporations All the insurance companies should be given greater freedom to operate.

II) COMPETITION

Private Companies with a minimum paid up capital of Rs.1bn should be allowed to enter the sector.

- No Company should deal in both Life and General Insurance through a single entity.

- Foreign companies may be allowed to enter the industry in collaboration with the domestic companies.

- Postal Life Insurance should be allowed to operate in the rural market.

- Only one State Level Life Insurance Company should be allowed to operate in each state.

III) REGULATORY BODY
- The Insurance Act should be changed.

- An Insurance Regulatory body should be set up.

- Controller of Insurance- a part of the Finance Ministry- should be made independent.

IV) INVESTMENTS
- Mandatory Investments of LIC Life Fund in government securities to be reduced from 75% to 50%.

- GIC and its subsidiaries are not to hold more than 5% in any company (there current holdings to be brought down to this level over a period of time).

V) CUSTOMER SERVICE
- LIC should pay interest on delays in payments beyond 30 days.

- Insurance companies must be encouraged to set up unit linked pension plans.

- Computerization of operations and updating of technology to be carried out in the insurance industry.

The committee emphasized that in order to improve the customer services and increase the coverage of insurance policies, industry should be opened up to competition. But at the same time, the committee felt the need to exercise caution as any failure on the part of new players could ruin the public confidence in the industry.Hence, it was decided to allow competition in a limited way by stipulating the minimum capital requirement of Rs.100 crores.

The committee felt the need to provide greater autonomy to insurance companies in order to improve their performance and enable them to act as independent companies with economic motives. For this purpose, it had proposed setting up an independent regulatory body. The Insurance Regulatory and Development Authority.

Reforms in the Insurance sector were initiated with the passage of the IRDA Bill in Parliament in December 1999. The IRDA since its incorporation as a statutory body in April 2000 has fastidiously stuck to its schedule of framing regulations and registering the private sector insurance companies. Since being set up as an independent statutory body the IRDA has put in a framework of globally compatible regulations. The other decision taken simultaneously to provide the supporting systems to the insurance sector and in particular the life insurance companies was the launch of the IRDA online service for issue and renewal of licenses to agents. The approval of institutions for imparting training to agents has also ensured that the insurance companies would have a trained workforce of insurance agents in place to sell their products.

1.3 INSURANCE COMPANIES IN INDIA
Today there are 23 life insurance companies operating in the country.

List of Life Insurers
Apart from Life Insurance Corporation, the public sector life insurer, there are 23 other private sector life insurers, most of them joint ventures between Indian groups and global insurance giants.

Life Insurer in Public Sector
1. Life Insurance Corporation of India

Life Insurers in Private Sector
Insurance Industry in the year 2000-2012 had 23 new entrants, namely:

Table-1.2: Life Insurers

SR. No.	Date of Reg.	Name of the Company
1	23.10.2000	HDFC Standard Life Insurance Company Ltd.
2	15.11.2000	Max New York Life Insurance Co. Ltd.
3	24.11.2000	ICICI Prudential Life Insurance Company Ltd.
4	10.01.2001	Kotak Mahindra Old Mutual Life Insurance Limited
5	31.01.2001	Birla Sun Life Insurance Company Ltd.
6	12.02.2001	Tata AIG Life Insurance Company Ltd.
7	30.03.2001	SBI Life Insurance Company Limited .
8	02.08.2001	ING Vysya Life Insurance Company Private Limited
9	03.08.2001	Bajaj Allianz Life Insurance Company Limited
10	06.08.2001	Metlife India Insurance Company Ltd.
11	03.01.2002	Reliance Life Insurance Company Limited.
12	14.05.2002	Aviva Life Insurance Co. India Ltd.
13	06.02.2004	Sahara India Insurance Company Ltd.
14	17.11.2005	Shriram Life Insurance Company Ltd.
15	14.07.2006	Bharti AXA Life Insurance Company Ltd.
16	04.09.2007	Future Generali India Life Insurance Company Limited
17	19.12.2007	IDBI Federal Life Insurance Company Ltd.
18	08.05.2008	Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd.
19	27.06.2008	Aegon Religare Life Insurance Company Ltd.
20	27.06.2008	DLF Pramerica Life Insurance Company Ltd.
21	04.03.2009	Star Union Dai-ichi Life Insurance Co. Ltd.,
22	05.11.2009	India First Life Insurance Company Ltd.
23	1.05.2011	Edellweiss Tokio Life Insurance Company Ltd.

1.5 ORGANIZATIONAL STRUCTURE OF LIC

The life Insurance Corporation of India has a five tier organizational structure as shown in following chart:

CENTRAL OFFICE (1)
↓
ZONAL OFFICES (8)
↓
DIVISIONAL OFFICES (113)
↓
BRANCH OFFICES (2048)
↓
SATTELITE OFFICES (1169)
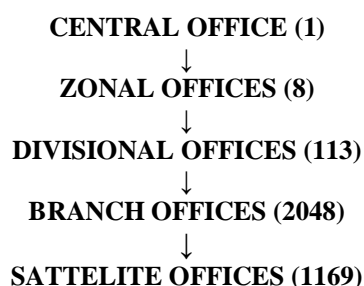
The board of the corporation is constituted by the central Government after every two years and the numbers of the members of the Board does not exceed 16. Out of these members one is appointed as Chairman and three are appointed as managing Directors of the Board. The chairman acts as Chief Executives of LIC. The Chairman and Managing Directors are full time employees of LIC and they constitute the highest decision making body known as Board of Directors of the Corporation. The corporation constitutes various committees under the life insurance act viz., Investment Committee, Executive Committee and Advisory Committee, Development Advisory Committee and Budget Advisory Committee).The Chairman of the Corporation is the chairman of all these committees.

The Central office of LIC is located in Mumbai which is known as financial capital of India. The Central Office confines itself mainly to giving broad policy directions and decisions. It has direct executives responsibility over a limited field. Investment policy and investing of funds in accordance with that policy is the soe responsibility of the central office. The formulation of underwriting standards, setting up of premium rates and underwriting of large proposal which are beyond the limits of the operating divisional offices particularly policy for large sum assured and policies on lives of sub-standard nature are also attended by the central office. Submission of statutory returns to the Government, standardization procedure, forms, drawing up of prospectus, premium rates, policy conditions and making arrangements with regards to reinsurance are other responsibilities looked after by the central office. Inspection and internal auditing of various offices is also done by central office. In general, policy decisions are made by the Chairman of the Corporation with the help of the Executives Committee and various other committees.

For the execution of the policies and decisions, LIC has divided the whole country in different zones. Each Zonal office is responsible for LIC's business in its own geographical limits. Initially, five zonal offices were opened at Mumbai (western), Delhi (Northern), Kanpur (Central), Calcutta (Eastern) and Madras (Southern) as per the requirements of the Life Insurance Act. However, later three more Zonal Offices, namely South-Central at Hyderabad, North- Central at Bhopal and East-Central at Patna were opened thus increasing the total number of Zonal Offices to eight. The Zonal Offices are working under the supervision of Zonal managers, who are charged with the responsibility of execution of Central office's plans and policies, supervising and directing the affairs and business of Zonal offices and providing feedback to the central Office.

The zones are further divided into Divisional offices. Each Zonal Office has some Divisional Offices under it. Each Divisional Office is headed by a Divisional manager who is assisted by Manager in-charge of individual department. The role of Divisional office has been restricted to planning and controlling the various activities in the divisional area.

Operational unit of the Corporation is the Branch Office which is a centre of profit and growth. It is the branch Office which is responsible in its area of operation for sales and services. Branches are the profit centres of the corporation being guided and controlled by the Divisional offices. At present there was 2048 Branch Offices working in whole of India.

With a vision of providing easy access to its policyholders, LIC has started establishing Satellite offices during 2005-06. These satellite offices which are attached to respective parent branches are basically an extension of large parent branches for services to policyholders. Processing of new proposals and collection of renewal premium are main functions of these offices. Each satellite office is manned by 2-3 people, all employees of the company, depending on the need of that particular area. These offices are launched mostly in small towns adjoining the rural areas.

The Economic Times Brand Equity Survey 2010 rated LIC as the No. 4 Service Brand of the Country. Though in the year 2010 is ranked at 4, the organization is consistently among the top rated service company of the India. From the year 2006, LIC is continuously winning the Readers' Digest Trusted brand award According to The Brand Trust Report 2011, LIC is the 8th most trusted brand of India.

1.6 GRIEVANCE REDRESSAL MACHINERY

In a vast organization like LIC, catering to the various needs and aspirations of millions of policyholders, grievances of customers do arise occasionally. In order to redress these grievances LIC has established an elaborate Grievance Rederessal Machinery and the details are as under:

Grievance Redressal Officers have been designated at all levels of the Organization:

At the Branch level   : The Sr. /Branch Manager

At the Divisional level : Manager, CRM

At the Zonal level   **:** The Regional Manager CRM

At the Central level   **:** The Executive Director CRM/Chief (CRM)

For P&GS policies
At the Zonal level   **:** The Regional Manager (Pension and Group Schemes) in case of P & GS
Policyholders can personally contact these designated Officials and seek redressal of their grievances. The respective Grievance redressal Officers are available at their Offices for personal interviews with the customers on all Mondays between 2.30 p.m. to 4.30 p.m., except on holidays without prior appointment. Customers can meet the Grievance Redressal Officers on other days also with prior appointment. The names of the Grievance Redressal Officers are displayed in the respective Offices and are periodically published in the local newspapers.

(II) Claims Review Committee
The Corporation settles a large number of Death Claims every year. Only in case of fraudulent suppression of material information is the liability repudiated. This is to ensure that claims are not paid to fraudulent persons of the cost of honest policyholders. The number of Death Claims repudiated is, however, very small. Even in these cases, an opportunity is given to the claimant to make a representation for consideration by the Review Committees of the Zonal office and the Central Office. As a result of such review, depending on the merits of each case, appropriate decisions are taken. The Claims Review Committees of the Central and Zonal Offices have among their Members, a retired High Court/District Court Judge. This has helped providing transparency and confidence in our operations and has resulted in greater satisfaction among claimants, policyholders and public.

III) Policyholder Councils and Zonal Advisory Boards
In the entire 109 Divisional Centre's, Policyholders' Councils have been established. Three policyholders of the area represent the interest of the policyholders and interact with the Divisional Management on consumer concerns. Similarly, at all the seven Zonal Centre's, Zonal Advisory Boards are functioning.

IV) Citizens' Charter
LIC has adopted a Citizens Charter through which it reiterates its commitments to the customers and the standards for general procedures, the standards for policy servicing, the standards for easy access to information for customers and the standards for fairness in dealing with the customers have been laid down

1.7 PROGRESS OF INDIAN LIFE INSURANCE INDUSTRY IN THE POST LPG ERA

In the post LPG period, the Life Insurance Industry of India witnessed a marvelous growth and touched its historical height. In this tenure, the LIC of India introduced many phenomenal business strategies by way of offering colorful schemes and products. The reason for these kinds of extraordinary effect was only because of the stiff competition emerging by the private insurance players. The private insurance companies are offering plenty of new attractive schemes and products to get meaningful share in the insurance market. However, the LIC of India has the powerful network and it is launching attractive advertisements in the regular interval to create great awareness among the general public.This healthy competition motivated the general public to go in favour of more investments in insurance. While comparing the efficiency and progressiveness of life insurance business in pre and post LPG era, the Indian Life Insurance Industries are achieving a magnificent growth.

Table-1.3: Market Share of LIC and Private Players in Last decade (2001-02 to 2010-2011)   (Percent)

Year	First year Premium		No. of policies Income	
	LIC	Private Insurers	LIC	Private Insurers
2001-02	98.64%	1.36%	NA	NA
2002-03	94.30%	5.70%	96.75%	3.25%
2003-04	87.66%	12.34%	94.20%	5.80%
2004-05	78.77%	21.23%	91.48%	8.52%
2005-06	73.52%	26.48%	89.08%	10.92%
2006-07	74.32%	25.68%	82.83%	17.17%
2007-08	64.02%	35.98%	73.93%	26.07%
2008-09	60.89%	39.11%	70.52%	29.48%
2009-10	65.08%	34.92%	73.01%	26.99%
20010-11	68.70%	31.30%	76.91%	23.09%

Source: Secondary Data – Annual Reports of LIC

As the life insurance industry has completed ten years of competitions it is interesting to see that LIC occupies a major share of the market in respect of both first year premium and Number of policies. As a matter of fact its market share in 2010-11 rose to 68.70 in premium income and 76.91 in no. of policies. The market share of Private players is:

Table-1.4: **Percentage of Market Share Up to March, 1 (In terms of Premium)**

Private Players	First year premium	% of
ICICI Prudential	7861	6.3%
SBI Life	7571	6%
HDFC Life	4065,	3.2%
Bajaj Allianz	3462	2.8%
Reliance Life	3035	2.4%
Birla Sun life	2077	1.7%
Max New York	2060	1.6%
Tata AIG	1331	1.1%
Kotak Mahindra Old Mutual	1253	1%
Canara HSBC OBC Life	823	0.7%
Star Union Dai-ichi	759	0.6%
Aviva	745	0.6%
India First	705	0.6%
Met Life	704	0.6%
ING Vysy	660	0.5%
Shriram Life	575	0.5%
Future Generali Life	449	0.4%
IDBI Federal	445	0.4%
Bharti Axa Life	362	0.3%
Aegon Religare	275	0.2%
SaharaLife	91	0.1%
DLF Pramerica	74	0.1%
Total	**39381**	**31.30**
LIC	86444	68.70

Source: Secondary Data – Annual Reports of LIC

In the process, private insurers increased their share of total premium income from a marginal 0.5 percent in 2001-02 to 29.1 percent in 2008-09. Of the 22 private life insurers currently active in India, 21 have foreign partners – all holding the maximum permitted 26 percent stake in joint ventures (JV) with local partners. Four new life insurers began operating in 2008-09: Aegon Religare; Canara HSBC; DLF Pramerica; and Star

Union Dai-ichi. In November 2009, India First, a JV between UK insurer Legal & General, Bank of Baroda and Andhra Bank became the latest entrant into India's life market. Sahara Life is the only Indian life insurer that does not have a foreign partner. Market share gains by the private life insurance sector have been at the expense of the only state-owned life insurer, Life Insurance Corporation of India (LIC) which, now in its 54th year, saw its share of the total market being aggressively eroded by private sector newcomers.

Though LIC also made an early entry into the ULIP market, launching its first ULIP product in 2001, the state insurer continued to have a more diversified premium income spread with traditional life insurance and endowment policies dominating its new business.As a global sweet spot, India attracts the attention of every major insurer. The country started in 20th place in the global insurance league table when the market opened to private players in 2000, and it moved up to 11th place in 2010.

Table-1.5: PREMIUMS UNDERWRITTEN BY LIFE INSURER (` crore)

Type of Premium	Insurer	2005-06	2006-07	2007-08	2008-09	2009-10
Regular premium	**LIC**	3728.03 (17.75)	29886.34 (117.70)	26222.00 (-12.26)	19140.61 (-27.01)	26184.48 (36.80)
	Private Sector	17526.88 (78.23)	15472.58 (105.56)	28666.15 (85.24)	30229.95 (5.46)	34529.75 (6.97)
	Total	21254.91 (33.84)	45358.93 (113.40)	54888.16 (21.00)	49370.56 (-10.05)	60714.23 (21.91)
Single premium	**LIC**	14787.84 (64.40)	26337.21 (78.10)	33774.56 (28.24)	34038.47 (0.78)	45337.42 (33.19)
	Private Sector	2742.78 (104.46)	3921.10 (42.96)	5049.80 (27.82)	3597.20 (-28.77)	3842.37 (10.13)
	Total	17530.62 (69.60)	30258.32 (72.60)	38824.36 (28.18)	37635.67 (-3.06)	49179.79 (31.05)
First Year premium	**LIC**	28515.87 (38.07)	56223.56 (97.17)	59996.57 (6.71)	53179.08 (-11.36)	71521.90 (34.49)
	Private Sector	10269.66 (84.55)	19393.69 (88.84)	33715.95 (73.56)	33827.15 (0.33)	38372.12 (12.36)
	Total	38785.54 (47.94)	75617.25 (94.96)	93712.52 (23.88)	87006.23 (-7.16)	109894.02 (25.84)
Renewal premium	**LIC**	62276.35 (14.32)	71599.27 (14.97)	89793.42 (25.41)	104108.96 (15.94)	114555.41 (10.03)
	Private Sector	4813.86 (122.56)	8825.05 (83.33)	17845.47 (102.16)	30676.07 (71.90)	41000.94 (35.11)
	Total	67090.21 (18.46	80424.33 (19.87)	107638.89 (33.83)	134786.61 (25.22)	155556.35 ((15.69
Total premium	**`LIC**	9079222.36 (20.85)	127822.84 (40.79)	149789.99 (17.19)	157288.04 (5.01)	186077.31 (18.30)
	Private Sector	1508353.79 (95.19)	28253.01 (87.31)	51561.42 (82.50)	64503.22 (25.10)	79373.06 (23.06)
	Total	05875.76 (27.78)	156041.59 (47.38)	201351.41 (29.01)	221791.26 **(10.15)**	265450.37 (19.69)

Source: Secondary Data – Annual Reports of LIC.

Table-1.6: COMPARATIVE PERFORMANCE OF PREMIUM UNDERWRITTEN BY LIFE INSURERS (FY2010-2011) (crore)

Premium	FY11		FY10	
	LIC	**others**	**LIC**	**Others**
Individual single premium	27,620	8,253	26,540	3,138
Individual non single premium	24,583	22,198	23,576	28,480
Group single premium	22,889	3,468	20,776	713
Group non single premium	11,352	5,463	0	6,068
Total	86,445	39,381	70891,	38,399
Market share	68.70	31.30	64.86	35.14

Source: Secondary Data – Annual Reports of LIC.

According to data collated by the Insurance Regulatory and Development Authority, private l collection of Rs 39,281 crore. Premium from individuals, which excludes payments for group life companies' growth, came from group insurance. They posted new business premium policies policies made by corporate, shrunk by 4% to Rs 3041 crore for the private life industry. Following the sharp growth in new business premium, LIC's market share in premium from new policies has jumped four percentage points from 64.86% in March 2010 to68.7% in March 2011. HenceFY2010-11, was a landmark year in the history of the Indian insurance industry as it celebrated a decade since the entry of the private sector into this business. It show that LIC has gained market share in spite of new companies coming in the market which signifies the dominance of LIC in the market and the ineffectiveness on its strengthened position in market.

1.8 FDI POLICY IN LIFE INSURANCE

The FDI limit in the insurance sector has been capped at 26% for the foreign marketers but the government is thinking to increase it to 49% and a bill of this offer is pending at the Rajya Sabha. The LIC is still the major company in the life insurance sector but with such an emergence of the private companies, providing a range of moneymaking policies and investment chances for people from all walks of life the situation is fast changing.

Table-1.7: Investments in Govt. & Social Sector (Rs. Crores)

Type of investment	AS On		
	31-03-2008	31-03-2009	31-03-2010
A) 1. Central Government Securities	297943	318673	360319
2. State government& other Govt. Guaranteed Marketable Securities	89234	110697	141292
Sub Total (A)	**387177**	**429370**	**501611**
B) 3.Housing and infrastructure Investment			
(a) Housing	24325	34185	40232
(b) Power	41120	48090	77585
(c) Irrigation/Water supply& sewerage	6649	6022	5241
(d) Roads, Ports, Bridges& Railways	1154	7218	8066
(e) Others (Including Telecom)	8774	5274	17073
SUB TOTAL (B)	**82022**	**100789**	**148197**
Total (A+B)	**469199**	**530159**	**649808**

Source: Secondary Data –Published data of LIC.

The Life Insurance Corporation of India has been a nation builder since its formation in 1956. True to the objectives of nationalization, the LIC has mobilized the funds invested by the people in the life insurance for the benefits of the community at large.

The corporation has deployed the funds to the best advantage of the policy holders as well as the community as a whole, true to the spirit of nationalization. National priorities and obligation of reasonable returns to the policyholders are the main criteria of the investment.

As per the prescribed investment pattern approved by IRDA, the controlled funds are invested as follows:

Not less than 50% is invested in Government securities or other approved securities.

Not exceeding 35% in approved investment & other investment.

Not less than 15% in housing and Infrastructure.

Table-1.8: LIC'S contribution towards Various Five Year Plans

Plan	Year	Contribution(Rs. Crore)
II	1956-61	184
III	1961-66	285
IV	1969-74	1530
V	1974-79	2942
VI	1980-85	7140
VII	1985-90	12969
VIII	1992-97	56097
IX	1997-02	170929
X	2002-07	394779
XI	2007-09 (Contd.)	218510

Source: Secondary Data –Magazines of LIC.

It is shown in the above table that LIC's contribution is increasing from IInd five year plan to XI five year plan

1.9 INFORMATION TECHNOLOGY (IT) IN LIC

LIC has been one of the pioneers in using the leverage of Information Technology in servicing and in its business for the convenience of its policyholders. Data pertaining to almost 10 crore policies is stored on computer at LIC. Over the years, the LIC has gone in for relevant and appropriate technology as shown below.

Front End Operations: With a view to enhancing customer responsiveness and services, in July 1995, LIC started a drive of Online Services to Policyholders and Agents through Computer. This online service enabled policyholders to receive immediate policy status report, prompt acceptance of their premium and get revival quotation, loan quotation on demand. Incorporating change of address can be done on line. Quicker completion of proposals and dispatch of policy documents have become a reality. All its 2048 branches across the country have been covered under front-end operations. Thus all its 100 divisional offices have achieved the distinction of 100% branch computerization. New payment related modules pertaining to both ordinary & SSS policies have been added to the Front End Package catering to Loan, Claims and Development Officers' Appraisal. All these modules help to reduce time lag and ensure accuracy.

Metro Area Network*: A Metropolitan Area Network (MAN) connecting 74 branches in Mumbai was commissioned in November, 1997, enabling policyholders in Mumbai to pay their premium or get their Status Report, Surrender Value Quotation, Loan Quotation etc. from any branch in the city. The system has been working successfully. More than 10,000 transactions are carried out over this Network on any given working day. Such Networks have been implemented in other cities also.

Wide Area Network*: All 8 Zonal offices and all the MAN centres are connected through a Wide Area Network (WAN). This will enable a customer to view his policy data and pay premium from any branch of any MAN city. In November 2005, LIC had 91 centers in India with more than 2035 branches networked under WAN.

Interactive Voice Response Systems (IVRS): IVRS has already been made functional in 59 centers all over the country. The customer Zones can be contacted form MTNL and BSNL phones by dialing IVRS Universal access Number 1251 and exercising the relevant option to talk to executives (e.g. next premium due, Status, Loan Amount, and Maturity payment due, Accumulated Bonus etc.) about their policies This information could also be faxed on demand to the customer.

LIC on the Internet*:* The LIC Internet site is an information bank. It has displayed information about LIC & its offices. Efforts are on to upgrade the website to make it dynamic and interactive. The website contains addresses/e-mail Ids of all Zonal Offices, Zonal Training Centres, Management Development Centres, Overseas Branches, Divisional Offices and also all Branch Offices with a view to speed up the communication-process.

Payment of Premium and Policy Status on Internet: LIC has given its policyholders a unique facility to pay premiums through Internet absolutely free and also view their policy details on Internet. There are 11 service providers with whom LIC has signed the agreement to provide this service.

Information Kiosks*:* LIC has set up 150 Interactive Touch Screen based Multimedia KIOSKS in its prime locations in metros and some major cities for dissemination of information to the general public on its products and services. These KIOSKS are able to provide policy details and accept premium payments.

Info Centres: LIC has also set up 8 call centres, manned by skilled employees, to provide the policyholders with information about its products, policy services, branch addresses and other organizational information.

Satellite Offices: With a vision of providing easy access to its policyholders, LIC has launched over 1000 satellite offices. These satellite offices, which are attached to the respective parent branches, are basically an extension of the large parent branches for rendering quick services to policy holders processing of new proposal and collection of renewal premium are the main functions of these offices, at present.

Direct Marketing: LIC has started a new channel **"Direct Marketing"** to explore the new age marketing through digital campaigning and online marketing generating business leads. Initially operations were started at six centers, i.e. Banglore, Delhi, Ernakulam, Hyderabad, Kolkatta, & Mumbai. This has reached to 22 units as on 31.03.2010. Now, buying an LIC policy is just a click away for a prospective buyer. A visit to LIC's portal & registration of details thereon makes it possible for him to get the professional advice/ desired service within a few hours.

1.10 IMPACT OF GLOBALISATION

While nationalized insurance companies have done a commendable job in extending the volume of the business, opening up insurance sector to private players was a necessity in the context of globalization of financial sector. If traditional infrastructural and semipublic goods industries such as banking, airlines, telecom, power etc., have significant private sector presence, continuing a state of monopoly in provision of insurance was indefensible and therefore, the globalization of insurance has been done as discussed earlier. Its impact has to be seen in the form of creating various opportunities and challenges.

OPPORTUNITES

A state monopoly has little incentive to innovative or offers a wide range of products. It can be seen by a lack of certain products from LIC's portfolio. More competition in this business will spur firms to offer several new products and more complex and extensive risk categorization.

- It would also result in better customer services and help improve the variety and price of insurance products.

- The entry of new players would speed up the spread of both life and general insurance. Spread of insurance will be measured in terms of insurance penetration and measure of density.

- With the entry of private players, it is expected that insurance business roughly 400 billion rupees per year now, more than 20 per cent per year even leaving aside the relatively under developed sectors of health insurance, pen More importantly, it will also ensure a great mobilization of funds that can be utilized for purpose of infrastructure development that was a factor considered for globalization of insurance.

- More importantly, it will also ensure a great mobilization of funds that can be utilized for purpose of infrastructure development that was a factor considered for globalizations of insurance.

- With allowing of holding of equity shares by foreign company either itself or through its subsidiary company or nominee not exceeding 26% of paid up capital of Indian partners will be operated resulting into supplementing domestic savings and increasing economic progress of nation.

- It has been estimated that insurance sector growth more than 3 times the growth of economy in India. So business or domestic firms will attempt to invest in insurance sector. Moreover, growth of insurance business in India is 13 times the growth insurance in developed countries. So it is natural, that foreign companies would be fostering a very strong desire to invest something in Indian insurance business.

- Most important not the least tremendous employment opportunities will be created in the field of insurance which is burning problem of the present day today issues.

CHALLENGES BEFORE THE LIC

New age companies have started their business. Some of these companies have been able to float 3 or 4 products only and some have targeted to achieve the level of 8 or 10 products. At present, these companies are not in a position to pose any challenge to LIC, but if we see the quality and standards of the products which they issued, they can certainly be a challenge in future.Because the challenge in the entire environment caused by globalization and liberalization the industry is facing the following challenges.

- The existing insurer, LIC, have created a large group of dissatisfied customers due to the poor quality of service. Hence there will be shift of large number of customers from LIC and GIC to the private insurers.

- LIC may face problem of surrender of a large number of policies, as new insurers will woo them by offer of innovative products at lower prices.

- The corporate clients under group schemes and salary savings schemes may shift their loyalty from LIC to the private insurers.

- There is a likelihood of exit of young dynamic managers from LIC to the private insurer, as they will get higher package of remuneration.

- LIC has overstaffing and with the introduction of full computerization, a large number of the employees will be surplus. However they cannot be retrenched. Hence the operating costs of LIC will not be reduced. This will be a disadvantage in the competitive market, as the new insurers will operate with lean office and high technology to reduce the operating costs.

- LIC has more than to 60 products which are outdated in the present context as they are not suitable to the changing needs of the customers. Not only that they are not competent enough to complete with the new products offered by foreign companies in the market.

- Reaching the consumer expectations on par with foreign companies such as better yield and much improved quality of service particularly in the area of settlement of claims, issue of new policies, transfer of the policies and revival of policies in the liberalized market is very difficult to LIC.

- Intense competition from new insurers in winning the consumers by multi-distribution channels, which will include agents, brokers, corporate intermediaries, bank branches, affinity groups and direct marketing through telesales and interest.

- The market very soon will be flooded by a large number of products by fairly large number of insurers operating in the Indian market. Even with limited range of products offered by LIC the consumers are confused in the market. Their confusion will further increase in the face for large number of products in the market. The existing level of awareness of the consumers for insurance products is very low. It is so because only 62% of the Indian population is literate and less than 10% educated. Even the educated consumers are ignorant about the various products of the insurance.

- The insurers will have to face an acute problem of the redressal of the consumers, grievances for deficiency in products and services.

- Increasing awareness will bring number of legal cases filled by the consumers against insurers is likely to increase substantially in future.

- Major challenges in canalizing the growth of insurance sector are product innovation, distribution network, investment management, customer service and education.

1.11 NEED OF THE STUDY

The need of HRD in LIC in India has continuously grown because of an effective role of private sector and increasing use of information technology and computerization. All these aspects, gave wise to the start of human resource development in LIC too. In order to meet the challenges; the employees of the LIC became focal point. For, the traditional employees needed to be properly developed so as to handle new technology, to manage new risks attached, to cope up with wider markets and to incorporate professional touch. Now the question arises whether LIC has been successful in achieving its objectives. In order to study this significant aspect, the need for present study is felt.

CHAPTER – II
HUMAN RESOURCE DEVELOPMENT PRACTICES IN LIC

HUMAN RESOURCE DEVELOPMENT PRACTICES IN LIC

2.1 THE CONCEPT OF HRD

Today, more importance is being given to "people" in organizations. This is mainly because organizations are realizing that human assets are the most important of all assets. This emphasis can also be partly attributed to the new emerging values of humanism and humanization. Moreover, with the increased emphasis on creativity, and autonomy, which people are increasingly acquiring and enjoying in the society, the expectations of people are fast changing. People cannot be taken for granted any more.

In the past, people working in organizations were given attention merely in administering the necessary conditions of work. The traditional concept of personnel management was based on a very narrow view of human motivation. The basic assumption underlying with view that human beings are primarily motivated by comforts and salary, and necessary attention may be given to rationalise these, so that people do not get dissatisfied. Most of the attention, therefore, was on administration of salary and other benefits. It is now being increasingly realized that people working in organizations are human beings. They have their own needs, motivation and expectations, and that their contribution to the organization is much more than that of any other resource being used.

Human Resource Development (HRD) is a process by which the employees of an organization are helped, in a continuous, planned way to:

1) Acquire or sharpen capabilities required to perform various functions associated with their present or expected future roles,

2) Develop their general cap-abilities as individuals and discover and exploit their potentials for their own and/or organizational development purposes, and

3) Develop an organizational culture in which supervisor-subordinate relationships, teamwork, and collaboration among sub-units are strong and contribute to the professional well being, motivation, and pride of employees (Rao 1985).

In Life Insurance Corporation human resource development is a people-oriented concept that focuses on developing the skills, knowledge and competencies of people. Various authors have not yet been fully successful in conceiving the whole concept of human resource development. They have defined the term from their standpoint due to the fact that it is a recent concept and therefore is still in the conceptualizing stage.

2.2 HISTORY AND ORIGIN OF HRD

The origin of HRD is indistinct but may be traced back to the 1960's in the united states. It is gaining popularity and is widely practiced these days. Nadler used the term HRD for the first time in the George Washington University in 1968. Now-a-days, every enlightened employer takes interest in it. It is gaining popularity and is widely practiced these days. In 19

9, it was used in Maimi at the American Society for Training and Development Conference. But by the middle of 1970's, it gained more acceptances, but it was being used by many as merely a more attractive term than 'Training and Development' It was 25 years ago that our country witnessed the emergence of a new HRD culture in our country with Prof Udai Pareek and Prof T.V.Rao heading the movement. What started as a "Review Exercise of the Performance Appraisal System" for L&T by two consultants, Prof Udai Pareek and Prof T.V. Rao from the Indian Institute Of Management, Ahmedabad (IIMA), resulted in the development of a new function - The HRD Function.

In the early seventies, this company, in association with IIMA the reviewed all aspects of its operations. In 1974, the consultants studied the organization and prepared a new integrated system called Human Resource Development (HRD) System. This was probably the first of its kind in India. The new system clearly established the linkages between the various personnel related aspects such as performance appraisal, employee counseling, potential appraisal, training, etc.

In the opinion of some management thinkers, Japan is the first country to stress and use HRD Practices. According to Prof. Udai Pareek, as far as India is concerned, the term HRD was introduced for the first time in the State Bank of India in 1972.It is believed that the concept of HRD has not been imported in India. It is a philosophical value concept developed by Dr. Udai Pareek and Dr. T. V. Rao at the Indian Institute of Management, Ahmadabad. By the late seventies, this professional outlook on HRD spread to a few other public sector organizations, such as BHEL, SAIL, Maruti Udyog Ltd., Indian Air Lines and Air India; and the private sector organizations, like L & T Ltd. and TISCO. Based on the recommendations a very high level role was created at the Board level to give a greater thrust to the new system. A separate HRD Department was created. A high level internal team headed by a General Manager, monitored the progress of implementation of the new system initially, which was subsequently handed over to the HRD Department.

The HRD system has since then been reviewed from time to time and improvements made, retaining the basic philosophy. The original consultancy reports of Dr. Udai Pareek and Dr. T.V.Rao have sown the seeds for this new function and new profession. This pioneering work of Dr. Rao and Dr. Pareek lead later top the establishment of HRD Departments in the State Bank of India and its Associates, and Bharat Earth Movers Limited in Bangalore in 1976 and 1978. The establishment of a separate Ministry of Human Resource Development (HRD) in 1986 is a logical culmination of the realization of the importance of the human factor in the development by Government of India.

In the last few years, ever since the Central Government started a ministry called HRD, quite a few organizations have introduced this department in their organizations. Previously, the department was called Personnel Department, but now it has been renamed as HRD Department. In some organizations, there are HRD officers or Managers who are merely carrying out the training activities. In effect, some training managers are now being called HRD managers. One must admit that the phrase is becoming increasingly popular.

The role of Indian Institute of Management, Ahmadabad; Centre for HRD at Xavier Labour Relations Institute, Jamshedpur; Indian Society for Training and Development at New Delhi; and National HRD Network at New Delhi and some individual researchers are important in carrying the HRD movement in India.

2.3 HRD IN THE LIC

The Life Insurance Corporation of India (LIC) was set up in 1956 by the Government of India, on the nationalization of life insurance business. It took over the entire life insurance business which had been transacted in India by private companies till then. The fund (assets and liabilities) and employees pertaining to this business were automatically transferred to the LIC. Since 1956, LIC alone has the authority to transact life insurance business in India, subject to special authorizations for some government schemes, which are allowed to operate outside the purview of the LIC. Apart from the Central Office, the LIC has five Zonal Offices, sixty four Divisional Offices and Branches in over eight hundred centres.

In 1980, the LIC launched on a major exercise to organizational restructuring which led to major decentralization of responsibilities to the branches. Each branch was recognized as a profit and growth centre. The number of positions in the branches as well as the level of responsibility in these positions was considerably enhanced. Microprocessors were made available to branches. The new structure provided for consultation processes and joint decision-making in planning and other operations. The new systems included data being generated about the socio-economic conditions of the area under the Branch jurisdiction for planning purposes and developing strategies for operations on the basis of such data. Consequent to the restructure of work, there was need to enhance the skills of the personnel to operate the new systems. It was recognized that the organization to successfully adapt to the serious challenges from the complex turbulent environment, needed long-term strategies with regard to the social systems. Aware that bureaucratic procedures, narrowly defined jobs and tight supervision can wreak havoc on human motivation and that excellent performance comes when individuals are committed to using full capacities to solve problems, the need was felt to develop strategies that would meet the needs for learning, development, belongingness, variety and creativity.

2.4 CONCEPTUAL FRAMEWORK OF HRD

(i) Philosophy and meaning of HRD

The impact of dynamic and fast changing business environment cannot be avoided by LIC. For the success of a corporation, it is necessary to be dynamic and to cope with the changing world and it is equally necessary to change the approach of working. In this context, it is necessary to understand the basic philosophy of HRD.

*   HRD philosophy represents all those basic beliefs, ideals, principles and views which are held by the management with respect to the development and growth of its employees. A well established HRD philosophy plays two important functions. First, it gives rise to what one may call 'style of management'. A manager develops his practices on the basis of his philosophy. Second, it makes organizational goals more explicit.

*   It has very rightly described the following beliefs essential for the success of any HRD programme**.** In 1987, the organization stated its beliefs about HRD as under:

*   Human potential inherent in every employee is vast; it can be further enhanced by various interventions, like, training, job rotation, counseling, organizational action, etc.

*   That people are major assets and that an organization can foster full realization of individual potential by providing a developmental environment and opportunities, by encouraging and rewarding innovativeness, etc.

*   Such people who are not able to contribute to the organization fully due to reasons beyond their control can also give the best if they are taken care of proper environment and conditions are provided.

*   Competencies can be developed in people at any point of time, as a model employer it is desirable that we encourage competency enhancement.

*   HRD provides for higher quality of work-life through opportunities for a meaningful career, job satisfaction and professional development.

*   HRD philosophy emphasis's human well-being and organizational growth, that HRD policies are relationship centered and the extent of relationships under HRD ambit is life long and not merely for 8 hours.

*   As a model-employer, the Corporation must provide for employee growth, if an employee perceives a nurturing environment, there would be a positive response to matching individual aspirations with organizational needs. In order to be effective, HRD processes have to be planned and continuous.

Human Resource Development is a multi dimensional concept. It has been defined differently by economists, social scientists, industrialists, managers and other academicians from different angles.Dr. Len Nadler observed, "HRD means an organized learning experience within a period of time with an objective of producing the possibility of performance change." According to John E. Jones "HRD is an approach to the systematic expansion of people's work related abilities, focused on the attainment of both organizational and personal goals." But the thinkers like Dr. Nadler and Jones used the terms 'HRD' in a limiting sense to mean training, development and education. But the concepts of these thinkers are practical and pragmatic.HRD could be initiated and facilitated by the HRD departments, but the achievement of its goals depends entirely on various implementing agencies. At the organizational level, these are line managers and at the national level, these are the various agencies and agents working for development.

Basically, HRD involves two issues; relationship of the person to (i) oneself, and (ii) to the society. A person may be an asset or a liability to himself and the society depending upon the development of his skills and abilities and his social attitudes and values.

The first step in the development of HRD is, of course, the development of the abilities and the work competence of the person. HRD cannot only be considered as the development of resources or abilities in the

individual but it has to be combined with one's social commitments. HRD, therefore, should aim at the development of professional competence as well as pro-social attitudes.

Another way of looking at HRD can be to identify the factors in an individual which determines his personal satisfaction, social utility and work efficacy. These are the factors in the personality of the individual and his attitudes and professional skills. Broadly, four such factors can be identified namely;

- Cognitive abilities, e.g., intelligence;

- Acquired personal traits, e.g. rationality and work commitment;

- Social attitudes, e.g. altruism, consumerism, etc.

- Work competence, e.g., skill and creativity.

Thus, HRD may be defined as the development of abilities and the attitudes of the individual leading to personal growth and self actualization which enables the individual to contribute to societal wellbeing and development and in achieving personal satisfaction and happiness.HRD believes that individuals in the organization have unlimited potentials for growth and development and that their potentials can be developed and multiplied through appropriate and systematic efforts. Given the opportunities and by providing the right type of climate in the organization, individuals can be helped to give full expression of their potentials, contributing to the achievement of the goals of the organization and, thereby, ensuring optimization of human resources. Investment in human beings is another underlying concept of the human resource system. The organization accepts that the development of human resources involves investment of time and effort for growth.

(ii) Nature and Defined Goals of HRD
HRD is a deliberately adopted systematic set of measures to develop the existing manpower in a particular organization. HRD is a newly adopted and a very popular approach in the modern industrial world. It is a continuous learning process and not merely a set of mechanism or techniques. The techniques such as organization development, training and development, performance appraisal, career advancement, etc. are used to initiate, facilitate and promote HRD process in a continuous way.

The HRD department envisages a major role in the development of employees but the co-operation of other parts of an organization is necessary in such as effort. Prof. Udai Pareek and T. V. Rao have very rightly identified four basic agents or partners of development as under:

- The employee or individual (the self).

- The immediate boss of the employee.

- The HRD Department and

- The organization.

HRD function is an administrative function. Previously, it was treated as a staff function but now HRD manager is a line manager and has an important place in the organizational framework of an institution. The HRD goals of LIC in the revised structure are:

- To ensure that adequate number of persons with sound insurance background and experience, both as generalists and specialists, are available at different levels, to facilitate enhanced standards of service to customers and fast growth.

- To provide human resource policies that are not only fair and just but also perceived as fair and just.

- To provide employees equitable opportunities to move up in the organisation on the basis of their performance and ability.

- To ensure that responsibility for results is provided right from the lower levels so that employees can develop a sense of independence and self-confidence.

- To provide employees opportunities for learning new and varied skills, thus, making the work more satisfying and meaningful.

- To provide opportunities for training and development of employees with special potential.

Several strategies to achieve the stated objectives and goals were developed. Consistent with the policy of consultation, the new strategies were circulated among and discussed with groups of employees. It was, however, clear that the organisation needed a comprehensive HRD approach.

2.5 HRD MECHANISMS OR SUB-SYSTEMS

HRD is a total system with various sub systems. Various HRD thinkers and professionals have designed the mechanism of HRD in different ways. Prof. T. V. Rao opines that the sub systems should comprise the performance appraisal, potential appraisal and development, feedback and performance coaching, career planning, training, organization development, rewards, employee's welfare and the quality of work life and human resource information system. There are many instruments that can be used to facilitate HRD.These instruments may be called sub systems, methods or mechanisms. Each of these sub systems focuses on some particular aspect of HRD.To have a comprehensive HRD, many of these instruments may be needed to be used simultaneously. Any systematic or formal way of facilitating competency, motivation and climate development could be considered an HRD instrument. The most frequently used HRD mechanisms are:

Manpower Planning- Manpower planning is the process which assesses and determines that the organization will have an adequate number of qualified persons available at specific times, performing jobs which would fulfill the needs of the organization and which would provide satisfaction for the individuals involved. It is an endeavor to catch demand and supply.

Recruitment, Selection and Placement- Generation of applications for specific positions for actual or anticipated vacancies is known as Recruitment. Through ideal recruitment procedure suitable applicants could be identified. Selection is the process of ascertaining the qualifications, experience, skill, knowledge etc of an applicant with a view to appraising his/her suitability to a job. The selected candidate is assigned the most suitable job is Placement. Right person on the right job may produce the best results.

T**raining and Development-**The two terms are quite identical to each other, but they are not the same in meaning. Training is a learning process that aims to permanently improve the ability and behavior of the employees by enabling them to acquire new skill, knowledge and attitude for more efficient performance. This includes:

• Identification of training needs

• developing suitable training programmes

• providing requisite job skills and knowledge to employees

• evaluating the effectiveness of training programmes

Development is the growth or realization of a person's ability, through conscious or unconscious learning. Development programs usually include phases of planned study and experience, and are usually supported by a coaching or counseling facility. Development occurs when a gain in experience is effectively combined with the conceptual understanding that can illustrate it, giving increased confidence both to act and to perceive how such action relates to its context.

Performance and potential appraisal- If the performance of people is to be enhanced, their performance needs to be periodically evaluated. For this purpose, performance appraisal interviews between the manager and the subordinate are to be conducted at regular intervals. During these interviews, the performance over the review period is evaluated; strengths and weaknesses identified, and reasons for any shortfall in performance are examined. The goal, objectives, and action plan with target dates for future are also worked out. Different methods like ranking method, paired comparison method, graphic rating scales method, forced choice list method, forced distribution method, field review technique, rating by self and the peer group, 360° performance appraised, etc. can be used as per need and requirement. Potential appraisal means the

possibility of career advancement. A dynamic and growing organization needs to continuously review its structure and systems, creating new roles, and assigning new responsibilities. Capability to perform new roles and responsibilities must continuously be developed among employees. Potential appraisal focuses on identifying the employee's likely future roles within the organization, and can be assessed by observing employees performing different functions.

Feedback and performance coaching- Feedback of performance is an important control measure. Knowledge of one's strengths help one to become more effective to choose situations in which one's strength is required, and to avoid situations in which ones weaknesses could create problems. This also increases the individual satisfaction. Often, people do not recognize their strengths. Managers in HRD system have the responsibility for observation and feedback to subordinates about their strengths and weaknesses on a continuous basis. These are also responsible for providing the employees proper guidance to improve their performance capabilities.

Employees career planning and development- Career planning essentially means helping employees to plan their career in terms of their capabilities within the context of organizational needs. The HRD philosophy is that people perform better when they feel trusted and see meaning in what they are doing. People want to know the possibilities for their own growth and career opportunities. As managers have information about the growth plans of the organization, it is their responsibility to transmit information to their subordinates and to assist them in planning their careers within the organization. In the HRD system, long term corporate growth plans are not kept secret but are made known to the employees. Employees are helped to prepare for change whenever such change is planned.

Development and training programmes- Training and development programmes can be designed to improve performance and to bring about measurable changes in knowledge, skills, attitudes and social behaviour of work force for doing a particular job. Training is linked with performance appraisal and career development. Employees generally are trained on the job or through special in house training programmes. Some employees may be deputed for outside training to enhance, update, or develop specific skills. This is especially valuable if the outside training can provide expertise, equipment, or sharing of experiences that are not available within the organization. Periodic assessments are made of the training needs within the organization. Training programmes are developed and conducted by in house trainers or consultants / institutions hired for the task. The effect of all training programmes are monitored, analyzed and used for fine tuning. Managers and employees who attend in house or outside training events are also expected to submit suggestions concerning any changes they would like to be implemented on the basis of their new knowledge.

Assessment and development centre- A centre can be an end in itself for assessment of need, potential and appoint ability or it can be a means to an end. These means can be diagnostic tools by which appropriate action can be taken to help an individual and or group of individuals to upgrade their managerial performance against an agreed set of criteria. If the criteria have been drawn from the job through job analysis and the current level of performance assessed against them in job relevant but unfamiliar situations, good quality information can be gathered from which one can draw up developmental plans. Developmental applications of assessment centres represent an emerging exciting area for practitioners interested in maximizing the benefits of assessment centres. Development centres can also serve as a development tool for employees. These are workshops which measure the abilities of participants against the agreed success criteria for a job or a role. They also involve much more self and peer assessment than is usually used in selection oriented assessment centres.

Organization Development- This function includes research to ascertain the psychological health of the organization. This is generally accomplished by means of periodic employee surveys. Efforts are made to improve organizational health through various means in order to maintain a psychological climate that is conducive to productivity. The OD specialists also help any department in the organization that has problems such as absenteeism, low production, interpersonal conflict, or resistance to change. These experts also revamp and develop various systems within the organization to improve their functioning.

Honours and Awards -Honouring and awarding employee performance and behaviour is an important part of HRD. Appropriate honours and awards not only recognize and motivate employees but also communicate the organization's value to the employees. In HRD systems, innovations and use of capabilities are awarded in order to encourage the acquisition and application of positive attitude and skills. Typical awards include cash award, certificates of appreciation / commendation, news etters announcements, pay rise, special privileges, etc. Award may be given to individuals as well as to teams or departments.

Employee's welfare and quality of work life- Employees at lower levels in the organization usually perform relatively monotonous tasks and have fewer opportunities for promotion or change. In order to maintain their work commitment and motivation, the organization must provide some welfare measures, such as medical insurance, disability insurance, holidays, vacations, etc. Quality of work life programmes generally focus on employee needs and meeting them to the extent feasible. Job enrichment progrmames, educational subsidies, recreational activities, health and medical benefits, etc., generate a sense of belonging that benefits the organization in the long run.

Quality circles (Participative Management)- Co-operation and participation between management and labour at the undertaking level serves to ensure increased production, secure full recognition of the importance of the human element in the industry, greater interest in the general operation and improve industrial relations. There are various forms and styles of participative management. One of them which is widely applied and practiced is 'Quality Circles'. Every human being is a veritable storehouse of ideas. In normal working, he is generally not called upon to contribute ideas. He is, at best, asked to perform a given set of duties. Given the right kind of environment, he will be inspired to also lend his intellect and creativity to the organization. Quality circles lead to a good participative environment and greater acceptability of decisions. Since the employees are not very good at analyzing and decision-making, the part of quality circle includes teaching employees group communication skills, quality strategies and measurement and problem analysis techniques.

Human Resource Information Systems- A systematic way of gathering and storing information about each individual employee for the benefit of planning, decision-making and supply of returns to external agencies at the organizational level is known as human resource information system. A variety of records are maintained to meet the needs of manpower planning, recruitment, development of people, compensation, integration and maintenance and separations not only for internal control, feedback and corrective action, but also to meet the various constitutional obligations.

A model explaining the linkages between HRD mechanisms, processes, outcomes and organizational effectiveness can be presented as:

Table-2.1: MODEL DISPLAYING LINKAGE BETWEEN HRD MECHANISMS AND ORGANISATIONAL EFFECTIVENESS

HRD Mechanisms or Sub-systems or Instruments	HRD Process and HRD climate variables	HRD outcome variables	Organizations Effectiveness Dimensions
• Performance • and potential • appraisal • Feedback and • counseling • Career • Planning • Training and development • Organisational development • Honours and • Awards • Employees welfare and QWL • Self-renewa • and institution • building • Other	• Role clarity • Employee self • Development • Awareness of • Competencies required for job performance • Proactive orientation ▪ Trust ▪ Collaboration and team work ▪ Authenticity ▪ Openness ▪ Risk Taking ▪ Value generation ▪ Clarification of norms and standards ▪ Better communication ▪ Fair rewards ▪ Generation of unbiased data on employees, etc.	• More Competent People • Better development roles • Higher work commitment • And job involvement • Problem Solving Skills • Better utilization of human resources • Higher job satisfaction and work motivation • Health • More team work • Synergy and respect for each other.	• Higher productivity • Growth and diversification • Cost reduction • Higher Profits • Better Image

Other Factors

• Environment
• Technology
• Resources
• Availability
• Nature of Business, etc.

Other Factors

• Personnel Policies
• Job management
• Styles, Investment on HRD, Top Management's commitment

Source: (Rao, T.V., The HRD Missionary, Oxford & IBH, New Delhi, 1990).

Each of these mechanisms contributes to the achievement of overall HRD goals. Performance appraisal focuses primarily on helping the individual to develop his present role. Potential appraisal focuses primarily on identifying the employee's likely future roles within the organization. Training is a means of developing the individual's personal effectiveness or developing the individual's ability to perform his present job role or future job roles. Training can also strengthen interpersonal relationships and increase team work and collaboration through management and leadership training and team building programmes. Feedback and performance coaching help the development of individual as well as relationships. Organization development is the mechanism for developing team collaboration and self renewing skills. Efforts to promote employee welfare and ensuring the quality of work life, along with honours and awards, promote a general climate for development and motivation among employees. The overall effectiveness and success of HRD system depend upon a well devised HRD strategy. HRD is a total integrated system. That is why, strategies of

introducing HRD system must be clear in the mind of the management, a vision that may guide the choice of HRD programmes and direction. It should include the following phases systematically in order to make it purposeful, meaningful and effective for the organization.The new human resource practices like,

1. HRD climate

2. Training

3. Performance Appraisal

4. Quality of working life

5. Counseling

6. Compensation/Reward system is to be used to fulfill the internal needs of organizations.

2.6 HUMAN RESOURCE DEVELOPMENT CLIMATE

An organization's success is determined as much by the skill and motivation of its members as by almost any other factor. While this has always been true, recent changes focus attention on ways human resources development activities can be used to ensure organizations have what it takes to successfully meet the challenges (Desimone et. al. 2002).

Reichers and Schneider (1983) outline a four-fold progress made in climate research. This approach is founded on perception and aids in the understanding of how work contexts affect behavior and attitudes. It provides an alternative to motivation theories as explanations for almost everything that people face while at work. What motivational, whether of the content (need) or process (instrumentality) persuasion fail to recognize is the key role these perceptions play in operational wing.

A second advance in climate research examines multiple levels of analysis. While motivations tend to concentrate on the explanations of phenomena from an individual's perspective, climate research tends to focus on aggregated or group level data to discover relationships between clusters of perceptions and organizationally relevant outcomes.

A third advance has been the explanation of the distinction between psychological climates and organizational climate. This distinction, first proposed by James and Jones (1974), and further clarified by Jones and James (1979), has gained general acceptance

The fourth advance follows from the idea that people attach meaning to, or makes sense of clusters of psychologically related events. People in organizations encounter thousands of events, practices and procedures and they perceive these events in related sets.

HRD climate is characterized by the tendencies such as treating employees as the most important resources, perceiving that developing employees is the job of every manager, believing in the capability of employees, communicating openly, encouraging risk taking and experimentation, making efforts to help employees recognize their strengths and weaknesses, creating a general climate of trust, collaboration and autonomy, supportive personnel policies, and supportive HRD practices. An optimal level of development climate is essential for facilitating HRD activities (Rao & Abraham 1986). The top management subscribing to these values is a starting point. When a critical mass internalized these values, there emerges a conducive climate for HRD. This positive HRD climate renders the existing systems more effective and makes the organizations more receptive to the introduction of relevant additional system (Athreya 1988). A healthy HRD climate certainly bolsters the overall internal environment of the organization, fosters employee commitment, involvement and satisfaction with the job.

NEED TO DEVELOP CORPORATION CLIMATE

Top to Bottom effort: - Organization is considered to be complete organization after including top authority to bottom line of workers. And whenever we talk about development at organizational level effort is needed from top level to bottom level. Top authority should not have thinking in their mind that their task is to only take decisions but they should also emphasized on proper implementation of decision by adopting various

controlling technique. Bottom level workers should have loyal mind-set towards their organization.. They should have realization that organization is their organization.

Motivator role of Manager and Supervisor: - To prepare Human Resource Development Climate, Manager and Supervisor's responsibilities are more or we can say that they are the key players. Manager and Supervisors have to help the employees to develop the competencies in the employees. To help the employees at lower level they need to updated properly and they need to share their expertise and experience with employees.

Faith upon employees: - In the process of developing HRD Climate employer should have faith on its employee's capabilities. Means whatever amount is invested that should be based on development of employees. Top management should trust the employees that after making huge effort to develop employees, employees will work for the well being.

Free expression of Feelings : - Whatever Top management feels about employees they have to express to employees and whatever employees think about top management it must be express in other words we can say that there should not be anything hidden while communication process. Clear communication process will help to establish the HRD Climate.

Feedback: - Feedback should be taken regularly to know the drawbacks in system. This will help to gain confidence in employees mind. Employee will trust on management and he can express his opinion freely which is very good for HRD Climate.

Helpful nature of employees: - Whenever we talk about 100% effort then we have to talk about employee's effort too. Nature of employees should be helping for management and for its colleagues. They should be always read to help to customers too.

Supportive personnel management: - Personnel policies of organisation should motivate employees to contribute more from their part. Top management's philosophy should be clear towards Human Resource and its well being to encourage the employees.

Encouraging and risk taking experimentation: - Employees should be motivated by giving them authority to take decision. This concept is risky but gradually it will bring expertise in employees to handle similar situation in future. It will help to develop confidence in employees mind.Organisation can develop employees by assigning risky task.

Discouraging stereotypes and favoritism: -Management need to avoid those practices which lead to favoritism. Management and Managers need to give equal importance. Those people who are performing good they need to appreciate and those who are not performing well they need to be guided. Any kind of partial behavior should avoid.

Team Spirit: - There must be feeling of belongingness among the employees, and also willingness to work as a team.

OCTAPAC CULTURE
The essence of the HRD climate can be well gauged from the amount of importance that is given to the development of OCTAPACE culture in the organization. The term has been coined by Professor T.V. Rao of IIMA. The OCTAPACE items characterized by the occurrence of openness, confrontation, trust, authenticity, pro-activity, autonomy, collaboration and experimentation are valued and promoted in the organizations. Openness is present when employees feel free to discuss their ideas, activities, and feelings with each other. By confrontation problems and issues are brought out into the open with a view to solving them rather than hiding them for fear of hurting or getting hurt. Trust is taking people at their face value and believing what they say. Autonomy is giving freedom to let people work independently with responsibility. Proactivity is encouraging employees to take initiative and risk. Authenticity is the tendency on the part of the people to do what they say. Collaboration is to accept interdependencies, to be helpful to each other, and work as teams (Rao & Abraham 1986).

COMPONENTS OF CORPORATION CLIMATE

Organizational Structure-An organization's structure is actually a 'snapshot' of a work process, frozen in time so that it can be viewed. The structure enables the people's energy to be focused towards process achievement and goal achievement. Employee must have a clear definition of not only the work structure but also the role used to organize the work. If the structure and the role is not clear, people will not know what the work process is, who is responsible for what, whom to go for help and decision, and who can Assist in solving problems.

Organizational Culture-Organizational culture is the pattern of beliefs, knowledge, attitudes, and customs that exists within an organization. Organizational culture may result in part from senior management beliefs or from the beliefs of employees. Organizational culture can be supportive or unsupportive, positive or negative. It can affect the ability or willingness of employees to adapt or perform well within the organization. The most effective work culture is one that supports the organizations HR strategies by aligning behaviors, processes and methods with the desired results. It is not just achieving results but the methods through which they are achieved that are critical to long-term success. Before any HR strategy is designed there must be a clear understanding of the organization, its current values, its structure, and its people.

HRD CLIMATE IN LIC

In LIC HRD climate can be grouped into three categories such as general climate, OCTAPAC culture and HRD mechanisms. The general climate items deal with the importance given to human resources development in general by the top management and line managers. The OCTAPAC items deal with the extent to which openness, confrontation, trust, autonomy, pro-activity, authenticity and collaboration are valued and promoted in the organization. The items dealing with HRD mechanisms measure the extent to which HRD mechanisms are implemented seriously.

It is found that employees of LIC are very sincere and committed. The managers in general showed a favorable attitude towards HRD Policies and practices of the organization. They were satisfied with the developmental policies of the top management as well as contented with their work and the organization as a whole i.e. level of job satisfaction was also good. OCTAPAC culture is average in LIC. It's also noticed that top management efforts with regard to identification and utilization of the potential of the employees is simply at the middle of the road.

2.7 TRAINING & DEVELOPMENT

Training is a process that tries to improve skills or add to the existing level of knowledge so that the employee is better equipped to do his present job or to mould him to be fit for a higher job involving higher responsibilities. It bridges the gap between what the employee has & what the job demands. One of the objectives of the corporation is to involve all people working in the corporation to the best of their ability in furthering the interests of the insuring public to provide efficient service with courtesy.

John (2005) defined training as: A planned process to modify attitude, knowledge or skill behavior through learning experience to achieve effective performance in an activity or range of activities. Its purpose, in the work situation, is to develop the abilities of the individual and to satisfy the current and future needs of the organization.

Training is an integral part of the Human Resource Development programme which the corporation is undertaking in terms of the personnel policy. A clearly laid down training policy, becomes essential to set the goals, indicate the strategies and give proper direction at all levels in the area of training. Since training involves time, effort & money by an organization, so an organization should to be very careful while designing a training program. The objectives & need for training should be clearly identified & the method or type of training should be chosen according to the needs & objectives established. Once this is done accurately, an organization should take a feedback on the training program from the trainees in the form of a structured questionnaire so as to know whether the amount & time invested on training has turned into an investment or it was a total expenditure for an organization.

Training is a continuous or never ending process. Even the existing employees need to be trained to refresh them & enable them to keep up with the new methods & techniques of work. This type of training is known as Refresher Training & the training given to new employees is known as Induction Training. This is basically given to new employees to help them get acquainted with the work environment & fellow colleagues. It is a very short informative training just after recruitment to introduce or orient the employee with the organization's rules, procedures & policies.

METHODS OF TRAINING

The most widely used methods of training used by organizations are classified into two categories: On-the-Job Training & Off-the-Job Training.

On-the-job training

It is given at the work place by superior in relatively short period of time. This type of training is cheaper& less time-consuming. This training can be imparted by basically four methods:

Coaching is learning by doing. In this, the superior guides his sub-ordinates & gives him/her job instructions. The superior points out the mistakes & gives suggestions for improvement.

Job Rotation: In this method, the trainees move from one job to another, so that he/she should be able to perform all types of jobs.E.g. In banking industry, employees are trained for both back-end & front-end jobs. In case of emergency, (absenteeism or resignation), any employee would be able to perform any type of job.

Off the job training

It is given outside the actual work place.

Lectures/Conferences:- This approach is well adapted to convey specific information, rules, procedures or methods. This method is useful, where the information is to be shared among a large number of trainees. The cost per trainee is low in this method.

Films: - can provide information & explicitly demonstrate skills that are not easily presented by other techniques. Motion pictures are often used in conjunction with Conference, discussions to clarify & amplify those points that the film emphasized.

Simulation Exercise: - Any training activity that explicitly places the trainee in an artificial environment that closely mirrors actual working conditions can be considered a Simulation. Simulation activities include case experiences, experiential exercises, vestibule training, management games & role-play.

Cases: - present an in depth description of a particular problem an employee might encounter on the job. The employee attempts to find and analyze the problem, evaluate alternative courses of action & decide what course of action would be most satisfactory.

Experiential Exercises: - are usually short, structured learning experiences where individuals learn by doing. For instance, rather than talking about inter-personal conflicts & how to deal with them, an experiential exercise could be used to create a conflict situation where employees have to experience a conflict personally & work out its solutions.

Vestibule Training: - Employees learn their jobs on the equipment they will be using, but the training is conducted away from the actual work floor. While expensive, Vestibule training allows employees to get a full feel for doing task without real world pressures. Additionally, it minimizes the problem of transferring learning to the job.

Role Play: - It's just like acting out a given role as in a stage play. In this method of training, the trainees are required to enact defined roles on the basis of oral or written description

Management Games: - The game is devised on a model of a business situation. The trainees are divided into groups who represent the management of competing companies. They make decisions just like these are made in real-life situations. Decisions made by the groups are evaluated & the likely implications of the decisions are fed back to the groups. The game goes on in several rounds to take the time dimension into account.

In-Basket Exercise: - Also known as In-tray method of training. The trainees is presented with a pack of papers & files in a tray containing administrative problems & is asked to take decisions on these problems & are asked to take decisions on these within a stipulated time. The decisions taken by the trainees are compared with one another. The trainees are provided feedback on their performance.

TRAINING STRATEGIES IN LIC

There are two ways of conducting training programmes – through an established department having a full time HRD functionary who oversees all the training and development functions of the corporation or through an external trainers coordinated by the HRD department These days corporation have recognized the need for training and re-training their staff, in order to develop a competitive edge over their competitors in delivering high quality services to the customers. In case of small branches, who can neither afford to have an established HRD department nor employee an external training consultant whose just conduct the training programmes and often do not have official arrangements for the post training improvements at the work place. Therefore, these branches could come together and have an independent HRD networking institution, which is represented by their respective divisional administrators. These representatives seek the external consultants help in designing and conducting the programmes and the full-time employed professionals of the networking institution take care of the follow-up services. This way, the HRD efforts in these branches will not only be more productive but also meaningful in terms of the financial dictum "return on investment". As regards the areas of training in the corporation, it is suggested that some of the major subjects that deserve utmost attention are emotional intelligence, high quality service orientation and employee empowerment. The programme should be designed to impart different skills/knowledge as stated above and will differ from one course to another, depending upon the requirements of type of the job and the level of people.

Training programme should be repeated at regular intervals for individuals to provide reinforcement of learning. At present the following types of programmes will be designed and conducted by the training centres.

- Standard programme on repetitive basis.

- Role orientation courses in functional areas.

- Special courses and seminars.

- Sales training for supervisory and field personnel.

The first category should be attended by all employees at predetermined intervals. A course will also be given to all officers when they move from one level of job to another. When an officer is appointed as Branch, Divisional or Zonal Managers for the first time, he would be assigned to a programme to help him understand the demands of his new role. This will also apply to persons who are appointed as Heads of a Department in Branch office.

The second category of courses will be arranged regularly for officers as they enter into that function at the Divisional, Zonal of Central office level in case they have not attended a programme in that function earlier. No officer should hold a post in functional area for more than six months unless he has attended a programme in that function.

The third categories of courses are special programmes depending on the specific requirements of the particular level or the group.

The fourth categories of courses are meant for field staff-development officers and Agents. Job training programme in subject matter or programme for agents will be responsibility of the functional or specialist manager as now.Induction training for the newly recruited personnel in assistant's cadre shall be the responsibility of the divisional office.

SALES TRAINING

The responsibility for sales and marketing training shall be with central office marketing Department, as a part of marketing strategy. However HRD/Training Dept. of central office will coordinate

- Training of Trainers
- Training of Marketing Managers
- Training of Manager (sales), ABM (sales), selective agents/agency managers in marketing area.

TYPES OF TRAINING CENTRES

There will be three types of training Centres, with defined functions, as follows:

1. Management Development Centre(MDC)

The present OTC will be renamed as Management Development Centre imparting knowledge in the following areas:

- Management programmes and special seminars/workshops.
- Training of trainers programme.
- Functional programmes.

(2) Zonal Training Centre (ZTC)

Nine Zonal Training Centres one at each Zone, shall impart the following training:

- Courses on general management
- Courses on supervision.
- Functional training
- Sales Training
- Seminars on special subjects
- HGA, Section Head Training
- Staff Training

Sales Training Centre (STC)

There will be four STCs for each Zone, depending on the need, and shall impart the following training:

- ADOs training
- Development Officers training
- Club Members other than Chairman &Zonal Members.
- Selected agents training
- Necessary administrative arrangements like facility support, teaching aids will be provided by the Zonal office.

2.8 PERFORMANCE APPRAISAL

Performance appraisal is a formal structured system of measuring and evaluating an employee's job related behaviours and outcomes to discover how and why the employee is presently performing on the job and how the employee can perform more effectively in the future so that the employee organization and society all benefits.

In LIC, Performance appraisal systems aim to evaluate the job performance of employees, so that appropriate corrective action and management decisions can be taken. As performance appraisal is part of organizational control, the components of the control system are indispensable in the appraisal system. In general, a basic control system consists of control standards, measurement, and corrective actions (Newman, Warren & McGill, 1987). Among these three phases, control standards are based primarily on organizational missions

or departmental goals, which reflect the role a performance appraisal plays in the organization. Measurement is concerned with the actual appraisal process, including the appraiser, appraisal criteria, appraisal methods, and appraisal timing. Corrective actions comprise the feedback processes after the performance appraisal is completed. If there is an evident gap between actual performance and performance standards, appropriate corrective actions should be taken to change the behaviours of the employees.

2.8.1 Performance Appraisal System: Different Methods

In the following section we will discuss the traditional and modern types of methods used to design an appraisal system as per Insurance Institute of India.

Traditional Methods

The older methods of evaluation usually attempted to qualify employee behavior on traits that were deemed to be important measures of their worth to the organization. Some of the traditional methods are discussed below:-

Confidential Report - It is used in Life insurance Corporation to assess the employee's performance. It is a descriptive report prepared, generally at the end of every year, by the employee's immediate superior. The report highlights the strengths and weakness of the subordinates. The report is not data based. The impressions of the superior about the subordinate's are merely recorded there. It does not offer any feed back to the appraisee. The appraisee is not very sure about why his rating has fallen despite his best effort, why others are rated high when compared to him, how to rectify his mistake, if any: on what basis he is going to be evaluated next year etc. Since the report is generally not made public and hence no feedback is available, the subjective analysis of the superior is likely to be hotly contested. In the recent years, due to pressure from court and trade unions, the details of the negative confidential report are given to the appraisee.

Grading: In this technique, the rater considers certain features and marks them according to a scale. The selected features may be analytical ability, cooperativeness, dependability, self-expression, job knowledge, leadership and organizing ability. These may be graded as e.g. A-Outstanding, B-Very good, C Average, D-Fair, E-Poor and F-Very poor. The actual performance of an employee is then compared with these grades and he is allotted the grade which best describes his performance.

Graphic Rating Scale: This is the most commonly used method of performance appraisal. Under it, a printed form, one for each person to be rated, is supplied to the rater. The form contains a number of factors to be rated under two broad categories viz. employee characteristics and employee contribution. Employee characteristics include such quality as initiative, leadership, cooperativeness, dependability, industry, decisiveness etc. In employee contribution are included the quality and quantity of work, specific goals achieved; regularly in attendance etc. these traits are then evaluated on a continuous scale wherein in rather places a mark somewhere along the continuum.

Checklist Method: Under this method a series of questions are presented concerning an employee and his behavior. The rater then checks to indicate if the answer to a question about an employee is positive or negative. Final rating is done by personnel department by assigning value to each question.

Forced choice method: This method attempts to reduce rater's bias to some extent. The typical forced choice rating scale requires the rater to indicate by a check mark those statements that best describe the individual being rated, since several statements equally favorable or unfavorable appear. The person completing the forced choice report form cannot be certain whether the employee is being given a high or low rating.

Critical incident method: The essence of this technique is that it attempts to measure employees performance in terms of certain events or episodes that occur in the performance of the job. These events are known as critical incidents. The basis of this method is the principle that there are certain significant acts in each employee's behaviors and performance, which make all the difference between success and failure in the job. The supervisor keeps a written record of the events that can easily be recalled and used in the course of a periodical appraisal. These events could be in the areas of productivity, precision in work, responsibility and initiative.

Field Review Method: In this method, a representative of the personnel department goes to the work place to obtain information from the supervisor about the work of individual employees. On the basis of such information, evaluation reports are prepared by the personnel department, in consultation with the supervisor.

(ii) Modern Methods

Human Asset Accounting Method: In this method monetary estimates are attached to the value of a firm's internal human organization and its external customer goodwill. If able, well-trained personnel leave a firm, the human assets are decreased. On the other hand, if they join it, its human assets are increased. If distrust and conflict prevail, the human enterprise is devalued. On the other hand, if teamwork and high morale prevail, there is premium on human asset value. Current value of a firm's human organization is appraised by undertaking periodic measurements of key variable (management policies, leadership, strategic, skills and behavior) and intervening variables (employee's loyalties, motivation, communication and decision – making). The method is not yet very popular.

Assessment Centre Method for Potential Review: The review of potential is concerned with forecasting the direction in which an individual's career should go and the rate at which he is expected to develop. It provides information to the company, which may encourage him to stay and to improve his abilities still further. The assessment of potential requires the analysis of existing skills, qualities and how they can be developed to the mutual advantage of the company and the employee, as well as the identification of any weaknesses, which must be overcome if the employee's full potential is to be achieved.

Results-Oriented methods: Results-oriented schemes embody the principle management by Objectives (MBO) philosophy. The aim is to relate assessments to a review of performance against specific targets and standards of performance agreed jointly by superior and subordinate. The accent is on analysis of results rather than assessment of the subordinate's personality (traits), which is done where traditional methods are employed. An employee is judged on the basis of the achievement of the targets that have been set and the superior plays supportive counseling and coaching roles.

360-degree Feedback of Performance Appraisal: 360 Degree Feedback is a system or process in which employees receive confidential, anonymous feedback from the people who work around them. This typically includes the employee's manager, peers, and direct reports. A mixture of about eight to twelve people fill out an anonymous online feedback form that asks questions covering a broad range of workplace competencies. The feedback forms include questions that are measured on a rating scale and also ask raters to provide written comments. The person receiving feedback also fills out a self-rating survey that includes the same survey questions that others receive in their forms. Managers and leaders within organizations use 360 feedback surveys to get a better understanding of their strengths and weaknesses. The 360 feedback system automatically tabulates the results and presents those in a format that helps the feedback recipient create a development plan. Individual responses are always combined with responses from other people in the same rater category (e.g. peer, direct report) in order to preserve anonymity and to give the employee a clear picture of his/her greatest overall strengths and weaknesses.

360 Feedback can also be a useful development tool for people who are not in a management role. Strictly speaking, a "non-manager" 360 assessment is not measuring feedback from 360 degrees since there are no direct reports, but the same principles still apply. 360 Feedback for non-managers is useful to help people be more effective in their current roles, and also to help them understand what areas they should focus on if they want to m360 degree appraisal has four integral components:

360 degree appraisal has four integral components:

1. Self appraisal

2. Superior's appraisal

3. Subordinate's appraisal

4. Peer appraisal.

2.8.2 Performance Appraisal System in LIC

The performance appraisal system in LIC is on a conventional pattern of annual confidential reports for all the classes of employees except the four cadre of class I. It is a descriptive report prepared, generally at the end of every year, by the employee's immediate superior. The report highlights the strengths and weakness of the subordinates. The report is not data based. The impressions of the superior about the subordinate's are merely recorded there. It does not offer any feed back to the appraisee. The appraise is not very sure about why his rating has fallen despite his best effort, why others are rated high when compared to him, how to rectify his mistake, if any: on what basis he is going to be evaluated next year etc. Since the report is generally not made public and hence no feedback is available, the subjective analysis of the superior is likely to be hotly contested. In the recent years, due to pressure from court and trade unions, the details of the negative confidential report are given to the appraisee.

Development Oriented Performance appraisal (DOPA) is used to assess the employee's performance for the four cadres of class I AAO, AO, ADM, DM.. It is also descriptive report prepared, generally for the end of every year, by the employee's immediate superior. Performance parameters are used to assess the employee's performance. Different parameters are evaluated on the basis of likert scale. Five points is assigned for high and one is assigned for low performance. Development oriented performance appraisal (DOPA) allows an employee draw up his own review on a continuous basis on performance targets. In DOPA appraisee also participates for fixing the target in the beginning of the year, appraiser and appraisee both discuss and decide the grade of appraisal and then it is reviewed by the reviewing officer .The objective of DOPA is to steer the entire operational framework within the organisation. The goals and targets for individual officers set will be reviewed openly on a regular basis for the first time.

There are four parameter divisional head judge employees-best, good, satisfactory, least (not up to the mark). Divisional head has to give explanation why he has rated least to an employee in the case least rate was given. Further the employee also gets a chance to explain rating against least rating. If the explanation is satisfactory then it is acceptable. Divisional head need not give any explanation to other parameters. Divisional head, appraises job performance and other relevant factors are overall assessed. The employee's integrity is also assessed. If his job performance along with others potential factors is excellent and his integrity is faultless. The reporting and reviewing officers will suggest this employee id fit for promotion/ increment in written format. Later these formats are sent to managing director for further necessary actions.

Recently the corporation has used 360 degree feedback performance appraisal system. It is only for Sr. Divisional Managers (In-charge).360 Degree Feedback is a system or process in which employees receive confidential, anonymous feedback from the people who work around them. This typically includes the employee's boss, ZM (I/C), RM (Mktg.), RM (P&IR) and RM(CRM) peers,(Sr. DMs working as functional heads in the zones and Subordinates (All branch heads and managers directly reported to him/her and Development officers of his /her choice numbering around 5.

2.9 QUALITY OF WORKING LIFE

Quality of Working Life is a process of work organizations which enables its members at all levels to actively participate in shaping the organization environment, methods and outcomes. Conceptual categories which together make up the quality of working life are adequate and fair compensation, safe and healthy working conditions, immediate opportunity to use and develop human capacities, opportunity for continued growth and security, social integration in the work organization, constitutionalization in the work organization, work and the total life space and the social relevance of work life.

Thus, quality of work life refers to all the organizational inputs which aim at the employee's satisfaction and enhancing organizational effectiveness. The concept of QWL is based on the *assumption* that a job is more than just a job. It is the center of a person's life. In recent years there has been increasing concern for QWL due to several factors:

Increase in education level and consequently job aspirations of employees; Association of workers; Significance of human resource management; Widespread industrial unrest; Growing of knowledge in human behaviors, etc.

2.9.1 Practices of QWL

Quality of working life though came into circulation in 1970s became popular only in 90s and organizations realized its potential to enhance the productivity in the new century. This works as a comprehensive model to those employers who want to ensure quality in working life of their employees. An ideal quality of work life programme will include practices in eight major areas as discussed below:

Adequate and fair compensation: This is fundamental to QWL. Human beings work for livelihood. Therefore success of rest of the initiatives depends upon fulfillment of this. However, important here is that compensation offered must be adequate implying it must be proportionate to labour, and there should be internal consistency among salaries of employees.

Safe and healthy working conditions: Unsafe and hazardous working conditions cause problems to both employers and employees. There may be little advantage to the employer in short-term but in medium and long-terms, it adversely affects the productivity. Therefore, adequate investment must be made to ensure safe and healthy working conditions.

Immediate opportunity of use and develop human capacities: The jobs have become routine, meaningless and too specialized, depriving the employees of fulfillment satisfaction. Therefore, efforts should be made to increase the autonomy, perspective and exposure to multiple skills.

Future opportunity for continued growth and security: This is related to career aspects of employees. Meaningful career paths must be laid down and career mapping of employees is to be followed. The provisions of advancement opportunities play a central role in QWL.

Social integration in the work organization: Relationships between and among the employees is an indicator of healthy work organization. Therefore, opportunities must be provided for formal and informal interactions. All kind of classes religions, races, crafts, and designations must be treated equally on a social platform. In other words, it creates egalitarian environment.

Constitutionalism in the work organization: This is related to organizational norms that affect the freedom of an individual employee. Efforts must be made to see right norms are formed in the organization. It means norms that accommodate the privacy of an individual employee, freedom of speech, equity and freedom to dissent on some aspects.

Work and the total life space: Employees should not be allowed to continuously exert themselves. The continuous hard work causes psychological and physical strains. Therefore, there has to be a balance between personal and professional life. Organization must create proper work offs to enrich the life of employees.

The social relevance of work life: Employees must be given the perspective of how his/her work in the organization helps the society. This is essential to build relevance of the employee's existence to the society he/she lives in.

2.9.2 Quality of working life in LIC

In LIC, Quality of Working Life principles are the principle of security, the principle of equity, the principle of individuation and the principle of democracy. QWL includes working conditions, harmonious relationship with colleagues, adequate and fair compensation, linking rewards to job performance, Future opportunity for continued growth and security etc. Sometimes dissatisfaction with working life is a problem, which affects almost all workers at one time or another, regardless of position or status. The frustration, boredom, and anger common to employees, disenchanted with their work life, can be costly to both individual and corporation.

Many managers seek to reduce job dissatisfaction at all organizational levels, including their own. This is a complex problem, however, because it is difficult to isolate and identify all of the attributes, which affect the quality of working life. Due to the competitive work environment, there is great pressure on employees to not just perform, but excel. There is also excessive expectation from their organizations to increase productivity at any cost. This takes its toll on the physical and mental well-being of professionals. Hence,

quality of working life is average in LIC. Poor work life balance leads to many disastrous things like tardy, bad performance, lack of motivation, more errors, absence from work and so on. The worst thing is that poor work-life balance reduces work quality and productivity without any doubt. When an employee won't be able to give time to his family at home, he will feel stressed out at work. Sound work life balance will definitely have a positive impact on employee's productivity. The quality of work improves significantly as employees feel fresh and not stressed out at all.

2.10. EMPLOYEE COUNSELING

Employee counseling or counseling is a discussion between the counsellor and the counselled which is aimed at making the counselled person feel better and comfortable about self, and thus better equipped to deal with the daily life problems and work situations. Thus, counselling is a process of finding a resolution i.e. determination/perseverance of solving the problems faced and not necessarily a solution. Some characteristics of Counseling are:

- Counseling is a communication between the counsellor and the counselled. It's an exchange of ideas between the two.

- Counseling is a process and not an advice giving procedure. It is a long-term process and takes some time for the person(s) involved to understand the problem and learn how to cope with it.

- Counseling is about clarifying and helping the counselled to handle him or her in the time of crisis and be able to meet the demands of life. Both professional and non-professional counsellors can provide counselling.

- Counselling is usually private and confidential so that the employee is free to' speak out without a fear of retribution i.e. penalty from the employers.

- Counselling is beneficial to the organisation as it helps to solve problems relating to both job and personal life of the employees; thus helping them perform better on the job and also giving a more humane look to the organisation.Emotional makeup of the employees plays a big part in their work efficiency.

- Counselling helps in understanding the employee grievances and also lets the employee know about the company rules and policies and disciplinary actions as well without being too much impersonal.

2.10.1 Types of Counseling

Counseling session depends upon the counsellor to give it a direction. The type of direction the counsellor gives to the session differentiates it into three types of counselling:

Directive Counseling: In this type of counseling the counsellor gives the vision its full direction. The counsellor leads the session completely and this type of counselling fulfils the criteria of the counsellor giving advice and reassurance**.** The counsellor listens to the counselled and decides on behalf of the counselled as to what should be done. It also helps in releasing the emotional tension. But this form of counselling does not equip the counselled person to handle similar situations in future as no self - growth has taken place. The self - growth can be achieved when a Development person tries to look for the answers himself or herself with some help from someone,' else. But, as stated earlier, in this case a person will always have to look towards someone else to advice and sort out the problems in future. All said and done, one should remember that in many cases advice acts as reassurance. In adverse conditions advice and reassurances act as morale boosters and in the long nm help on taking a course of action to resolve the difficult situation.

Non-Directive Counselling: This type of counselling is counselee oriented. This means that the counsellor focuses on the counselee and his or her problems without any sort of interference. The counsellor does not act as an advisor; rather the counsellor only listens to the counselee, understands the problem but does not offers any solutions. The counselee here has to the find the solution on his or her own. This type of counselling helps in employee orientation as the employees are given a chance to find their own solution. Thus they are prepared to handle at least similar kinds of problems in future on their own.

Co-operative/Participative Counselling: This is a compromise between the above two extreme types of counselling. It is a mutual contribution for diagnosing a problem, analyzing the problem and then looking for a solution. It is a mutual counsellor -counselee relationship where both participate to find a solution. Here an exchange of ideas takes place between the two. Both the participants provide a bit of knowledge, experience and insight and thus it is a case of balanced compromise.

2.10.2 Employees Counselling in LIC
Employees Counselling include initiating special counseling session, offer specific and concrete suggestions to employees, to tell the employees about their strengths and weakness etc.

There is no formal system of counseling in LIC. Mostly in the LIC the immediate manager's help in counseling as they are known to the employees and employees can open up fast and easily with the manager. When an employee with a grievance against the manager and cannot possibly speak to the same manager about the reason of grievance then the employees can open with other manager. The employees won't have to do a lot of explaining as the organization is same because the rule, policies and company structure is known to the manager.

2.11 COMPENSATION /REWARD SYSTEM
Compensation is concerned with the determination of adequate and equitable remuneration of the employees in the corporation for their contribution to the organization goals.The employees can be compensated both in terms of monetary as well as non-monetary rewards.The components of a reward system consist of financial rewards (basic and performance pay) and employee benefits, which together comprise total remuneration. They also include non-financial rewards, (recognition promotion, praise, achievement responsibility and personal growth) and in many case a system of performance management. Pay arrangements are central to the cultural initiative as they are the most tangible expression of the working relationship between employer and employee.

Intrinsic rewards
Intrinsic rewards are less tangible, originate from persons or job itself and reflect Herzberg motivators. Example of such factors includes; Variety in Job Content, Sense of being a part of value adding process, Believe that they are valuable members of a team, increased responsibility and autonomy, Sense of accomplishment, Participation in setting targets and opportunities to achieve them, Feed back information, Recognition, opportunities to learn and grow.

Extrinsic rewards
Results from the actions of others, such as supervisions are more easily controlled by managers.Examples include pay, fringe benefits, praise and promotion.

2.11.1 Recent trend of Compensation /reward systems in LIC
In LIC the components of a compensation/reward system consist of financial rewards: Basic and performance pay, Dearness allowances, House rent allowances, City compensatory allowances, Special allowances, functional allowances, hill allowances, Provident fund, Gratuity, Graduation increment and graduation allowances, Northern Eastern States Education allowances, Transport allowances, Encashment of Unveiled Privilege leave, Medical Benefits, Audit allowances Pension, which together comprise total remuneration. This intrinsic reward is given all class employees. But extrinsic reward i.e. non-financial rewards (recognition, promotion, praise, achievement responsibility and personal growth) are given only class II employees. Pay arrangements are central to the cultural initiative as they are the most tangible expression of the working relationship between employer and employee.

LIC of India has decided to reward its employees by giving meal. This meal scheme can be considered as one of the strangest decision taken by LIC (Life Insurance Company). As per the meal scheme, LIC employees across India, who will come on time, will receive food coupons ranging between INR 1000 to INR 4000 along with their monthly salary. However LIC India has taken an aberrant decision of rewarding its employee who comes on time. Actually LIC India has decided to develop it employee by giving meal coupons ranging between INR50 to INR200 per day to employees who come on time i.e. by 10am and there is 10 minutes grace period too.

2.12 EMPLOYEES PRODUCTIVITY

Performance of work, in terms of quantity and quality, expected from each staff member is called the Productivity of the Employees. These standards are the foundation for performance evaluation. In other words, it is an amount of work that is being produced in the organization, in terms of how much and how well. High productivity is what makes an organization thrive. Without a good product or service to sell, problems in an organization are sure to arise. Accordingly, productivity improvement programmes are becoming more popular with organizations. Many components constitute the productivity factor; we can condense these components into four categories; capital investment, innovation, learning, and motivation (Stein, 1983:pp.10-11)

Employee's productivity variable covered different aspects like, quality of employee, idea creation and appreciation, goal achievement, target achievement, improvement in success, enjoyment at work, high performance at work, rational decision making of employees, communication skills and alignment of employees' competency with organizational requirements and goals.

Employee's productivity is contingent on an employee's motivation. The best-trained employee, one who not only has the ability but has access to the most advanced piece of equipment, will not be productive if he or she is unwilling to be so. Attitude plays an important role as to whether an individual has the propensity to work. Accordingly, to increase productivity we must, in part, change an employee's attitude or, in academic terms, increase his or her morale. Strategic Human Resource Management (SHRM) enhances employee productivity and the ability of government agencies to achieve their mission (Jules and Holzer, 2001).

Human resource development is considered the key to higher productivity, better relations and greater profitability for any organization. Iqbal (2007) says human productivity is crucial for growth and survival of organizations. Cheney (2002) supported the concept that higher productivity leads to ultimate societal benefits. As far as the dimensions/components/sub- systems of human resource development are concerned, mechanisms of human resource development have been designed in different ways and various thinkers and professionals have offered divergent views.

Rao (1988) suggests that human resource development sub-systems comprise performance appraisal, potential appraisal, career planning, training, performance coaching, organization development, employee welfare, rewards, qualities of work life and human resource information system. Pareek (1983) refers to performance appraisal, feedback, counseling, potential appraisal, career advancement, career planning and training as dimensions of human resource development. Varadan (1987) traces human resource development mechanism into performance appraisal, role analysis, organization development and quality circles. Though there is diversity among these arguments, but one can trace out that on some of the dimensions there is unanimity of opinion among the experts. Therefore organizations need to develop employees to enhance productivity.

HRD practices enhance the internal capabilities of an organization to deal with current or future challenges to be faced by an organization. Good HR practice also energizes people. The commitment and motivation built through good HR practice can lead to hard work and can have a multiplier effect on the conversion of human capital to organizational capital. The culture so built can help to create a sustainable and lasting capability of the organization to manage itself and not only cope with the external turbulence but even encash on the opportunities offered by the changing environment.

For synergic benefits of integrated subsystems, the HRD mechanisms should not be thought of in isolation. They are designed to work together in an integrated system. For example, In LIC the outcome of performance appraisal provides inputs for assessment of training needs, awards, career planning and feedback and performance coaching. HRD instruments should lead to the generation of HRD process like role clarity, performance planning, development climate, risk taking and dynamism in employees. Such an HRD process should result in developing more competent, satisfied and committed people, who by their contribution would make the organization, grow. Such HRD outcomes influence organizational effectiveness.

CHAPTER-3
REVIEW OF LITERATURE

REVIEW OF LITERATURE

In this chapter, an attempt has been made to present a review of literature available in the area of Life insurance Corporation and study of Human Resources Practices and its impact on employee's productivity. The review of literature, albeit, in brief is likely to provide a bird's eye-view of the work done relating directly or indirectly, to the subject matter of the present study.

The concept of HRD, its philosophy and its measures have been popularized by a number of writers on the basis of their experiences in the field of personnel management. There was a time when personnel manager was expected to manage the employees to achieve eventually the overall goals of the organization. But, of late, the practicing personnel managers could perceive wider scope of managing the employees with the basic approach of enlightened self interest with two way traffic - to manage employees not only for the benefit of organizations but also for the benefit of employees too. In order to know the effectiveness and the real impact of various measures of managing employees, efforts were made by the scholars and the practicing managers to study all these issues empirically. These efforts were made in the field of the entire human resource management and a part of it relates to HRD.

The researcher, therefore, made an attempt here to review the prominent literature readily available on HRD. This study is not the first attempt to be undertaken by the researcher. Several researchers have undertaken researches in the field of HRD in general and a very few of them have also undertaken researches relating to HRD in LIC. There are many studies which show that HRD has got direct linkages to productivity and organizational performance A brief review of such researches is no far to seek.

Pareek and Rao (1977) Larsen & Toubro a prominent Engineering Company in India had appointed two consultants from the Indian Institute of Management, Ahmadabad to study the performance appraisal system and make recommendations for improving it. The two consultants (Pareek and Rao, 1975) studied the system through interviews etc, and suggested a new system. They recommended that "… Performance Appraisal, Potential Appraisal, Feedback and Counseling, Career Development, Career Planning and Training and Development get distinct attention as unique parts of an integrated system which we call the Human Resources Development System" This system was proposed as a separate system with strong linkages with Personnel (Human Resources) system. In their second report of the Human Resources system in L&T recommended that the personnel function be viewed as Human Resources Function (HRF) and suggested a trifurcated function: Personnel Administration, HRD and Worker Affairs. Adding Organization development also to the HRD Function, the consultants recommended that…" Since OD is being added now, it is necessary to strengthen that part of HRD.

Silvera (1988) builds a core for HRD, based on experiences of dynamic result oriented companies. The work under reference is an attempt at sharing about companies which have created healthy work place environments, conductive to initiate, fair play and self development. It provides panoramic view of the HRD practices in dynamic and growth oriented companies in the Indian context. The work include quality circle, democracy at work, place,discipline management, managing change through mentoring, organization development and so on. The work has been organized in a way that it can give an overall perspective of the philosophical and conceptual issues involved in HRD.

Rao, Verma, Khandelwal and Abraham (1988) entitled 'Alternative approaches and strategies of Human Resource Development', various mechanisms of HRD like performance appraisal, potential appraisal exercise, performance feedback and counseling systems, career planning and development, role analysis, OD interventions and training etc. have been highlighted. The work contains twenty seven articles on various aspects of HRD.

T.V. Rao and D.F. Pereira (1988) edited a book entitled 'Recent experiences in HRD' which is based on the papers presented in a national seminar held in Mumbai in February 1985. The seminar was jointly organized by Larsen and Tourbo Ltd. And the HRD centre of XLRI Jamshedpur in which experiences of twenty five different organizations on HRD were shared. In his paper entitled " Integrated Human Resource Development System," T.V. Rao opines that HRD is a process, not merely a set of mechanisms and techniques. The mechanisms and techniques such as performance appraisal, counseling, training and

organization development interventions are used to facilitate, initiative and promote this process in a continuous way.

In his paper entitled 'Human Resource Development Climate in Indian Organizations" have referred to the existence of an optimal level of development climate as a pre requisite for facilitating HRD systems in the organization. Development climate constitutes three variables:

- General Climate,

- HRD Mechanisms

- The OCTAPAC Culture

According to Rao and Abraham a general supporting climate is important for HRD if it has to be implemented. They believe that successful implementation of HRD involves taking an integrated look at HRD and making efforts to use as many HRD mechanisms as possible.

Abraham (1989) surveyed the HRD practices of 68 Indian organizations and measured various elements of the HRD profile of these organizations including performance management practices, training, career planning, promotions, rewards etc., and the HRD climate. Abraham constructed an index of growth of the company profitability as a measure of organizational performance. He found that the perception of the HRD climate of the company was more important than the HRD practice itself. His study also indicates that HRD culture is a powerful intervening variable in translating HRD practices into profit.

B.L. Mathur (1990) in his work entitled "Human Resource development. Strategies approaches and experience, expresses the view that the philosophy of HRD is based on the fact that individuals in an organization have an unlimited potential for growth and development which can be developed and multiplied through appropriate and systematic efforts. The work under reference seeks to examine strategic approaches and experience in HRD. It identifies and analyses the various key issues confronting Human Resource Development. It brings together the thought of eminent experts on approaches and experiences of HRD.

According to Rao (1991) HRD function has gained a lot of momentum in the last decade. An earlier survey conducted in 1984 indicated that a number of HRD sub-system were being initiated in Indian industry. A detailed questionnaire was developed covering 94 different activities or tasks the HRD staff or those in-charge could undertake in any organization.This questionnaire was administered to 61 HRD staff from public sector and private sectoror ganizations. The questionnaire assessed how well each of the 94 activities/tasks is being performed as perceived by the respondents. Their assessment indicates there are more similarities than differences in the way the HRD function is being performed in both public and private sector organizations. The study also indicates that conducting human process research, mobilising unions and associations to play a role in HRD and effective monitoring of HRD implementation are perceived as being performed inadequately in these organizations. Overall, while HRD function has caught up, it has a long way to go near to the "excellence".

K. Prasannasai (1993) is of view that HRD has come to occupy the proactive function of human resource management. HRD is not a one time activity but it is a continuous process built on the edifice of concern for people and organization achievement. It calls for proper co-ordination and co-operation of the HRD policy, mechanisms among the members of the organization. The author strongly believes that HRD should be for the organization as a whole and not merely for some new level of personnel. Regarding the functions of the HRD department, in fifty five organizations which responded to the questionnaire, training and development function, performance appraisal, human resource planning and staffing received the higest preference in HRD mechanisms. While career development, organization development and employee assistance received rating, role analysis and personnel research received the lowest rating.

Dandekar, Karnik and Sathye (1994) during their study on the Maharashtra State Electricity Board, stressed that the most important requirement for improvement in the performance of these Public Sector Undertakings is the development of Human Resources available in the organizations. Looks at the man-man interface of the service sector where service consists almost exclusively of interaction between human

beings, the role of HRD becomes virtually synonymous with improvement in services. Rajpal (1994), during his experience at Hewlett Packard, found the shift from technology driven or product driven to being market driven and the role of HRD in making tremendous gains in productivity and efficiency for the organization.

Huselid and Becker (1997) found that a qualitative improvement in HR system index was associated with an increase in shareholder wealth of $41,000 per employee. He discussed eleven HRM practices in his study which are personnel selection, performance appraisal, incentive compensation, job design, grievance procedures, information sharing, attitude assessment, labor management participation, recruitment efforts, employee training and promotion criteria. It also provides a systematic explanation of investment in human capital and associated productivity, wages, and mobility of workers. Such investment not only creates competitive advantages for an organisation (Salas & Cannon-Bowers 2001), but also provides innovations and opportunities to learn new technologies and improve employee skills, knowledge and firm performance. In fact, there is an increasing awareness in organizations that the investment in training could improve organizational performance in terms of increased sales and productivity, enhanced quality and market share, reduced turnover, absence and conflict.

Cascio (1998) defines performance appraisal as a process to improve employee's work performance by helping them realize and use their full potential in carrying out the organization's missions and to provide information to employees and managers for use in making work related decisions. He goes onto define EPAS as an exercise in observation and judgment, a feedback process and an organizational intervention. It is a measurement process as well as an intensely emotional process.

Above all, Cascio states, it is an inexact, human process that is utilized differently in almost every organization regardless of industry.

T.V.Rao (1999) in his book entitled "HRD audit" provides both the framework and a detailed methodology of HRD audit so as to enable corporations to conduct an internal audit of their human resource functions themselves. A unique feature of this book is the HRD score card which has been developed and tested by Dr. Rao. It assigns a four letter rating to grade four critical dimensions of HRD which contribute vitally to organizational performance, HRD systems maturity, HRD competencies, HRD culture and values, and HRD linkages to business goals. Many corporations have invested a good deal in HRD. They have started new human resource development, given top level positions to human resource persons, created reasonable budgets and expect the HR function to give a strategic advantage to their corporations.

Sharma and Pooja Purang (2000) in their study Value Institutionalization and HRD Climate: A Case Study of a Navratna public sector organisation, found a positive relationship between value institutionalization and HRD climate in a large public sector organization, meaning thereby that a better and more ethical environment of the organization shall lead to a better HRD climate for the organization.

B.S. Bhatia and G.S. Batra (2001). Is of view that the survival of business organizations in the post liberalization era of change and uncertainties will, to a large extent depend on the performance of their human resources.This means that it is in the long interest of organization to invest in this asset. A well known economist Alfred Marshall stated that "the most valuable of all capital is that invested in human beings." This book deals with Human Resource Development. Keeping in view the global business challenges, growing complexity of the business and increased competition, Human Resource Management has become one of the important part of the policy framework of any corporate enterprise.

Alphonse (2001) analyzed the HRD climate in a hospital by assessing the top management's belief in HRD, superior- subordinate relationship, personnel policies, team-spirit, employee development, training, employee initiatives and management encouragement. It reported the existence of a reasonably good climate with an average score of 3.46 in the HRD climate assessment scale.

T.V. Rao (2001) used the HRD Climate Scale regarding the HRD climate in 41 organizations revealed that the general climate in the organizations is average. A general indifference on the part of the employees towards their own development was found to be the reason for this. The lack of support to the employees post training is a major hurdle in applying what they had learnt. This in turn affects the career development

of the employees. It was noted that the top management in most of the organizations is doing routine things. The other impediments of HRD highlighted in the study are the lack of opportunities for transfer of training skills and career development. Yet, the same study suggests that the employees in these organizations were serious about the training, the performance appraisal system was objective and the management was concerned about human resources.

T V Rao, Raju Rao, and Taru Yadav (2001) examine the current status of structuring of the HRD function and HRD subsystems in India against this "Integrated HRD Systems" framework. The researcher also comments on the recent approaches to HRD. Data from HRD audits of 12 Indian organizations indicated that HRD function is not well structured, is inadequately differentiated, poorly staffed, and fails to meet the requirements of this framework. In the light of these experiences of Indian organizations in implementing this framework, it has been points out the prerequisites for success of other HRD frameworks in India.The HRD subsystems, however, have evolved and matured to a substantial degree, specially the performance management system, and training and development system. OD and feedback and counseling are in the next level of maturity. Potential appraisal and career planning and development are the least developed and used subsystems.

Mishra and Bhardwaj (2002) reported that the managers in a private organisation perceived the HRD climate as favourable. The top management's commitment to HRD, integrated HRD system, well defined personal policies and culture of openness are listed to be the strengths of HRD in that organisation.

Mishra and Kavita (2002) in his thesis "A study of HRD in LIC of India "concludes that LIC which has a large reservoir of competent manpower should take steps to reorient its methods of organization of work and evolve suitable manpower development programme so that all the employees are given opportunities to utilize their knowledge, qualifications, experience and skills in their development. It would go a long way in removing the feeling of frustration at present prevailing among the employees and improving the overall staff morale and staff productivity.

Kuldeep Singh (2003) in his study "Strategic HR Orientation and Firm Performance in India" concludes that the strategic alignment of HR planning, selection, performance evaluation, compensation, development, staffing policies results in better organizational performance. The aim of the present study was to find out the relationship between the human resources management practices and firm level performance. The study conducted on 82 Indian firms indicates that there is a significant relationship between the two human resources practices, namely, training and compensation, and perceived organizational and market performance of the firm.

Singh (2004) found that there was a positive relationship amongst several HRM practices like selection ($r = 0.32$), performance appraisal ($r = 0.32$), training ($r = 0.32$), compensation system ($r = 0.32$) employee participation ($r = 0.32$) with firm performance. Out of these practices only Training ($\square = 0.37, 0.39$) and Compensation system ($\square = 0.41, 0.43$) had positive impacts on perceived general and market performance of the firms, indicating that an addition of (1) unit in training will enhance (0.37) the firm's performance and (0.39) in the firm's market performance, secondly, an increase of (1) unit in compensation will increase (0.41) in the firm's performance and (0.43) in the firm's market performance. On the other hand two practices, namely job definition ($\square = -0.21$) and career planning system ($\square = -0.15$) had a negative and an insignificant impact on perceived firm performance.

Charles Moseley (2004) in the study "The Human Resource Dimension and Reform" concludes that only by empowering employees, to accept the responsibility and to make decisions as fully active participants in the life of the organization, can organizations hope to create the kind of responsiveness needed to meet the changing needs of customers in today's business environment.

Teseema & Soeters (2006) used eight HR practices in their research paper which are recruitment and selection practices, placement practices, training practices, compensation practices, employee performance evaluation practices, promotion practices, grievance procedure and pension system. According to them these HR practices can affect the employee performance.

Victoria (2006) conducted a study on "Teacher Evaluation Practices and Teacher Job Satisfaction" under the Faculty of the Graduate School, University of Missouri-Columbia. The purpose of this study was to determine the relationship between teacher evaluation practices and teacher job satisfaction as measured by the Teacher Evaluation Profile and one subscale of the Teacher Job Satisfaction Questionnaire. The quantitative study was conducted administering the Teacher Evaluation Profile and the Teacher Job Satisfaction Questionnaire to all certificated teachers in a rural, mid-size school district located in the mid-west. The data from both instruments were analyzed using the Pearson product-moment. Demographic data pertaining to gender, years of teaching experience, and teaching assignment grade level were collected and were used as predictors for multiple regression analyses. A significant relationship was found to exist between the Teacher Evaluation Profile subscale Evaluator Perceptions and the Teacher Job Satisfaction Questionnaire subscale Work Itself. No significant difference resulted from the multiple regression analyses using the predictors of gender, years of teaching experience, and teaching assignment grade level.

Wright (2006) have argued that an employee will exert discretionary effort if proper performance management system is in place and is supported by compensation system linked with the performance management system. Job definition is combination of job description and job specification. It clearly outlines duties, responsibilities, working conditions and expected skills of an individual performing that job. While much of the research on the relationship between HR practices and performance has somewhat consistently revealed a significant relationship, some recent debates have emerged regarding the value of different approaches to studying this phenomenon. Debates have arisen regarding the proper sources for gaining the most valid reports of HR practice measures, the proper level of analysis and proximity of performance measures, and the timing of measurement.

Narayan and Rangnekar (2008) found that both organizational climate and HRD climate along with job involvement was significantly influenced the managerial effectiveness. They measured organizational climate variables as Results, Rewards and Interpersonal relations, Organizational process, Role clarity and problem sharing and HRD climate variables as Experimentation, Trust, Openness, Facilitation, Transparency and Reward system. The job involvement was measured as identification with the job and job centricity.

Venu Gopal (2008) General Secretary, All Indian insurance Employees Association rid the demand for 40% wage hike is quite justified, as both LIC and GIC had the capacity to pay "and the operative expenses of LIC are the lowest in Industry at 5.54% against 23.111% of private companies." He said salaries of LIC staff were much lower in comparison to wages of the private insurance companies staff. However, there is not much attrition and only 4-5% of the LIC staff is leaving jobs to join private companies. The demand for wage hike is therefore quite reasonable.Even internationally, the accepted norm is that 6% of the premium income be allocated to salaries of the staff and LIC was only paying 4.6% or so, he explained.

Subhash C. Kundu, Divya Malhan (2009) studied that Competitive advantage of a company can be generated from human resources (hr) and company performance is influenced by a set of effective hrm practices. In this study, researcher intended to assess the hr practices in insurance companies. Primary data based on 218 respondents from four insurance companies (twomultinational-7 branches and two Indian-7 branches) were analyzed to assess hr practices being practiced by insurance companies in India. Six factors from factor analysis were further analyzed. 'Training and benefits' was found highly in practice in the insurance companies. Further, 'performance appraisal,' 'selection and socialization of employees,' and 'hr planning and recruitment' were moderately practised in insurance companies. 'Workforce diversity and contemporary hr practices' and 'competitive compensation' were also practised to some extent. Anova results showed that Indian companies did not practise workforce diversity. Compensation practices were found more competitive or performance based in Multinational insurance companies than in Indian ones. The gender effect showed that only competitive compensation was perceived significantly differently by male and female employees/executives. Interactive effects were significant on workforce diversity and contemporary issues, training and benefits, and selection and socialization of employees.

Subrahmanian, Anjani (2010) found that In Automobile Industries, the counseling is basically given for helping and supporting the employees, who have been reported for reasons such as behavioral changes, poor attitude, lack of interest in work, high absenteeism, alcoholism, job miss, increased accidents and reduced

production. The counseling is provided by the respective Section Heads, IR Coordinators to the specific employees who show the sign of misconduct. According to the study, manufacturing and automobile industries face serious issues amidst their employees, which arises due to various reasons and have a direct impact on the productivity, which is considered as a loss to both organization and individual. Taking into account the affecting factor of the above said reasons, counseling is considered to be a vital procedure that has to be given weight age and studied. Descriptive research design has been adopted in this study. A total of 200 NEX employees from various automobile industries were selected for the study in Chennai City.

Subrahmanian, Anjani *(2010)* found that the success of any organization is highly dependent on how it attracts recruits, motivates, and retains its workforce. Today's organizations need to be more flexible so that they are equipped to develop their workforce and enjoy their commitment. Therefore, organizations are required to adopt a strategy to improve the employees 'quality of work life' (QWL) to satisfy both the organizational objectives and employee needs. This article reviews the meaning of QWL, analyses constructs of QWL based on models and past research from the perspective of Textile and Engineering employees in Coimbatore District of Tamil Nadu. The Constructs of QWL discussed are Job satisfaction, Compensation, Human Relation, Working Condition, Grievance, competency development, Stress and well-being. The article concludes that QWL from the perspective of Textile and Engineering employees is challenging both to the individuals and organizations.

Anil Kumar Singh (2010) found that this study is in the light of the liberal global Indian economy that has led to a competitive environment. In a changing scenario of the global business environment with a highly competitive market economy, the HRM practices and organization culture will provide an edge to an organization. This study revealed that the HRM practices and organizational culture are strong predictors of the managerial effectiveness of the public sector organizations surveyed. The present study was based on the framework that the HRM practices shape the pattern of interactions between and among the managers and employees. Further, the organizations generally organize human resource practices that are consistent with their organization culture (Osteman 1987). This study clearly indicates that the HRM practices along with organisation culture play a significant role and affect the managerial effectiveness of the organisation. Training and development, self-realisation, career management and socio-economic support were strong prerequisite of managerial effectiveness in the public sector organizations. The findings of this study are indeed significant for the HR practitioners. However, these results cannot be generalized considering the size of the sample, but they show a definite direction. Human resource management practices are a potentially powerful lever for shaping the culture of the organization and along with the organization culture; they are a strong predictors of managerial effectiveness

Vikas Agarwal (2011) found that Human Resource is the most vital resources for the reason that is the only resource which has got brain. Even the computer brain which has been developed has human brain behind it. Development is a systematic process of learning and growth by which managerial personnel gain and apply knowledge, skills, attitudes and insight to manage the work in their organization effectively and efficiently. Present study emphasis the attitude of employees towards Training and Development programmes affect their performance. To achieve this objective primary data is collected with the help of questionnaires as well as Interview method. The questionnaires were filled up by 100 employees. In this research paper the hypothesis taken up for conducting the research was true and training and development programmes adopted by LIC help in improving employee's performance. The result derived from this survey proved that the hypothesis taken up for conducting the research was true and training and development programmes adopted by LIC help in improving employee's performance and simultaneously fulfill organizational objectives.

EMPLOYEE PRODUCTIVITY (EP)
Arthur (1992) identified significant relationship between HRM practices and steel mills performance. These authors, by their studies suggested that proper implementation of HRM practices increased organizational performance manifold. However, linkage amongst HRM practices, employee performance and organizational performance needs to be tested by researchers.

Peter Hosie, Nick Forster & Peter Sevastos (2004). Today's market place and companies in every industry are packed with competitors. This, in turn, has a negative effect on the health and comfort of workers. This

results as an issue of high cost to business (MacDonald, 2005). The present state of social system poses many problems for the working class, like balance between work, family and life satisfaction. This situation demands effective implementation of HRM practices (Cooper & Robertson, 2001). The workforce as a competitive weapon now has become a necessity for every organization. Edgar & Geare (2005) found that work related attitude of employees was the function of a number of HRM practices. Furthermore they conclude that HRM practices had the potential to yield the greatest performance outcome for both, employee and employer. Managers who helped employees' progress in their careers and encouraged their professional development, supported subordinates through professional development by providing feedback about performance were likely to stimulate employee performance. They also argued that investments in human capital development could result in effective and positive results in the performance of the firm, so each company should understand the link between HRM and employee satisfaction (Wan, 2007).

Datta et al. (2005) include two primary perspectives; a universal approach and a contingency approach have been used to model the link between the HRM and firm effectiveness. Those using the universal approach have posed a positive relationship between 'Best practice' HRM and firm performance. In contrast, the contingency model has proposed the extent (or even direction) of the effect of the HRM on the firm performance will depend on the firm's environmental conditions. This study also observed significant contingency effects, with industry characteristics influencing the degree of the high performance of the HRM practices impact on labour productivity.

Huselid (1995), who examined the relationship between HR practices and corporate turnover, profitability and market value.He surveyed senior HR executives in a sample of 968 publicly traded corporations in the US regarding the percentage of employees who were covered by a set of HR practices generally considered representative of a high-performance work system (HPWS). After controlling for a number of variables, he found that his HR index was significantly related to the gross rate of return on assets (a measure of profitability) and Tobin's Q (the ratio of the market value of a firm to its book value). This study provided the foundation for much of the research that followed. He also stressed on importance of training as complement of selection practices through which the organizational culture and employee behavior can be aligned to produce positive results.

Guest (2001) found investments in HRM practices benefit employees and proper use of HRM practice resulted in increasing the level of commitment of employees. He further elaborated that HRM was only concerned with the effective utilization of employees. Research exploring the relationship between HRM practice and positive employee attitudes showed a strong association (Guest &Conway, 2002).

Wan et al. (2002) examined the relationship between HRM practices and firm performance. HRM practices were creating a positive effect on organizational outcome. Results calculated through regression suggested that effective implementation of key HRM practices increased organizational performance. Hierarchical regression results reflected a possibility that different aspects of performance could be effected by different HRM variables. For companies promoting financial performance, the performance appraisal appeared to be the most important issue to tackle. While the companies interested in enhancing HR performance emphasized the need for empowerment and training.

Deepak et al. (2003) concluded that organizational performance and competitiveness could be enhanced by using the high performance work system. Based on universalistic and contingency approach they conducted regression analysis and found the value of ($\square$ = .189,) which is significant at (p < .05). It has been identified that relative use of HRM practices displayed stronger association with organizational performance. Supporting the same arguments (Arthur, 1994) found that steel mills using HRM had higher productivity levels.

Daniels (2006) describes that people look for jobs in an organization that match with their personality, and provide motivators that meet their needs. In this respect, key HRM practices like, work life balance and satisfaction etc, have become of great importance for both employees and organizations. As a result employers have embraced the issue of creating an acceptable work life balance for employees through flexibility and introducing a wide range of working patterns to fit the needs of the workforce. Flexibility

relates to different aspects, work timings and work place HRM practices are getting importance because companies are trying hard to survive. They cannot perform successfully if their employees are not in an excellent state of health and wellbeing (MacDonald, 2005).

Baptiste (2007) drew findings from his research study that, the implementation of HRM practices would promote commitment, trust, support and positive relationship. By promoting employee wellbeing at work at all levels, within an organization, the managers can contribute to develop a workforce which is more committed, satisfied with jobs, has work-life balance and is more positive towards enhanced performance, reduced absenteeism and turnover. A multitude of studies examined the relationships between HRM practices and firm performance. But, research of employee performance and HR policies is relatively not to a great extent explored in literature. Human Resource activities are often recognized as playing an essential role.

Adnan Riaz1 & Dr. Jameel Qazi (2007) this study was conducted to investigate the impact of HRM practices on perceived organizational performance. Total six HRM practices such as training, performance appraisal, job definition, compensation, selection, career planning, were taken as independent variables while perceived organizational performance as dependent variable. Through questionnaire survey a response of 223 employees working in different telecom organizations were collected, which showed that HRM practices are being implemented and the key contributor to the enhanced organizational performance in the telecom sector while training and selection were found significantly related with perceived organizational performance. Managerial implications and conclusions are presented based upon these results.

A. A. Katou (2008) the purpose of this paper is to measure the impact of HRM on organizational performance in the context of Greece. Data were collected from 178 organisations using a questionnaire survey in the Greek manufacturing sector, and analysed using the 'structural equation modelling' methodology. The results indicated that the relationship between HRM policies (resourcing and development, compensation and incentives, involvement and job design) and organisational performance is partially mediated through HRM outcomes (skills, attitudes, behaviour), and it is influenced by business strategies (cost, quality, innovation). Thus, the contribution of this study for academics and practitioners is that HRM policies associated with business strategies will affect organizational performance through HRM outcomes.

Seeck & Parzefall (2008) demonstrates that an active role played by employees in constructing employment relationships, rather than simply responding to employer behavior, are not often considered in the highly management centered perspective. HRM practices enable companies to gain a competitive advantage. Effective Human Resource Management enhances the ability of organizations to attract and retain quality employees, who can be motivated to perform. This result in greater profitability, low employee turnover, high product quality, lower production costs, and more rapid acceptance & implementation of corporate strategy, particularly when competitors do not have the right people such practice can create a number of competitive advantages for the organization

Shahzad et al. (2008) posted three significantly positive relationships of HRM practices i.e., compensation (M = 3.26, r = .44), promotion practices (M = 3.32, r = .56), and performance evaluation (M = 3.17, r = .15) with employee performance. Purcell et al. (2003) conducted longitudinal study on 12 organizations and discovered clear evidence of association between positive attitudes towards HRM policies, practices and operational performance. The results indicated that HRM is a vital element in linking people management practices to business performance.

Aguinis (2009) described that "the definition of performance does not include the results of an employee's behavior, but only the behaviours themselves. Performance is about behaviour or what employees do, not about what employees produce or the outcomes of their work". Perceived employee performance represents the general belief of the employee about his behavior and contributions in the success of organization. Employee performance may be taken in the perspective of three factors which makes possible to perform better than others, determinants of performance may be such as "declarative knowledge", "procedural knowledge" and "motivation" (McCloy et al., 1994). HR practices have positive impact on performance of individuals.

Karunesh Saxena Pankaj Tiwari (2009) the study of HRD climate is very important for all the organization and the banking sector is not an exception, especially in the present situation of financial recession. The present study is an attempt to find out the type of HRD climate that is prevailing in public sector banks in Ahmedabad. The researchers have also tried to find out the difference in the perception of employees regarding HRD climate on the basis of age, gender, designation, qualification. The researcher collected the data from the employees of selected public sector banks using structured HRD climate questionnaire .The data were analyzed using several statistical tools such as mean, standard deviation, percentiles, Z test. The result shown that the HRD climate in public sector banks is average and the perception of employees regarding the HRD climate do not differs significantly on the basis of gender, qualification and designation but it differs significantly on the basis of age . The paper ends by offering useful suggestions to the management involved in the operations of the banks.

Tseng & Lee (2009) in their research applied HRM practices to examine organizational performance of multiple industries using Analytical Hierarchical Process/Data Envelopment Analysis (AHP/DEA) modeled on data collected from 129 companies in the Taiwanese electronic industry, and found a positive effect of five Human Resource Management practices on performance.

Budhwar et al. (2010) using correlation identified that there is a significantly positive relationship between different HRM practices, compensation and employee involvement with organizational performance. Katou (2008) Identified significantly positive correlation of HRM practices namely selection ($r = .73$), training ($r = .76$), performance appraisal ($r = .75$), compensation ($r = .84$) and participation ($r = .89$) with organizational performance.

Shikha N. Khera(2010) This study is an attempt to investigate the extent to which Commercial Banks of India differ on aspects of human resource management practices and the key Human Resource Practices contributing to employee productivity from a sample of 184 respondents from three commercial banks of India (one foreign sector, one private sector and one public sector bank). The results of this study strongly support the research question as there is significant relation of employee productivity with human resource practices including selection, employee benefits, compensation, training and staffing practices.

Sohrab Ahmadi and Khurram Shahzad (2011) this study investigated the impact of three HR practices on the perceived performance of university teachers in AJK. Responses from113 respondents were used to analyze the impact of selected HR practices (compensation, performance evaluation, and promotion practices) on the employee's performance. Pearson correlation and regression have been used to find the association among variables and impact of three independent variables on the dependant variable of perceived performance of university teachers. The result of the study showed that the compensation practices in relation to the employees' performance are significantly positively correlated whereas the performance evaluation and promotion practices have insignificant relationship with the performance of university teachers in AJK Pakistan. Adjusted R2 depicts the model that the independent variables explaining 6.1% of variation in the performance of university teachers. P value is 0.019, which depicts the significance of the model. This implies that if we enhance compensation then the performance of university teachers will go up.

Ajay Solkhe & Nirmala Chaudhary (2011) The present study attempts to analyse and determine the relationship, further the impact of HRD Climate, OCTAPACE Culture on Job Satisfaction as an Organizational Performance measure in the selected public sector enterprise. The study is based on the responses sought from 71 executives from various departments and different hierarchical levels of a public sector undertaking located in North India. and the findings indicate that HRD Climate has a definite impact on Job Satisfaction which in turn leads to the increased organizational performance. The analysis showed that there exists a positive relationship between different components of HRD Climate and Job satisfaction. The correlation coefficient was .734 (JS*General Climate), .693 (JS*HRD Mechanisms) and .695 (JS*OCTAPAC Culture) respectively. This proves that HRD Climate is a contributing/influencing factor to increase the level of job satisfaction of the employees.

REFERENCES

1. Pareek, U and Rao, T V (1975). *HRD System in Larsen& Toubro,* Ahmedabad: Indian Institute of Management, Unpublished Consultancy Report.

2. Pareek, U and Rao, T V (1977). *HR Function in Larsen & Toubro,* Ahmedabad: Indian Institute of Management.

3. Silveria, D.M (1988), 'Human Resource Development- The Indian Experience, News India Publications.

4. T.V. Rao, Verma, K K, Khandelwal, A K and Abraham (1988). "Alternative   Approaches and Strategies .of Human Resources Management". Jaipur: Rawat.

5. Rao, T.V. and Pereira, D.F., (1986) 'Recent Experiences in Human Resources Development' Oxford and IBH publishing Company.

6. Rao, T.V. & E. Abraham (1986) "Human Resource Development Climate in Indian Organizations". pp. 70-98. New Delhi: Oxford & IBH.

7.   Mathur, B.L, 1990, 'Human Resource Development' Arihant Publishers Jaipur.

8. Rao, T.V. (1991) Readings in Human Resource Development, Oxford and IBH Publishing Co. Pvt. Ltd., New Delhi.

9. Prasannasai, K (1993) 'the emerging Role of Human resource Development' in' Indian Journal of Training and Development' April-June.Vol XXIII No.2.

10. U. A. Dandekar, S. C. Karnik and S. M. Sathye (1993) "Improving HRD in the Power Sector: The Case of Performance Appraisal in MSEB", in a HRD in the New Economic Environment, .pp 222-228.

11. Huselid, M.A., Becker (1997). The impact of human resource management practices on turnover, productivity and corporate financial performance. Academy of Management Journal, 38, 635-670.

12. Cascio, W. F. 1998.Managing human resources: Productivity, quality of work life, profits. 5th ed. New York: McGraw-Hill.

13. Rao, T V (1999). HRD Audit, New Delhi: Response Books (A Division of Sage Publications).

14. Sharma A., Purang P. (2000): Value institutionalization and HRD climate: A case study of a Navratna Public Sector Organisation. Vision. The Journal of Business Perspective, 4: 11–17.

15. Bhatia, B.S.; and Batra, G.S. (eds.) (2001), Human Resources Development, Deep & Deep Publications Pvt. Ltd, New Delhi.

16. Alphonsa, V.K, Sr., (2000), HRD Climate in a Private Hospital in Hyderabad-An Empirical Study, IJTD, Vol. XXX (4).

17. T. V. Rao, Rao Raju, and Yadav Taru (2001) "A study of hrd concepts, structure of hrd departments, and hrd practices in india" Vol. 26, No. 1, January-March,

18. Mishra, P. & Bhardwaj, G. (2002), "Human Resource Development Climate: An Empirical Study among Private Sector Managers", Indian Journal of Industrial Relations, 38 (1): 66.

19. Mishra, Kavita (2002), "A study of Human Resource Development in Life Insurance Corporation of India", Ph.D. Thesis, Department of Management, Kurukshetra University, Kurukshetra.

20. Singh, K. (2003) "Strategic HR Orientation and Firm Performance in India", International Journal of HRM, June 2003, pp 530-543.

21. Singh, K. (2004). 'Impact of HR practices on perceived firm performance in India'. Asia pacific Journal of Human Resources 42(3) 301-317.

22. Charles Moseley, (2004) "The Human Resource Dimension and Reform", Human Resources and Labour Issues, SARI/E Training Programme, New Delhi, Vol. II, pp 126-131.

23. Tessema, M. and Soeters, J. (2006). Challenges and prospects of HRM in developing countries: testing the HRM-performance link in Eritrean civil service, International Journal of Human Resource Management, 17(1), 86-105.

24. Victoria, M. H. (2006). Teacher Evaluation Practices and Teacher Job Satisfaction. Ph.D. (Education) Unpublished Dissertation, Faculty of the Graduate School, University of Missouri-Columbia, USA.

25. Wright, P.M. & G.C. McMahan, (2006). Theoretical perspectives for strategic human resource management, Journal of Management, 18(2): 295-320.

26. Narayan, S.N. and Rangnekar, S. (2008), "An Empirical Study of Organizational Climate and HRD climate and Job involvement as predictors of managerial effectiveness, proceedings of Glogift, 08, June 14-16, 2008, Stevens Institute of Technology, Hoboken, NJ: 146-160.

27. Venugopal, K. (2008), Insurance Employees Urge LIC, GIC to Hike Wages", The Hindu Business Line, June 2.

28. Kundu Subhash C. Malhan, Divya (2009). "Human Resource Management Practices in Insurance Companies Operating in India: A Study", Proceedings of the 13th Asia Pacific Management Conference, Melbourne, Australia, pp. 472-488.

29. Subrahmanian Mu, N.Anjani (2010), "Effectiveness of employee counseling in automobile industry" Indian Journal of Commerce and Management Studies.

30. Subrahmanian Mu, N.Anjani (2010) 'Constructs of Quality of Work Life– A Perspective of Textile and Engineering Employees" Asian journal of management research.

31. Singh, Anil (2010) "Impact of the HRM practices and organization culture on managerial effectiveness in public sector organizations in India" Agric. Econ. – Czech, 56, 379–386.

32. Aggarwal Vikas (2011), "Training & development in public organization with reference to LIC of India" Gurukul Business Review (GBR) Vol. 7, pp. 87-95 ISSN: 0973-1466.

33. Arthur, (1992)"The Link between Business Strategy and Industrial Relations Systems in American Steel Minimills" Industrial and Labor Relations Review, 45(4), 488-506.

34. Huselid, M.A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance, Academy of Management Journal, 38, 635–72.

35. Guest, D.E. (2001) Human resource management: When research confronts theory. International Journal of Human Resource Management 12, 1092–1106.

36. Wan D., V. C. Kok, & Huat, (2002). "Strategic human resource management and organizational performance in Singapore", Compensation and Benefits Review Saranac, 34(4), 33.

37. Deepak K.D., P.G. James, M.W. & Patrick, (2003). "HRM and firm productivity: Does industry matter"?. National Academy of Management Meetings, Seattle, WA.

38. Pedro OrtʹIn-ʹAngel & Vicente Salas-Fuma, (2007). Compensation Dispersion Between and Within Hierarchical Levels, Journal of Economics & Management Strategy, 53-79.

39. Seeck, H. & M.R. Parzefall, (2008). Employee agency: Challenges and opportunities for psychological contract theory, Personnel Review, 37(5), 473- 489.

40. Shahzad, K., S. Bashir, & I.M. Ramay (2008), Impact of HR Practices on Perceived Performance of University Teachers in Pakistan, International Review of Business Research Papers, 4, 2 pp. 302-315.

41. Katou A.A. (2008), Measuring the impact of HRM on organizational performance, Journal of Industrial Engineering and Management. 1(2), 119-142.

42. Budhwar, S.P. & A.A. Katou, (2010), causal relationship between HRM policies and organizational performance: Evidence from the Greek manufacturing sector. European Management Journal 28, 25-39.

43. Qureshi M.T., R.I. Mohammad, & H.T. Syed (2007), Impact of human resource management practices on organizational performance in Pakistan, Journal of Business & Policy Research, 3(2), 128-138.

CHAPTER-4
RESEARCH METHODOLOGY

RESEARCH METHODOLOGY

4.1 INTRODUCTION

Research methodology refers to a systematic way of solving research problem. Essential feature of a good research is its pursuit for reality. It is difficult to reach on reliable and convincing results without good research methodology, as it aspires for the essential knowledge. According to Easter by-smith (1991) before the decisions on research design choices are made; it is wiser to understand "philosophical issues" around the research process. They have outlined three benefits of understanding research process before making any decisions:

- First, the study helps researchers understanding the overviews of research design components and procedures.

- Second, it helps researchers in making the right choices that work well with specific research problems.

- Third, learning can improve confidence and□ competencies of researchers in the area where they do not have past experience.

Undertaken research study was aimed to ascertain the effect of human resource development climate, training, performance appraisal, Quality of working life, counseling and reward system on employee's productivity with impact of gender, qualification, designation differences. This chapter deals with method and procedure of the study, which is presented under the following headings.

4.2 PROBLEM FORMULATION

Productivity is a vital component in every organization and its people are the effective means for improving productivity. Without a dedicated, committed and enthusiastic workforce, the objective of optimum level of productivity cannot be achieved. But these traits cannot be bought from the market. They have to be developed in the people comprising the organization. Therefore, the enlightened and progressive management has to create conductive work environment where people are continuously motivated to realize their potentialities. That's why human resource development seeks to achieve in an organization. In the present day society, the need for well developed and qualified human resources is being felt profoundly by the LIC by global competition, innovative and newer wide variety of goods and services and ever changing technology; all giving rise to human resource development. Liberalization in the Indian insurance sector has opened the sector to private competition. A number of foreign insurance companies have set up representative offices in India and have also tied up with various asset management companies. All these developments have forced the insurance companies to be competitive. What makes a firm best is not just technology, bright ideas, masterly strategy or the use of tools, but also the fact that the best firms are better organized to meet the needs of their people; to attract better people who are more motivated to do a superior job. In this manner the management of human resources becomes very crucial. Thus, this study on HRD practices in LIC was taken up.

4.3 RESEARCH DESIGN

A researcher is like an engineer meticulously plans every thing before can take up the work. As such, a researcher is also required to plan well being before he can start his work. He has to prepare a plan of action for his study. This plan of action is known as research design. A research design indicates a plan of action to be carried out in connection with a proposed research work. It provides a guideline for the researcher to enable him keep track of his actions and know that he is moving in the right direction at all time of his research activities. While recognizing the nature and contents of the problem at hand, the following steps were involved.

- Scope of study

- Objectives

- Hypothesis

- Data collection tools

- Administration of questionnaire

- The Universe (population)

- The sampling strategy

- The sampling frame

- Statistical techniques used for data analysis.

4.3.1 Scope of the Study.
 87dzxHuman Resource Development is a very wide topic to study. It is very difficult to examine each and every aspect of HRD. Hence the scope of study is focused to the few variables chosen to study the HRD practices in LIC of India especially the northern Zone.

LIC is divided into eight zones with its central office a Mumbai. These zones are-

- Central zone

- Eastern zone

- East-central zone

- Northern zone

- North central zone

- Southern zone

- South- central zone

- Western Zone

The scope of the study is concentrated to the northern zone of LIC which has the headquarters at New Delhi and divisional offices at different places.

The scope of this investigation focuses at study the parameters which aim at development of human resources practices in Life Insurance Corporation. The six variables of HRD practices are selected for the purpose of the study included the following:

- HRD climate

- Training

- Performance Appraisal

- Quality of working life

- Counseling

- Reward system/compensation

4.3.2 Nature of the study
The researcher has used the descriptive method in the "study of HRD practices in LIC and their impact on employee's productivity". Its descriptive aspects involve analysis, interpretation, comparison, measurement and concrete suggestions for solutions to the HRD problems in the said branches.

4.3.3 Objectives of Study
The study has been carried out with the following main objectives.

- To examine the extent of the HRD practices which are being used in LIC.

- To study how demographic variables like gender, designation, the level of education of the employees affect the employees perception about the HRD practices.

- To establish the impact of the HRD practices to the employees productivity of the corporations applying them

- To suggest timely and relevant means and ways to improve employees productivity through HRD practices.

4.3.4 Research Questions

This study offered three important questions that had not been previously investigated in other studies of LIC.

- What is the extent of HRD practices in LIC?

- How demographic variables like gender, designation, the level of education of the employees affect the employee's perception about the HRD practices?

- Do HRD practices affect employee's productivity?

4.3.5 Hypothesis

Ordinarily, hypothesis means a mere assumption or some supposition to be proved or disapproved. But for a researcher it relates to a formal question that he intends to resolve.

In the light of above mentioned objectives, the following Hypothesis is developed.

Ho1.1 There is no significant difference between the perception of male and female employees regarding HRD climate.

Ho1.2. There is no significant difference between the perceptions of employees at different levels regarding. HRD climate.

Ho1.3 There is no significant difference between the perception of graduate and post graduate employees HRD climate

Ho2.1 There is no significant difference between the perception of male and female employees regarding Training.

Ho2.2 There is no significant difference between the perception of employees at different levels regarding training.

Ho2.3 There is no significant difference between the perception of of graduate and post graduate employees regarding training.

Ho3.1 There is no significant difference between the perception of male and female employees regarding performance appraisal.

Ho3.2 There is no significant difference between the perception of employees at different levels regarding performance appraisal

Ho3.3 There is no significant difference between the perception of graduate and post graduate employees regarding performance appraisal.

Ho4.1 There is no significant difference between the perception of male and female employees regarding quality of working life.

Ho4.2 There is no significant difference between the perception of employees at different levels regarding quality of working life

Ho4.3 There is no significant difference between the perception of graduate and post graduate employees regarding quality of working life.

Ho5.1 There is no significant difference between the perception of male and female employees regarding counseling.

Ho5.2 There is no significant difference between the perception of employees at different levels regarding counseling.

Ho5.3. There is no significant difference between the perception of graduate and post graduate employees regarding counseling.

Ho6.1 There is no significant difference between the perception of male and female employees regarding reward/Compensation system.

Ho6.2 There is no significant difference between the perception of employees at different levels regarding reward/Compensation system

Ho6.3 There is no significant difference between the perception of graduate and post graduate employees regarding reward/compensation system.

H 7.1; HRD climate is positively correlated to Employee's productivity.

4.3.6 Sampling

Sampling is the selection of a part of an aggregate or population to represent the whole population. The part of the population selected is called a sample. Thus, in the sampling techniques instead of every unit of the universe, only a part of the universe is studied and the conclusions are drawn on that basis for the entire universe. There are different methods of sampling which are used for research purpose such as simple random sampling and restricted random sampling. Restricted random sampling includes stratified sampling, systematic sampling and cluster sampling.

The selection of the divisions has been made with the help of stratified random sampling .Under stratified sampling the universe to be sampled is divided into four strata. Which are mutually exclusive and include all items in the universe? The researcher selected the branches on the basis of convenience sampling and respondents on the basis of non probability sampling.

Northern Zone of LIC has been divided into four strata as under-

Strata I –Includes all divisions of New Delhi-Delhi I, Delhi II and Delhi III.

Strata II- Includes all the divisions of Punjab. Amritsar, Chandigarh, Jalandar and Ludhiana.

Strata III –Consisting of Haryana (Karnal, Rohtak) Himachal Pradesh.

Strata IV- consisting of all the division of Rajasthan namely Ajmer, Bikaner, Jodhpur, and Udaipur.

Four divisions were selected such as Delhi 1, Chandigarh, Jalander and Karnal on the basis of convenience sampling from all the four strata. The present study is based upon 400 respondents representing three classes of employees (Class I, Class II, and Class III) from the above mentioned divisions of LIC. Class I include AO,AAO,ADM, DM and class II include Development Officers, class III include Assistants, Typists, Machine Operators, Stenographer, Telephone Operators, and Clerks.

4.4 PILOT STUDY

One focus group discussion comprising of 15 employees were organized. The moderator initiated the discussion on the importance of LIC to know the importance and usage of different HRD practices. Based on their opinion the six HRD practices had set up, i.e., HRD climate, training &development, performance appraisal, Quality of working life, counseling and reward system. The questionnaire was also discussed with some senior professors to achieve the objectives of the study.

4.5 DATA COLLECTION

Every research project has a specific framework for collection and analysis of data in a manner that aims at combining relevance to the purpose of research with economy of scale. After the research problem has been defined and the research design has been chalked out, the task of data collected begins. The research work is based on both primary and secondary data.

The primary data has been collected by well structured questionnaire, personal observation, interviews, discussion with staff and other officials in different divisions of LIC in the northern zone. Most of the information has been collected by administering a well structured questionnaire based on five point Likert scales, ranging from strongly agree to strongly disagree. The questionnaire has been planned in seven sections:

Section 1   deals with HRD climate in Life Insurance Corporation

Section II   deals with Training and development followed by LIC.

Section III   covers the Performance appraisal system.

Section IV   concerned with Quality of working life.

Section V   aims at counseling followed by LIC.

Section VI   studying the Reward system in the corporation.

SectionVII   deals with Employees productivity.

It has been the endeavor of the researcher to frame only such questions which could be easily answered by the respondents. In the questionnaire framed, all the aspects of HRD have been covered. Secondary sources are the main source of data. Secondary data has been collected from various offices in northern zones of LIC through published and unpublished records, manuals, magazines, periodicals etc. Secondary data was also obtained from Northern Zonal office New Delhi and Zonal training centre Gurgaon. Most of the information has been collected and compiled from various issues of annual reports of LIC, magazines like Yogakshema, manuals, Journals; file records, printed material of LIC, and different publications newspapers like the Economic Times. The Times of India, Hindustan times, etc.

The researcher contacted 400 employees in above mentioned divisional offices and its branches. They were appraised about the purpose of the study and request was made to them to fill up the questionnaire with correct and unbiased information. The researcher was able to collect the 280 filled questionnaires with response rate of 70%. However, this 70% response is considered fairly good and is a point of big satisfaction. Finally 250 filled in questionnaire were selected for this study after rejecting 30 questionnaires for various reasons like errors, incompleteness and inadequate information. The duly filled in questionnaires were edited by the researcher and in accordance with the requirements of the objectives and hypothesis. In addition to this various statistical tools, graphs, diagrams have also been used to draw inferences.

Table-4.1: SAMPLE OF THE STUDY
Following table represents the sample of study of Demographical variable.

		Frequency	**Percentage**
Gender	Male	185	74
	Female	65	26
Designation	Class-1	50	20
	Class-11	110	44
	Class-111	90	36
Qualification	Graduate	140	56
	Post Graduate	110	44

It is observed from the above table that 74% of the respondents are male and the remaining 26% are female, 20% of the respondents belong to class I, 44% of the respondents belongs to class II, the remaining 36% of the respondents belongs to class III. 56% of the respondents are graduate and the remaining 44% are post graduate.

Table-4.2: INSTRUMENTS USED IN THE STUDY
The instruments used for the present study are described in detail.

Serial No.	Variable studied	Tools used	Sample	Statistics used
1.	**HRD climate**	Human resource development climate questionnaire		**Descriptive**
2.	**Training**	Training effectiveness questionnaire		**t-test & ANOVA**
3.	**Performance Appraisal**	Performance appraisal effectiveness questionnaire	**4 Divisions of Northern India**	**Post Hoc+ LSD**
4.	**Quality of Working Life**	Quality of Working Life questionnaire		
5.	**Compensation System**	Reward System questionnaire		**Correlation & Regression Analysis**
6.	**Counseling**	Employees counseling questionnaire		
7.	**Employees Productivity**	Questionnaire		

4.6 QUESTIONNAIRE

The Following areas of human resource development were investigated

Regarding HRD climate, questionnaire was developed and standardized by Rao and Abraham (1990) at Xavier's Labor Relation Institution, Jamshedpur Centre (XLRI).It dealt with HRD climate issues by use of thirty eight statements. Respondent who were from the different divisions under review, evaluated the given statements in respect to their own branch or division. The reliability of the tool was established to be 0.71.The validity was established by taking the square root of reliability and it was 0.84. Thus the tool is found to be reliable and valid. (Annexure-A)

Regarding Training, there were twenty statements issued concerning training aspects. Respondent who were from the different divisions under review, evaluated the given statements in respect to their own branch or division. The reliability of the tool was established to be 0.72 and the validity was found to be 0.85. (Annexure-B)

For performance appraisal, twenty statements issued concerning performance appraisal aspects. As in earlier cases, the respondent were to rate their divisions or branches based on the statement issued. The reliability computed was 0.73 and the validity was 0.85. (Annexure-c)

In respect to quality of working life, ten statements issued concerning quality of working life aspects. Respondent who were from the different divisions under review, evaluated the given statements in respect to their own branch or division. The reliability computed was 0.75 and the validity was 0.87. (Annexure-D)

In respect to employees counseling and reward system, consist of five statement each. The respondents were to evaluate the extent to which each statement described the state of the system in their own branch or division. The score of reliability was 0.73 and the validity was established 0.85. Thus tool is found to be reliable and valid. Questionnaire attached in Annexure-E, F.

In respect to employee's productivity, five statements are issued. The score of reliability was .73 and the validity was0.85 established. Thus tool is found to be reliable and valid. Questionnaire attached in Annexure-G.

4.7 ANALYSIS OF DATA

The data were collected with the help of questionnaire, interviews and observation. They were properly tabulated interpreted, analyzed and presented. This process was to help eliminate the unnecessary details and keep only the relevant part of the whole collected. This entitled classification and tabulation.

The classification was done on the basis of gender, designation and qualification. The study also has used a number of statistical techniques and tools, to draw conclusion from the raw data. The raw data from the questionnaire was tabulated as follows:

- HRD climate raw data tabulation

- Training raw data tabulation

- Performance Appraisal raw data tabulation

- Quality of working life raw data tabulation

- Counseling raw data tabulation

- Reward system raw data tabulation

- Employees Productivity raw data tabulation

Editing of survey response for detection and correction of errors and omissions was performed to achieve optimum standards of data quality. Initially data was entered in SPSS 17 version, Statistical Package for Social Sciences for analysis. Research hypothesis developed to study the challenges of HRD were tested statistically. Cronbach's alpha was calculated to determine the internal reliability of the tool.

Researcher used t-test as suggested by (Phillips, 1992) the difference between z and t distributions is negligible beyond the sample size of 120, two are virtually identical (Cooper and Emory, 1995). Furthermore, t-test was performed to analyze difference between values of two independent data sets and response of every case for respective variables. Independent samples t-test was performed to analyze difference between mean values of two data sets concerning respective variables.

Analysis of variance (ANOVA) test was performed to analyze difference among the mean values of more than two groups concerning the respective variable. The study was analyzed keeping in view the impact of independent variables (gender, designation and qualification) upon the dependent variables and further relationship among the HRD climate, training, performance appraisal, quality of working life, counseling, Compensation/reward system on employees productivity was analyzed by using Correlation coefficient and regression.

4.8 SIGNIFICANCE OF THE STUDY

- Moreover, the conclusions of the study are expected to go a long way in implementing the process of HRD in a more meaningful manner as the conclusions drawn are based on the perceptions of the employees of the LIC based on their actual feelings, experience and reactions regarding the HRD practices. From this point of view, the conclusions of this study will add to the existing knowledge on the HRD practices and will become a further sound base for future researchers in the field of HRD.

- Corporation can effect improvement in the existing practices of HRD climate, training, and development, performance appraisal, quality of working life, counseling and Compensation/reward system etc. in the near future. The focus has to be shifted from generalist orientation of the staff to specialist orientation, current technology.

- HR policies need to be oriented towards the objective of enhancing the staff morale and productivity.

- The study would be important for HRD managers and HRD policy makers so that effective and extensive HRD strategies may be undertaken at right time.

- It will also help in government in formulating its policies in respect of human resource development.

4.9 LIMITATIONS OF THE STUDY
The researcher is very much aware of the following main limitations of the study
- Sampling approach has been used in this study. As such, the study suffers from the limitations of sampling.

- The present study was conducted to know the impact of six HRD practices on perceived employees productivity however; there are some other practices that were not included in it.

- The size of the sample is another limiting factor.

- There was very little literature available in the LIC regarding the HRD system.

CHAPTER-5
ANALYSIS AND
INTERPRETATION OF DATA

ANALYSIS AND INTERPRETATION OF DATA

After the data had been collected it was processed and analyzed. The data collected from LIC employees with regard to human resource development climate, Training, Performance Appraisal, Quality of working life, Counseling and compensation/Reward systems were analyzed with reference to the objectives and hypothesis. The data have been subjected to the following statistical analysis namely descriptive statistics, t-test, one way analysis of variance (ANOVA) and Post Hoc. The result of statistical analysis have been summarized, tabulated and interpreted appropriately.

Table5.1 gives the descriptive analysis of all the variables. The demographic information about the respondents was collected along with the scale which included the questions about gender, designation and qualification. Nineteen hypotheses were formulated for the study; six scales were used to study the designed objectives.

DESCRIPTIVE ANALYSIS

Table - 5.1: Demographical Information about the respondents (N=250)

Factors (Independent Variable)	Mean	Std. Deviation
Age	42.9	5.7
Duration	19.8	5.9
Gender	.505	.503
Education	.319	.460
Designation	.517	.514
HRD climate	2.95	0.45
Training& development	3.05	0.37
Performance Appraisal	3.02	0.43
Quality of working Life	3.09	0.36
Employees Counseling	2.57	0.34
Compensation/Reward System	3.02	0.31

Source-Own Analysis

THE DEMOGRAPHIC INFORMATION ABOUT THE RESPONDENTS
Human Resource Development Climate

The means and standard deviations of the samples of employees are presented in table; the results in the table reveal that on human resource development climate. Male have the highest mean score (129.08) and the lowest mean score (115.69) is for the employees at graduate level. The same has been shown graphically in figure 5.2.

Table - 5.2: Scale for Human Resource Development Climate

Factor	No.	Mean	S.D
Gender-Male	185	129.08	20.85
Female	65	122.89	19.13
Designation-Level 1	50	124.33	19.69
Level 11	110	121.72	12.88
Level 111	90	123.56	23.85
Qualification-Graduate	140	115.69	21.34
Post Graduate	110	118.58	19.95

Source-Own Analysis

Graph - 5.2: Scale for Human Resource Development Climate
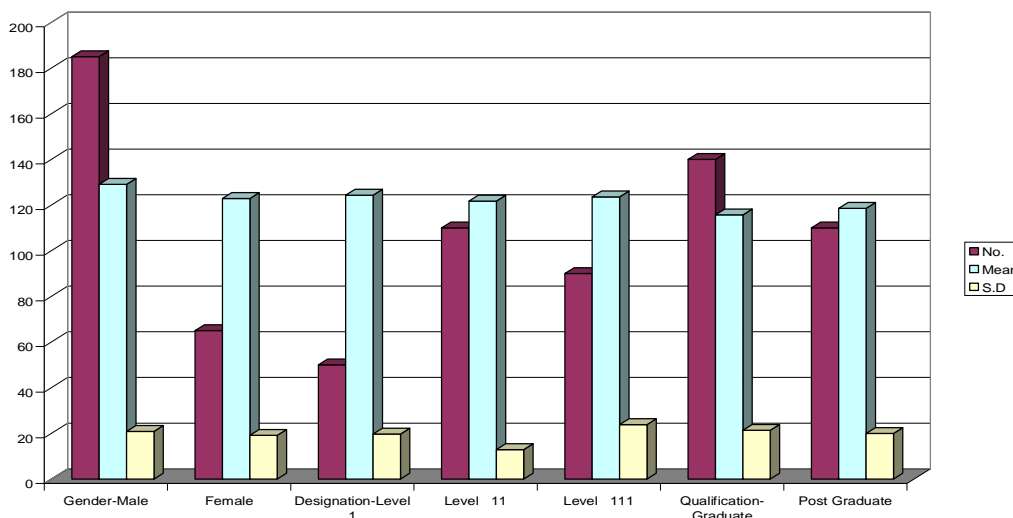
Training & Development

The results in the following table reveal that in the scale for training, the highest mean score (86.04) is for employees at a level II and the lowest (77.13) is for female employees. The same has been shown graphically in figure:

Table - 5.3: Scale for Training & Development

Factor	No.	Mean	S.D
Gender-Male	185	84.81	34.72
Female	65	77.13	33.45
Designation-Level 1	50	85.05	30.21
Level 11	110	86.04	27.95
Level 111	90	81.83	34.21
Qualification-Graduate	140	77.84	34.35
Post Graduate	110	81.17	31.75

Source-Own Analysis

Graph - 5.3: Scale for Training & Development

Performance Appraisal

The results in the following table reveal that in the scale for performance appraisal, the highest mean score (62.03) is for male and the lowest (54.14) is for employees having the degree of post graduate. The same has been shown graphically in figure

Table - 5.4: Scale for performance appraisal

Factor	No.	Mean	S.D
Gender-Male	185	62.03	20.85
Female	65	55.72	15.37
Designation-Level 1	50	59.66	15.97
Level 11	110	59.93	18.17
Level 111	90	57.95	10.89
Qualification-Graduate	140	58.48	17.10
Post Graduate	110	54.14	17.31

Source-Own Analysis

Graph - 5.4: Scale for Performance Appraisal
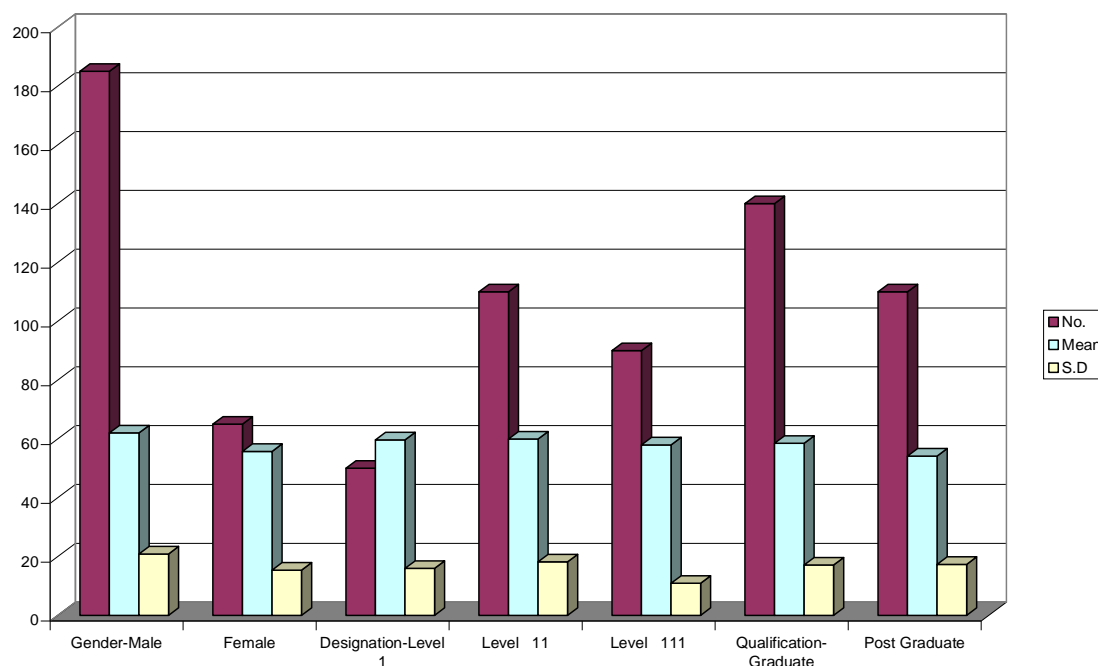
Quality of working Life

The results in the following table reveal that in the scale for quality of working Life, the highest mean score (44.29) is for male and the lowest (33.56) is for level III employees. The same has been shown graphically in figure-

Table - 5.5: Scale for Quality of working Life

Factor	No.	Mean	S.D
Gender-Male	185	44.29	19.85
Female	65	38.89	20.13
Designation-Level 1	50	39.27	18.69
Level 11	110	34.72	20.88
Level 111	90	33.56	22.86
Qualification-Graduate	140	34.69	19.34
Post Graduate	110	35.58	20.95

Source-Own Analysis

Graph - 5.5: Scale for Quality of working Life
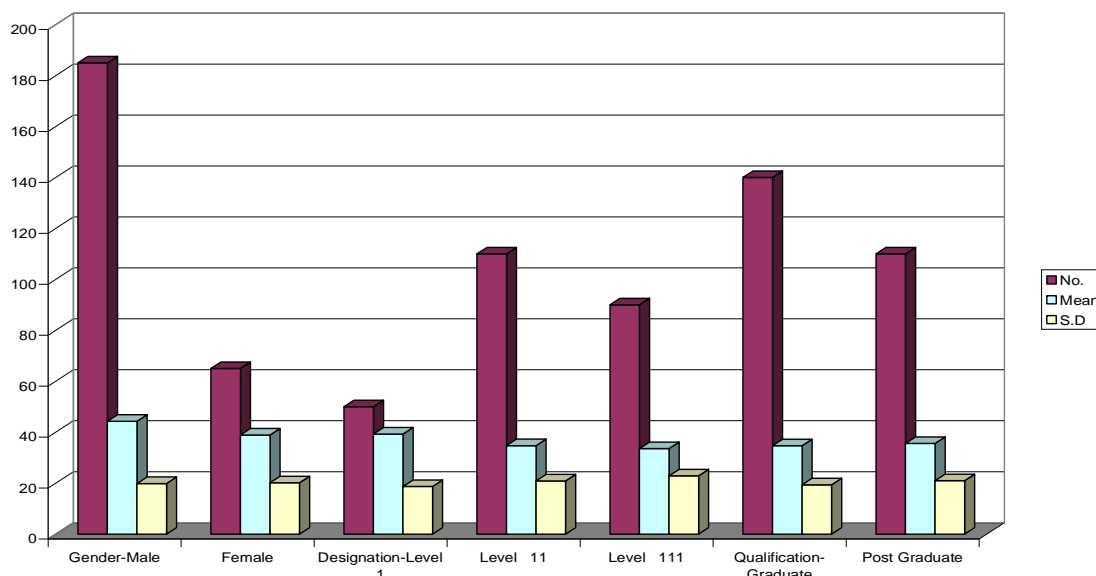
Employees Counseling

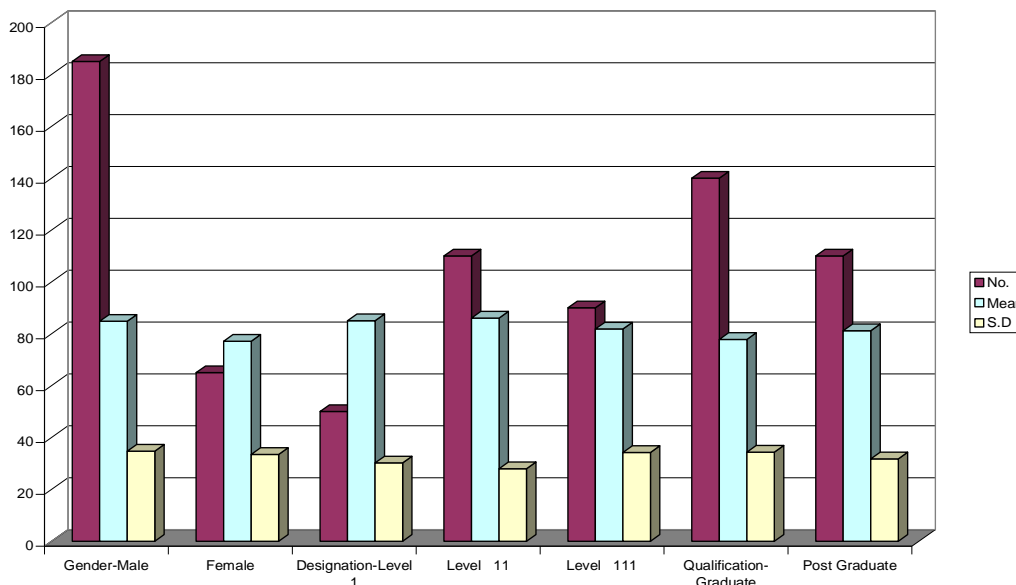The results in the following table reveal that in the scale for counseling, the highest mean score (19.82) is for female and the lowest (13.93) is for employees at level II. The same has been shown graphically in figure

Table - 5.6: Scale for Employees Counseling

Factor	No.	Mean	S.D
Gender-Male	185	17.29	12.85
Female	65	19.82	12.87
Designation-Level 1	50	19.66	14.42
Level 11	110	18.93	14.18
Level 111	90	20.98	14.09
Qualification-Graduate	140	19.47	12.40
Post Graduate	110	18.16	12.50

Source-Own Analysis

**Graph - 5.6: Scale for Employees Counseling**
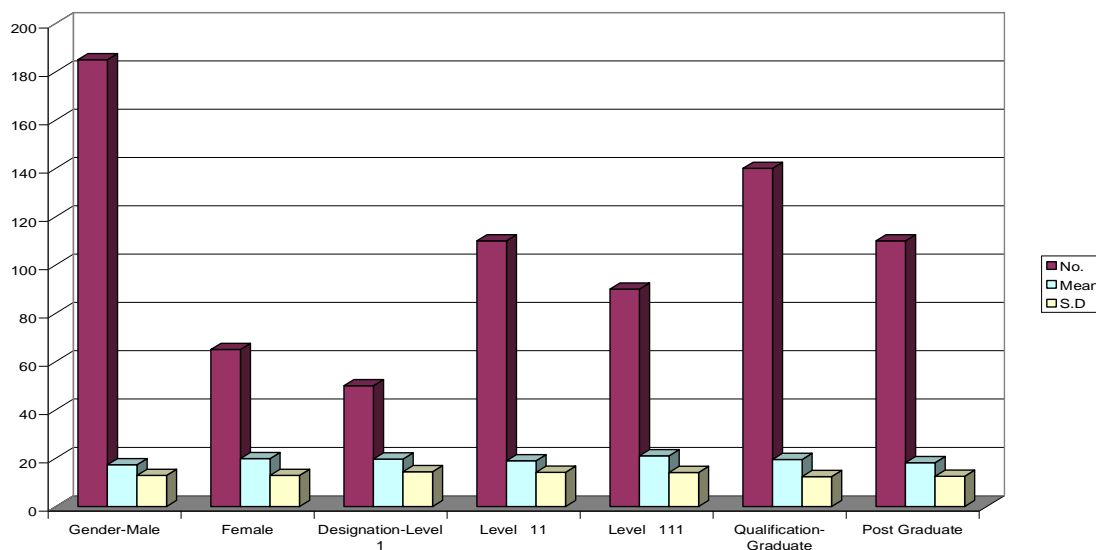
Compensation/Reward system

The results in the following table reveal that in the scale for performance appraisal, the highest mean score (20.33) is for employees at level I and the lowest (16.35) is for female. The same has been shown graphically in figure

Table - 5.7: Scale for Compensation/ reward system

Factor	No.	Mean	S.D
Gender-Male	185	18.06	14.39
Female	65	16.35	14.98
Designation-Level 1	50	20.33	14.52
Level 11	110	19.72	14.63
Level 111	90	18.56	14.72
Qualification- Graduate	140	20.69	14.93
Post Graduate	110	19.58	14.51

Source-Own Analysis

Graph - 5.7: Scale for Compensation/ Reward System
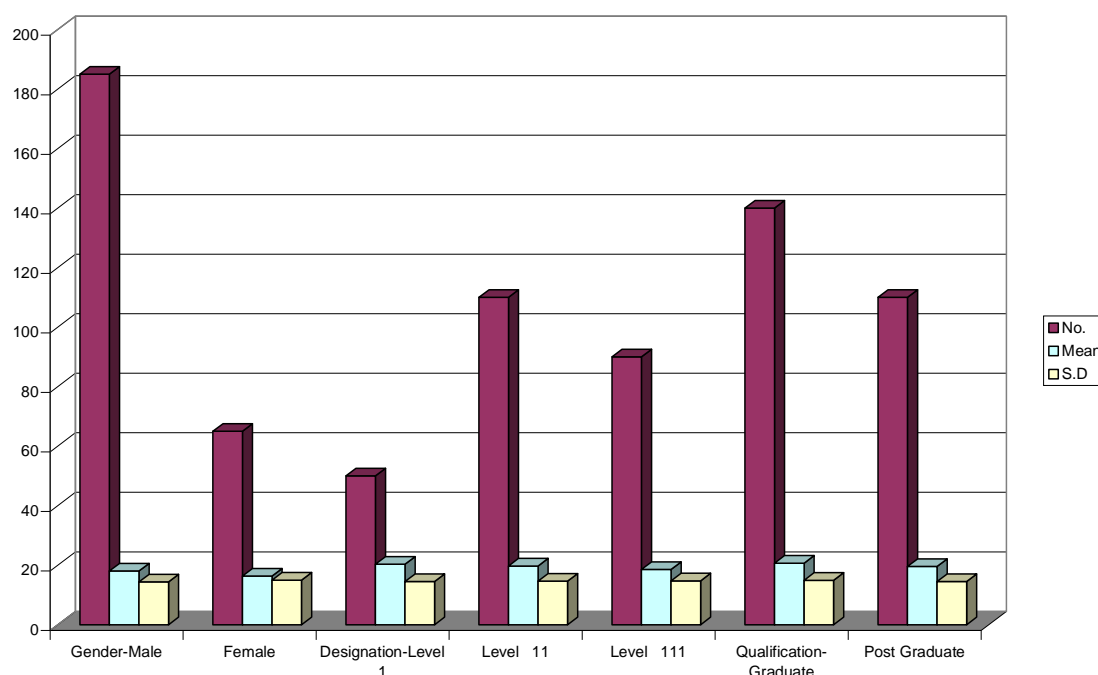
TESTING OF HYPOTHESES

Following table indicates an overview of the organization of the nature of testing and test statistics used.

Hypothesis 1.1

H0: The difference is not significant between the perception of male and female employees regarding HRD climate.

This hypothesis was tested by applying "t"test statistics.

Table - 5.8: Perceptual differences between male and female employees regarding HRD climate.

Group	size	Mean	t- value	df	p- value
Male	185	129.08			
			2.10	248	.025*
Female	65	122.89			

*P<0.05

Summary of "t" test presented in the above table indicates that t-value (2.10) is significant as p-value (0.025) is less than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of male and female employees regarding HRD climate is rejected at 0.05 level of significance. So there is a significant difference between the perception of male and female employees regarding HRD climate.

Mean value for males (129.08) is more than females (122.89) therefore it is concluded that male employees have better perception of HRDC than female employees.

Hypothesis -1.2

Ho. There is no significant difference between the perceptions of employees at different levels regarding. HRD climate.

Table - 5.9: Perceptual differences between employees at different level regarding HRD climate.

Group	size	Mean	F- value	df	P value
Class-1	50	124.33			
Class-II	110	121.72	3.752	248	0.025*
Class-III	90	123.56			

*P<0.05

Summary of the univariant analyses of variance presented in the above table indicates that p-value (0.025) is less than 0.05 as F-value (3.752) is significant at 0.05 level of significance. Hence the hypothesis stating that Employees belonging to different class do not differ in their perception of regarding HRD climate is rejected at 0.05 level of significance, so there is a significant difference among employees at different level regarding HRD climate in selected branches of LIC.

Mean values indicate that class I officers have highest mean scores (124.33) while class II officers had the lowest mean scores (121.72) on the perception of HRDC. As the results are significant it was decided to run LSD Post Hoc test of multiple comparison. Only significant mean differences are presented here.

Table - 5.10: Summary of multiple comparison regarding age groups

Groups	Mean difference	p value
Class I Vs class III	0.77	0.001
Class II Vs class III	1.84	0.003

From LSD Post Hoc test it is concluded that class III employees is significantly different from the other two groups in their perception of HRDC.

Hypothesis- 1.3

Ho: There is no significant difference between the perception of graduate and post graduate employees HRD climate

Table - 5.11: Perceptual differences between Employees with graduate and postgraduate qualification regarding HRD climate.

Group	size	Mean	t- value	df	p- value
Graduate	140	115.69			
			1.09	248	.275*
Post-Graduate	110	118.58			

* P>0.05

Summary of "t"test presented in the above table indicates that t-value (1.09) is significant as p-value (0.275) is more than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of graduate and post graduates employees regarding HRD climate is accepted at 0.05 level of significance. So there is not a significant difference between the perception of graduate and post graduate employees regarding HRD climate in selected branches of LIC.

Mean value for graduate (115.69) is almost same to Postgraduate Employees (118.58) therefore it is concluded that the postgraduate employees have better perception than post Graduates employees.

Hypothesis- 2.1
Ho: There is no significant difference between the perception of male and female employees regarding Training.

Table - 5.12: Perceptual differences between male and female employees regarding Training

Group	size	Mean	t- value	df	p- value
Male	185	84.81			
			2.49	248	.013*
Female	65	77.13			

*P>0.05

Summary of "t" test presented in the above table indicates that t-value (1.54) is significant as p-value (0.013) is less than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of male and female employees regarding training." Is rejected at 0.05 level of significance. So there is a significant difference between the perception of male and female employees regarding training.

Mean value for males (84.81) is more than females (77.13) therefore it is concluded that male employees have slightly better perception than female employees regarding training.

Hypothesis- 2.2
Ho: There is no significant difference between the perceptions of employees at different levels regarding training.

This hypothesis was tested by applying "t"test statistics.

Table-5.13: Perceptual differences between employees at different level regarding Training.

Group	size	Mean	F- value	df	P value
Class-1	50	85.05			
Class-II	110	86.04	2.781	2	0.064*
Class-III	90	81.83			

* P>0.05

Summary of univariate analysis of variance presented in the above table indicates that p-value (0.064) is greater than 0.05 as F value (2.781) is not significant at 0.05 level of significance. Hence the hypothesis is accepted at 0.05 level of significance .So there is no significant difference among employees at different level regarding their perception of training in selected branches of LIC

Hypothesis- 2.3
Ho: There is no significant difference between the perception of graduate and post graduate employees regarding training.

This hypothesis was tested by applying "t"test statistics.

Table-5.14: Perceptual differences between Employees with graduate and postgraduate qualification regarding Training.

Group	size	Mean	t- value	df	p- value
Graduate	140	77.84			
			1.12	248	0.02*
Post-Graduate	110	81.17			

*P<0.05

Summary of "t" test presented in the above table indicates that t-value (1.12) is significant as p-value (0.02) is less than 0.05.Hence the hypothesis stating, the difference is significant between the perception of graduate and post graduates employees regarding training is accepted at 0.05 level of significance. So there is a significant difference between the perception of graduate and post graduate employees regarding training in selected branches of LIC.

Mean value for graduate (77.84) is less than Postgraduate Employees (81.17) therefore it is concluded that postgraduate employees have better perception about training than graduate employees.

Hypothesis- 3.1
Ho: There is no significant difference between the perception of male and female employees regarding performance appraisal.

This hypothesis was tested by applying "t"test statistics.

Table-5.15: Perceptual differences between male and female employees regarding performance appraisal.

Group	size	Mean	t- value	df	P value
Male	185	62.03			
			2.234	248	.026*
Female	65	55.72			

*P<0.05

Summary of "t" test presented in the above table indicates that t-value (2.23) is significant as p-value (0.026) is less than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of male and female employees regarding HRD climate." is rejected at 0.05 level of significance . So there is a significant difference between the perception of male and female employees regarding performance appraisal.

Mean value for males (62.03) is more than females (55.72) therefore it is concluded that male employees have better perception of performance appraisal than female employees.

Hypothesis- 3.2
Ho: There is no significant difference between the perceptions of employees at different levels regarding performance appraisal.

This hypothesis was tested by applying "ANOVA" test statistics

Table-5.16: Perceptual differences between employees at different level regarding performance appraisal.

Group	size	Mean	F- value	df	P value
Class-1	50	59.66			
Class-II	110	59.33	1.852	2	0.159*
Class-III	90	57.95			

* P>0.05

Summary of the univariate analysis of variance presented in the above table indicates that p-value (0.159) is greater than 0.05 as F value is (1.852) is not significant at 0.05 level of significance. Hence the hypothesis is accepted at 0.05 level of significance so there is no significant difference among employees at different level regarding their perception of performance appraisal selected branches of LIC.

Hypothesis- 3.3
Ho: There is no significant difference between the perception of graduate and post graduate employees regarding training.

This hypothesis was tested by applying "t"test statistics.

Table-5.17: Perceptual differences between Employees with graduate and postgraduate regarding performance appraisal.

Group	size	Mean	t- value	df	value
Graduate	140	58.48			
			1.98	248	.048*
Post-Graduate	110	54.14			

P<0.05*

Summary of "t" test presented in the above table indicates that t-value (1.98) is significant as p-value (0.048) is less than 0.05.Hence the hypothesis stating, the difference is not significant between the perception of

graduate and post graduates employees regarding performance appraisal Is rejected at 0.05 level of significance. So there is a significant difference between the perception of graduate and post graduate employees regarding performance appraisal in selected branches of LIC.

Mean value for graduate (58.48) is more than Postgraduate Employees (54.14) therefore it is concluded that graduate employees have better perception of PA than postgraduate employees.

Hypothesis- 4.1
Ho: There is no significant difference between the perception of male and female employees regarding quality of working life.

This hypothesis was tested by applying "t" test statistics.

Table-5.18: Perceptual differences between male and female employees regarding quality of working life.

Group	size	Mean	t- value	df	P value
Male	185	44.29			
			1.60	248	.110*
Female	65	48.89			

P>0.05*

Summary of "t" test presented in the above table indicates that t-value (1.60) is significant as p-value (.110) is more than 0.05.Hence the hypothesis stating the difference is not significant between the perception of male and female employees regarding. Quality of working life is accepted at 0.05 level of significance. So there is not a significant difference between the perception of male and female employees regarding quality of working life**.**

Mean value for males (74.29) is less than females (78.89) therefore it is concluded that female employees have better perception of QWC than male employees.

Hypothesis- 4.2
Ho: There is no significant difference between the perceptions of employees at different levels regarding quality of working life.

Table-5.19: Perceptual differences between employees at different level regarding quality of working life.

Group	size	Mean	F- value	d.f	P -value
Class-1	50	39.27			
Class-II	110	34.72	1.469	2	0.232 *
Class-III	90	33.56			

***P>0.05**

Summary of the univariate analysis of variance presented in the above table indicates that p-value (0.232) is greater than 0.05as F value (1.469) is not significant at 0.05 level of significance. Hence the hypothesis is accepted at 0.05 level of significance, so there is no significant difference among the perception of employees at different levels regarding quality of working life.

Hypothesis- 4.3
Ho: There is no significant difference between the perception of graduate and post graduate employees regarding quality of working life.

This hypothesis was tested by applying "t"test statistics.

Table-5.20: Perceptual differences between Employees with graduate and postgraduate qualification regarding quality of working life.

Group	size	Mean	t- value	df	p-value
Graduate	140	34.69			
			.348	248	.728*
Post-Graduate	110	35.58			

***P>0.05**

Summary of "t"test presented in the above table indicates that t-value (.348) is significant as p-value (0.728) is more than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of graduate and post graduates employees regarding QWC. "Is accepted at 0.05 level of significance. So there is not a significant difference between the perception of graduate and post graduate employees regarding QWC in selected branches of LIC

Mean value for graduate (34.69) is less than Postgraduate Employees (35.58) therefore it is concluded that post graduate employees have better perception of QWC than graduate employees.

Hypothesis- 5.1
Ho: There is no significant difference between the perception of male and female employees regarding counseling.

Table-5.21: Perceptual differences between male and female employees regarding counseling

Group	size	Mean	t- value	df	P value
Male	185	17.29			
			6.14	248	.0001*
Female	65	19.82			

*P<0.05

Summary of "t"test presented in the above table indicates that t-value (6.14) is significant as p-value (0.0001) is less than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of male and female employees regarding counseling is rejected at 0.05 level of significance. So there is a significant difference between the perception of male and female employees regarding counseling.

Mean value for males (17.29) is more than females (19.82) therefore it is concluded that female employees have better perception of counseling than male employees.

Hypothesis- 5.2
Ho: There is no significant difference between the perceptions of employees at different levels regarding counseling.

Table-5.22: Perceptual differences between employees at different level regarding counseling.

Group	size	Mean	F- value	df	P value
Class-1	50	16.66			
Class-II	110	13.93	2.752	2	0.022*
Class-III	90	17.98			

*P<0.05

Summary of the univariate analysis of variance presented in the above table indicates that p-value (0.022) is less than 0.05 as F value (3.271) is significant at 0.05 level of significance. Hence the hypothesis is rejected at 0.05 level of significance, so there is a significant difference among the perception of employees at different levels regarding counseling.

As the results are significant it was decided to run LSD Post Hoc test of multiple comparison. Only significant mean differences are presented here.

Table-5.23: Summary of multiple comparison regarding different level groups

Groups	Mean difference	p_value
Class I Vs class III	1.32	0.001
Class II Vs class III	4.05	0.005

From LSD Post Hoc test it is concluded that class III is significantly different from the other two groups in their perception of counseling.

Hypothesis- 5.3

Ho: There is no significant difference between the perception of graduate and post graduate employees regarding counseling.

This hypothesis was tested by applying "t"test statistics.

Table-5.24: Perceptual differences between Employees with graduate and postgraduate qualification regarding counseling.

Group	size	Mean	t- value	df	p-value
Graduate	140	19.47			
			2.31	248	.021*
Post-Graduate	110	18.16			

*P>0.05

Summary of "t"test presented in the above table indicates that t-value (2.31) is significant as p-value (0.021) is less than 0.05.Hence the hypothesis stating the difference is not significant between the perception of graduate and post graduates employees regarding counseling is rejected at 0.05 level of significance. So there is a significant difference between the perception of graduate and post graduate employees regarding counseling in selected branches of LIC

Mean value for graduate (19.47) is more than Postgraduate Employees (18.16) therefore it is concluded that graduate employees have better perception of counseling than post graduate employees.

Hypothesis- 6.1

Ho: There is no significant difference between the perception of male and female employees regarding compensation/reward system

This hypothesis was tested by applying "t"test statistics.

Table-5.25: Perceptual differences between male and female employees regarding compensation /reward system

Group	size	Mean	t- value	df	P -value
Male	185	18.06			
			2.60	248	.009 *
Female	65	16.35			

*P>0.05

Summary of "t"test presented in the above table indicates that t-value (2.60) is significant as p-value (.009) is less than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of male and female employees regarding reward system." is rejected at 0.05 level of significance. So there is a significant difference between the perception of male and female employees regarding reward system.

Mean value for males (18.06) is more than females (16.35) therefore it is concluded that male employees have better perception of reward system than female employees.

Hypothesis- 6.2

Ho: There is no significant difference between the perceptions of employees at different levels regarding reward system

Table-5.26: Perceptual differences between employees at different level regarding compensation /reward system.

Group	size	Mean	F- value	df	P-value
Class-1	50	20.33			
Class-II	110	19.72	2.126	2	0.027*
Class-III	90	17.56			

* P<0.05

Summary of the univariate analysis of variance presented in the above table indicates that p-value (0.027) is less than 0.05 as F value (2.126) is significant at 0.05 level of significance .Hence the hypothesis is rejected

at 0.05 level of significance so there is a significant difference among employees at different level regarding reward system in selected branches of LIC.

As the results are significant it was decided to run LSD Post Hoc test of multiple comparison. Only significant mean differences are presented here.

Table-5.27: Summary of multiple comparison regarding different level groups

Groups	Mean difference	p_value
Class I Vs class III	2.77	0.009
Class II Vs class III	2.16	0.003

From LSD Post Hoc test it is concluded that ClassIII is significantly different from the other two groups in their perception of reward system.

Hypothesis- 6.3
Ho: There is no significant difference between the perception of graduate and post graduate employees regarding reward system

Table-5.28: Perceptual differences between Employees with graduate and postgraduate qualification regarding compensation/ reward system.

Group	size	Mean	t- value	df	p-value
Graduate	140	17.69			
			3.12	248	.002*
Post-Graduate	110	19.58			

*P<0.05

Summary of "t"test presented in the above table indicates that t-value (3.12) is significant as p-value (0.002) is less than 0.05.Hence the hypothesis stating, The difference is not significant between the perception of graduate and post graduates employees regarding reward system is rejected at 0.05 level of significance. So there is a significant difference between the perception of graduate and post graduate employees regarding reward system in selected branches of LIC

Mean value for graduate(17.69) is less than Postgraduate Employees (19.58) therefore it is concluded that post graduates employees have better perception than graduates employees regarding reward system.

EMPLOYEES PRODUCTIVITY
The item wise mean scores of the total sample of 250 executives are presented in the table. Since the questionnaire used 5 point scale, ranging from 5 strongly agree to 1 strongly disagree. Here the overall score was 3.39 which indicate that employee's productivity level of managers is just above average. Examining the scores of the individual items of the EP Scale, the researcher found that the mean scores of the items no.1 (3.80), 3(3.77),and 2 (3.19)) are higher than other items in the scale which indicates that the Quantity of our employees' work output has improved over the past years, Employees feel happy to work in teams and over all employees targets achievements has improved over the past years..

Table-5.29: Mean of Independent variable & Employees productivity

Factor	Independent Variables	Mean (Employees Productivity)
F1	HRD climate	3.15
F2	Training	3.24
F3	Performance Appraisal	3.12
F4	Quality of working life	3.29
F5	counseling	2.89
F6	Reward system	3.15

Descriptive results revealed positive trend of each variable i.e. HRD climate, training, performance appraisal, quality of working life, counseling, reward system and perceived employees productivity. Likert scale helped to explain the positive or negative feelings of employees about HRD practices and their impact on employee's productivity.

From the table we observe that all independent variables are positively related with Employee Productivity. The maximum positive value (3.29) is for quality of working life while the minimum positive value (2.89) is for counseling. This suggests that in LIC employee productivity is highly dependent on quality of working life. The other highest mean of training 3.12 shows that if organization conducts extensive training programs to impart new knowledge and skills to the employees and training needs are identified realistically and strategically, then it ultimately helps to enhance the performance of the organization.

The lowest value of counseling for correlation is indicative of rigid and hence it does not contribute much to the employee productivity.

RELATIONSHIP BETWEEN HRD PRACTICES AND EMPLOYEES PRODUCTIVITY

In this study to calculate the exact relationship and nature of the relationship, the correlation and multiple regression analysis are used. The prime reason for adopting these techniques is to test hypothesis as described earlier while other reason is that in order to investigate the relationship between employee perceived performance and HR practices.

Table-5.30: Pearson's Correlation

Variable	EP	HRDC	Training	PA	QWL	EC	RS
EP	1.00	.70**	.68**	.60**	.62**	.64**	.61**
HRDC	.70**	1.00	.74**	.64**	.62**	.69**	.56**
Training	.68**	.74**	1.00	.78**	.68**	.67**	.66**
PA	.60**	.64**	.78**	1.00	.64**	.72**	.63**
QWL	.62**	.62**	.68**	.64**	1.00	.64	.60**
EC	.64**	.69**	.67**	.72**	.64**	1.00	.69**
RS	.61**	0.56**	0.66**	0.63**	0.60**	0.69**	1.00

**Correlation significant at 0.01 (2-tailed). N=250.

CORRELATION RESULTS

What is the relationship between Human Resource Development practices and employees productivity? Correlation results are shown in Table. Correlations amongst variables are positive. Correlation interpretation is based on following five classical rules introduced by Franzblau (1985) to interpret correlation coefficient amongst different variables,

☐ (r = 0 to .20) indicates negligible or no correlation

☐ (r = .20 to .40) indicates positive but low degree of correlation

☐ (r = .40 to .60) indicates positive moderate degree of correlation

☐ (r = .60 to .80) indicates positive and marked degree of correlation

☐ (r = .80 to .1.00) indicates positive and high degree of correlation

All variables are treated symmetrically, i.e. there is no distinction between dependent and independent variables. Two variables are said to be correlated when they tend to simultaneously vary in the same direction. If both the variables tend to increase or decrease together, the correlation is said to be direct or positive. When one variable tends to increase and the other decreases, the correlation is said to be negative or inverse.

As concluded the positive correlation amongst the independent and dependent variables was found. Especially the analysis shed light on the strong positive effect of performance appraisal system and training 0.78. It shows that performance appraisal system should be tied with training and also indicating that training need must be assessed using the data of performance appraisal and organizations should evaluate employee performance and formulate training programs keeping in view low performing areas. At the other hand, another strong correlation of 0.74 between HRD climate and training reveals that training helps to plan the growth and advancement of employees.

These results are matching with the findings of Qureshi M. Tahir (2006) where he concluded that all these practices are positively correlated but correlation and effect of selection, training and employee participation in decision making is highest respectively. These results are also matching with the findings of Singh K (2004), he concluded that Training and compensation are having positive effects on organization and employee's productivity.

IMPACT OF HRD PRACTICES ON EMPLOYEES PRODUCTIVITY

The Regression equation is formed to test the interdependence of two variables. With the help of Independent variables (HRD climate, training, performance appraisal, quality of working life, counseling, reward system) and dependent variable (perceived employees productivity) following equations is formed:

Equation no. 1 $y1 = \alpha + \beta1 (x1) + \beta2 (x2) + \beta3 (x3) + \beta4 (x4) + \beta5 (x5) + \beta6 (x6)$

$EP = \alpha + \beta1 (HRDC) + \beta2(T) + \beta3 (PA) + \beta4 (QWC) + \beta5 (C) + \beta6(RS) + \varepsilon$

Whereas:

1. **X1** =HRDC = HRD climate

2. **X2** = T= Training& Development

3. **X3** = PA= performance appraisal

4. **X4** =QWC = quality of working life

5. **X5** =C = counseling

6. **X6** =RS= reward system

7. **Y1** = EP = Employees Productivity.

The regression line expresses the best prediction of the dependent variable (*Y*), on the independent variables (*X*). However, there exists substantial variation of the observed points around the fitted regression line. The smaller the variability of the residual values around the regression line relative to the overall variability, the better is the predict.

Table-5.31: "Regression Analysis"

HRD climate	0.27		
Training	0.28		
Performance Appraisal	0.25		
Quality of working life	0.30		
Employees Counseling	0.16		
Compensation/Reward system	0.21		
Multiple R	0.7631		
R Square	0.5837		
Adjusted R Square	0.5797		
Standard Error of the estimate	0.5719		
F	69.345		
Sig.	.000		
	Beta	**t-value**	**F-value**
HRD climate	.408	7.523	.000
Training	.373	4.668	.000
Performance Appraisal	.301	5.178	.000
Quality of working life	.419.	2.513	.000
Employees Counseling	.123	1.168	.000
Compensation/Reward system	.292	3.079	.000

Table presents the regression outcomes of equation-1, which shows that the dependence of HRD climate, training, performance appraisal, quality of working life, counseling, reward system (independent variables) to perceived employees productivity (dependent variable).

Regression analysis shows the high significance of all independent variables on dependent variables, as we can see 57.07 % of the variation in perceived organizational performance is explained by six independent variables, while 42.93 % is the inherent variability or remain unexplained. Correlation Coefficients, express the degree to which two or more predictors, independent variables are related to the dependent variable. We have the values of coefficients (HRDC, T, PA, QWC, C, RS*)*, as, 0.27, 0.28, 0.25, 0.30, 0.16 and 0.21, respectively. The values reflect positive relatedness of independent variables with dependent variable. Especially quality of working life, (0.30) is significantly related with employee's productivity comparing other explanatory variables.

Tables confirm the interdependence of HRD practices on perceived employee's productivity. All it shows that, HRD practices are the key contributor to success of the organizations. If organizations provide training to impart the skills and knowledge, ultimately help to increase overall employee's productivity. Furthermore if performance appraisal system is treated as the basis for further advancement and setting compensation plans, it also contributes to make organization more productive. Since all such practices have proved to be successful in LIC sector, these practices may be replicated in other industries for better future. F is significant at .000 level which verifies that fifty seven percent of the variance in perceived employees' performance can be accounted for by HRD climate, training, performance appraisal, quality of working life, employees counseling, compensation/reward system.

In this study to calculate the exact relationship and nature of the relationship, the correlation and multiple regression analysis are used. The prime reason for adopting these techniques is to test hypothesis as described earlier while other reason is that in order to investigate the relationship between employee perceived performance and HR practices. Many previous studies used same techniques of correlation and multiple regression analysis to examine relationship between employee perceived performance and HR practices (Baloch et al., 2010; Qureshi et al., 2006; Shahzad et al., 2008; Tessema and Soeters, 2006).

CHAPTER-6
CONCLUSION AND FUTURE
RECOMMENDATIONS

CONCLUSION AND FUTURE RECOMENDATIONS

In the present day society, the need for well developed and qualified human resources is being felt profoundly by the LIC, functioning in a scenario characterized by global competition, innovative and newer wide variety of goods and services and ever changing technology; all giving rise to human resource development. In order to meet the challenges; the employees of the LIC became focal point. For, the traditional employees needed to be properly developed so as to handle new technology, to manage new risks attached, to cope up with wider markets and to incorporate professional touch. In this backdrop, the researcher undertook a study of HRD in LIC and their impact on employee's productivity. There was a time when personnel manager was expected to manage employees to achieve eventually the overall goals of the organization. But, of late, the practicing personnel manager could perceive wider scope of managing the employees with the basic approach 'enlightened self interest' - a two way traffic to manage employees not only for the benefit of the organization but also for the benefit of employees too. HRD is being practiced as a dynamic and creative means to achieve increased productivity and profitability, improved morale and career development of employees, better industrial relations, etc., to achieve the overall goals of the corporation.

However, no study, till date, could be made to know the perceptions of managers regarding the prominent HRD practices and measures with reference to their impact on productivity of employees. In order to know the effectiveness and the real impact of various measures, efforts were made by the scholars and the practicing managers to study all these issues. These efforts were made in the field of entire human resource management and a part of it related to HRD.

FINDINGS

1Q.-What is the extent of HRD practices in LIC?

Ans. The result of descriptive statistics for all 6 HRD practices and demographic variables affecting employees' productivity are reproduced in Table 5.1.

The table 5.1 examines the human resource practices in terms of their mean and standard deviation. The various HRD mechanisms in LIC are average, accounting for low degree of satisfaction among the employees. The reason for mean value of employees counseling is being lowest (2.57) is because there is no formal method of counseling. Because employees is under stressed, depressed, suffering from too much anxiety arising out of various issues like managing deadlines, meeting targets, lack of time to fulfill personal and family commitments, and disturbed due to some personal problem etc. For this reason the effectiveness of the counseling needs to be judged by LIC. In order to provide a proper environment for counseling and feed back of employees, there is need for introducing a formal system of counseling. There is need for providing counseling training to senior and middle level managers with the objectives of influencing the climate of interaction in the organization at various levels. Mean value of quality of working life is highest (3.09) because there is job security in LIC.

Similarly the highest value of S.D. is for HRD climate (.45) whereas the lowest value of S.D. is for reward system (.31). This is true because differences in observation of HRD climate is substantial and vary from individual to individual, whereas reward system in LIC is almost unanimity.

2Q -Does demographic variable like gender, designation, the level of education of the employees affect the employee's perception about the HRD practices?

Ans. Results are shown in table 5.2 to table 5.28 that demographic variables affect the employees perception about the HRD practices. The major findings are:

1. The difference is significant between the perception of Male and Female employees regarding the HRD Climate in selected branches of LIC.

2. There is a significant difference among employees at different level regarding HRD climate in selected branches of LIC.

3. The difference is not significant between the perception of Graduates and Post Graduates employees regarding the HRD Climate in selected branches of LIC.

4. The difference is significant between the perception of Male and Female employees regarding the training in selected branches of LIC.

5. There is no significant difference among employees at different level regarding their perception of training in selected branches of LIC.

6. Difference is significant between the perception of Graduates and Post Graduates employees regarding the training in selected branches of LIC.

7. Difference is significant between the perception of Male and Female employees regarding performance appraisal. Female employees have favorable attitude towards performance appraisal as compared to male employees.

8. There is no significant difference among employees at different level regarding their perception of performance appraisal selected branches of LIC.

9. The difference is significant between the perception of Graduates and Post Graduates employees regarding the performance appraisal. in selected branches of LIC.

10. The difference is significant between the perception of male and female employees regarding quality of working life.

11. There is no significant difference among the perception of employees at different levels regarding quality of working life.

12. The difference is not significant between the perception of Graduates and Post Graduates employees regarding the quality of work life in selected branches of LIC.

13. The difference is significant between the perception of Male and Female employees regarding the counseling in selected branches of LIC.

14. There is a significant difference among the perception of employees at different levels regarding counseling.

15. The difference is significant between the perception of Graduates and Post Graduates employees regarding the counseling in selected branches of LIC.

16. The difference is significant between the perception of Male and Female employees regarding the reward system in selected branches of LIC.

17. There is a significant difference among employees at different level regarding reward system.

18. The difference is significant between the perception of Graduates and Post Graduates employees regarding the reward system in selected branches of LIC.

3Q-Do HRD practices affect employee's productivity?
Ans. In table 5.31 Regression analysis shows the high significance of all independent variables on dependent variables, as we can see 57.07 % of the variation in perceived organizational performance is explained by six independent variables, while 42.93 % is the inherent variability or remain unexplained. Correlation Coefficients, express the degree to which two or more predictors, independent variables are related to the dependent variable. We have the values of coefficients (HRDC, T, PA, QWC, C, RS*),* as, 0.27, 0.28, 0.25, 0.30, 0.16 and 0.21, respectively. The values reflect positive relatedness of independent variables with dependent variable. Especially quality of working life, (0.30) is significantly related with employee's productivity comparing other explanatory variables.

Tables confirm the interdependence of HRD practices on perceived employee's productivity. All it shows that, HRD practices are the key contributor to success of the corporation. If organizations provide training to impart the skills and knowledge, ultimately help to increase overall employee's productivity.

CONCLUSIONS
HRD initiative was launched in LIC in 1985 which received greater emphasis during 1992-93. The objective of the corporation is to involve all employees to give their best in providing efficient services to create a participative culture and job satisfaction.

Although LIC's programme on HRD formally commenced in the year 1988, its origin lies in various organizational action taken during the earlier years. In 1987 the corporation stated its belief about HRD. It was agreed that people are the major assets and that an organization can foster full realization of individual potential by providing a development environment. Moreover, the competencies can be developed in people at any point of time and as a model employer the corporation must provide for employees growth.

The result of the current study add to the growing empirical evidence suggesting that progressive HRD practices are the major HRD practices which are followed by the LIC.

On the basis of the analysis and findings of the study following conclusions are drawn:

- The table examines the human resource practices in terms of their mean and standard deviation. The various HRD mechanisms in LIC are average, accounting for low degree of satisfaction among the employees.

- Gender affects the perception of HRDC, Training, PA and counseling and RS among the employees because the male employees have comparatively wider social circle. In most of the cases female professionals have the lower tendency of adoption to any environment. Hence every new climate of working leaves its impact on female, very temporary and not so deep. It is further to be investigated whether their expressions about the perception, during the queries of study were really felt lightly or they (the respondents) had ignored maximums features of the HRD practices.

- It shows that gender does not affect the perception of QWL System of employees as all are equally aware of the significance of it.

- Designation affects the perception of HRDC, counseling and reward system among the employees because I class employees having more positive perception as they are aware of their deficiencies and short comings. They understand it better by virtue of their experience and continuous learning.

- It shows that designation does not affect the perception of training, PA, QWC of employees as all are equally aware of the significance of it. It shows that the need of the employee's development is felt in all cases.

- Qualification affects the perception of Training, PA, counseling and reward system among the employees. As at the higher education level the deficiencies and shortcomings are clearer to the trainees and trainers. As far as counseling is concerned the executives and staff are not adequately satisfied, but the degree of measure of satisfaction in counseling is found in the organization

- It shows that qualification does not affect the perception of HRDC and QWL of employees as both areas are equally related to improvement and progress.

- There is a positive relationship between HRD practices and employees productivity because of inter connectivity of each component along with the other. In short we can say they are inter-linked for the up rising of the corporation.

DISCUSSION

The table 5.1 examines the human resource practices in terms of their mean and standard deviation. The various HRD mechanisms in LIC are average, accounting for low degree of satisfaction among the employees.

On the basis of the findings and conclusions drawn from the research we are forcefully guided to believe that Employees have registered an average attitude towards HRD practices in Life Insurance Corporation. There are inadequacies in the OCTAPAC culture. OCTAPAC culture is essential for facilitating HRD .Employees has a feeling that HRD is consulted at top management only and is too discussed at branch level and the prevailing climate is not conductive for all round development of employees. It was also observed that the LIC employees are hesitate to sharing information about HRD. The degree of openness is at lower ebb in the corporation.

The training policy of the corporation provides the need for continuous training of employees at all levels. Many types of training programmes are designed and conducted by various training centres of the LIC. Many sincere efforts have been made by the corporation to provide training to employees, yet much success has not been achieved in this direction. The training programme launched by the corporation from time to time would not cover the total employee's strength. A large majority of employees still remain untrained. Trainers are selected among the senior officers of the corporation, but the criterion for their selection is not clear. Trainees undergo special training programmes. No doubt, LIC has got adequate in house training facilities and the employees are not sent to outside organization for training. Lectures and conferences are the main methods used for training and slides as the main audio-visual. LIC has well in-built infrastructure for training at central, zonal and divisional levels but it is lacking at the branch level. Employees express that training does not help them in promotion or any type of other benefits.

It has been found that the appraisal system in LIC is still being carried out on traditional lines. It has been further noticed that the management does not welcome suggestions of employees regarding performance appraisal. There is need for a complete review of existing system. Modern appraisal technique 360 degree is just used at a GM level by the corporation. Performance appraisal can be a powerful tool of HRD in many ways. It uncovers difficulties faced by the employees while handling assigned tasks. Employees of LIC perceive performance appraisal to be biasd and subjective. Appraisal results are not communicated to the employees. Moreover, there is a general disagreement regarding present reporting system in the corporation. The employees are not clear about the objective of appraisal which makes the system ineffective.

HRD oriented appraisal helps to understand the strengths and weaknesses of subordinates and help the subordinates to overcome the obstacles in their way. They also encourage the subordinates to meet problems, accept responsibilities and face challenges with confidence and courage.

It was found out that employees are satisfied about quality of working life due to job security. Satisfactions from pay are found to be an average level. They were satisfied about Employee benefits such as medical reimbursement, transport, crèche, pension schemes and compassionate job opportunities, alternate work schedule and democracy in work place.

It has been noticed that there is no formal system of counseling in Life Insurance corporation. In order to provide a proper environment for counseling and feed back of employees, there is need for introducing a formal system of counseling.

It was found that the rewards were not appropriate to their needs. Promotion process was observed to be very slow and the recognition was so informal that it was felt like unnecessary with no extrinsic forms. It also observed that rewards are generally awarded to the employees at one level rather than according to the performances of the individuals.

The perception of the HRDC, PA, employees counseling is significantly affected by the gender. In most of the cases female professionals have the lower tendency of adoption to any environment hence any significant feeling about every new climate of working leave its impact on female, very temporary and not so deep. It is further to be investigated whether their expression about the perception, during the queries of study was really felt lightly or they had ignored maximums features of the climate. Even female perception cannot felt strong in the case of performance appraisal. Women more often make career choices to accommodate their spouse's careers. Hence, women employees/ executives are not keen to know their strength and weaknesses than male. Most of the females are least interested in personnel development.

As the field of training; QWL and reward system do not have any special concern with any of the genders. It is obvious that these requirement of professional training have very little to do with genders as well as all are equally aware of the significance of it.

Designation affects the perception of HRDC, PA, counseling and reward system among the employees. At the class I officer the man has already gone through the areas of his expertise and has probably drawn a clear map of his qualities and weaknesses. Hence he is in better position, mentally to identify from where he can meet the needs of the environment of HRDC. So far as the concerned to, PA, counseling and reward system

the designation also play a role because the rules of counseling, reward system and appraisal are not remain the same irrespective of the designation level.

As the field of training and QWL do not have any special concern with any of the designation. it is obvious that these requirement of professional training have very little to do with designation and the QWL undergoes the same at all the levels.

Qualification affects the perception of HRDC, PA, reward system among the employees. As at the higher education level the deficiencies and shortcomings are clearer to the employees because the appraisal of performance undergoes the same parameters in both graduate and post graduate employees. They feel better when evaluated and assessed as they expect to be a better individual and wants an appraisal and recognition.

An even post graduate employee wants more increments at the same level. As suggested by Khan (2008) at the post graduate level individual starts realizing that an organization interested in responding to the development challenges, creativity would require to identify the types of creative abilities of the people behind the system and their preference for various stages of creative problem solving process to appropriately assign the task needing creative approaches. At lower levels those who undergo any type of training in any area have previously some understanding about their training needs but higher you go the wider gets your canvas about the specific need. So it is obvious that at higher level of qualification, perception about the significance of need assessment gets clearer.

As the field of training, QWL and counseling do not have any special concern with of qualification. it is obvious that these requirement of professional training have very little to do with qualification and the QWL and counseling undergoes the same at all the levels.

There is strong positive correlation between of performance appraisal system and training (0.78). indicating that, most of the employees are idealizing training as an important factor which is directly correlated with Employees' performance. It shows that performance appraisal system should be tied with training and also indicating that training need must be assessed using the data of performance appraisal and organizations should evaluate employee performance and formulate training programs keeping in view low performing areas. All the variables are having positive correlation with Employees performance. Like HRD climate(.61),Training (0.66), Performance appraisal (0.60), Quality of working life (0.62), counselling(0.54), reward system/compensation (0.61) In nutshell all tested HR practices are having positive correlation with employees' productivity. These results are matching with the findings of Qureshi M. Tahir (2006) where he concluded that all these practices are positively correlated but correlation and effect of selection, training and employee participation in decision making is highest respectively. These results are also matching with the findings of Singh K (2004), he concluded that Training and compensation are having positive effects on organization and employee's productivity.

On the basis of the findings and conclusions drawn from the research we are forcefully guided to believe that the corporation has not achieved much success in involving all the employees to the best of their capacities. The other major findings include that all the HRD practices are positive significant relationship with employee's productivity. HRD practices in LIC are changing under pressures from an increasing intense competitive environment. Result of the study reveals that LIC are enhancing quality of working life and their relatively high level of training are the major contribution of the employees.

RECOMMENDATIONS

After an extensive and exclusive research, it becomes obvious to make the points of the deficiency of the system understudy and to point out the possible steps as remedies to the flaws of the system. These suggested steps are denoted as "Recommendations". Regarding the study under process, following strategies are recommended to help employees to increase their productivity.

- Keeping both the genders of LIC, a balance approach is required to be applied towards engaging training personnel with equally strong perception about HRDC and where deficiency is found special input needs to be provided to the trainers, irrespective of the gender to meet the flaws.

- Regular performance appraisal needs to be introduced as a common practice in female employees, so that their perception gets confirmed. The foundation of all these types of development is to strengthening the performance in general with special stress to gender balance.

- To meet the need identified in the above recommendation, the most urgently required step is to upgrade the basic qualification required so that the people with clearer and sharper perception can adapt this profession and training needs are easily to be assessed.

- Necessary changes should be introduced in HR policies and practices. HR policies of the organization should be such that which encourages the employees to contribute their best.

- The management should take necessary action to bridge the communication gap with employees and try to develop the trust among the employees. Clear communication process will help to establish the HRD Climate. The employees should be encouraged to express their feelings without any fear.

- Traditional status barriers between different classes must be broken to permit establishment of an atmosphere of trust and open communication.

- Management should discourage the stereotypes and favoritism. They should treat with all employees on equitable basis.

- Proper authority should be given to employees so that they can take the decision at the right time.

- There is a need for a continuous programme of training for every individual to work as a member of an effective team and activate the potential to achieve the corporation's goal.

- Training focus has to shift from mere knowledge development to more of skill enhancement and creating an attitude for service.

- Training professionals have to be used more for training rather than departmental experts. Instead of traditional and passive methods such as lecture, more of active methods like case study, business games, and simulations have to be used.

- Corporation have to use extensive e-learning methods, which can save a lot of time and need not require employees to be away from jobs which hamper work.

- Training and Development methods have to be utilized for practical purposes rather than they being used just to reflect it on paper.

- Help the employee to overcome his weaknesses and improve over his strengths and thus enable him to improve his performance and that of the department.

- Generate adequate feedback and guidance from the reporting officers to the employee.

- Contribute to the growth and development of the employee through helping him in realistic goal setting.

- Provide inputs to: (i) system of rewards comprising salary increments, appreciations, additional responsibilities, promotions, etc., and (ii) salary administration.

- Corporation must be committed to an open and transparent style of operation that include sharing appropriate information with employees and sincerely inviting their input regarding problems opportunities and implementation of improvement plans.

- Improved communication and co-ordination among the workers and organization helps to integrate different jobs resulting in better task performance.

- Better working condition enhances workers motivation to work in a healthy atmosphere resulting in motivation and increase in production.

- In order to provide a proper environment for counseling and feed back of employees, there is need for introducing a formal system of counseling.

- There is need for providing counseling training to senior and middle level managers with the objectives of influencing the climate of interaction in the organization at various levels. It would help the employees in designing their action plans for their overall development and acquiring greater competencies.

- Corporation should use counseling programme more a reactive than a proactive mode. It is introduced on an 'as needed' basis in response to a particular situation or a particular individual.

- Corporation can think of introducing Problem-focused model of counseling in their organization. This model sees the counselor's role as helping individuals to work with the immediate problems they bring.

- This is a five-stage model also called as "life-skills counseling".

  Nelson-Jones developed and called it DASIE model.

  D - Develop the relationship, identify and clarify problems

  A - Asses problems and redefine in skill terms

  S - State working goals and plan interventions

  I - Intervene to develop self-helping skills

  E - End and consolidate self-helping skills

- It has to be noticed that corporation must try to create supportive, pleasant full working environment internally, in order to satisfy the staff and work with efficiency.

- The rewards were not appropriate to their needs. Promotion process was observed to be very slow and the recognition was so informal that it was felt like unnecessary with no extrinsic forms. It was suggested that informal recognition should be changed to formal recognition.

- The employees also observed that rewards are generally awarded to the employees at one level rather than according to the performances of the individuals.

- Some of the employees had taken the slow rewards awarding activity in critical ways. It is observed that rewards should be awarded to deserving employees in no time. The prompt rewarding of employees may motivate them and improve their performance.

- The intended reward should be awarded in a kind of ceremony to an employee and announced appropriately to motivate others. The lack of communication was seen as main barrier in employee's motivation. During interview sessions an employee complained about the lack of announcement of rewards on time, thus the motivation effectiveness suffers. It is suggested to communicate reward to employees in proper ceremony on time, so that they can be better motivated.

- The interviewers suggested that the rewards should be based on objective criteria of performance and perceived as fair. The low level employee's perceived the difference in salary, facilities, loans etc as demotivating factor.

- The interviewers suggested that there should not be large remuneration gaps among the various levels of employees. The rewards should be equitable and performance linked.

- The facilities provided to the employees should be compared with that of other private Organization and facilities similar to it or more to be provided quickly.

- It should be noticed that the following non monitory awards also be given at all classes for supported to up great their standard of living.

  1) Holiday pay

  2) Bonus

  3) Pension benefits

  4) Overtime pay

  5) Proper training and promotion also to be given to the staff in order to they will be satisfied their job.

PROBLEMS AND DIFFICULTIES BEING EXPERIENCED IN HRD EFFORTS

The researcher also tried to know the perception of the LIC employees regarding the type of problems and difficulties being experienced by them in the HRD efforts. Difficulties according to the perception of all the bank employees taken together were as per the following order.

- Outdated dysfunctional service rules

- Lack of willingness of employees to handle innovative services and to assume risks attached there to.

- Stereo-typed functioning in the branches.

A surprising fact noticed by the researcher in this connection was that these employees expressed 91% level of their agreement to believe HRD as being helpful to handle innovative products while they perceived lack of willingness in this connection - a big paradox before the LIC management.

Besides the structured problems and difficulties, some stray comments by the employees also pointed out the following problems and difficulties:

- Ego for employees as one such reason for employee's resistance against HRD efforts.

- Ignorance of the benefits of HRD on the part of the employees for the lack of full and whole hearted co-operation.

SUGGESTIONS IN RELATION TO THE PROBLEMS AND DIFFICULTIES IN HRD IMPLEMENTATION

The researcher put nine likely suggestions being considered relevant in the context of HRD implementation

- There should be a separate HRD department headed by HRD experts to look after HRD activities.

- There should be step-by-step implementation of HRD practices.

- A need for systematic and objective appraisal of the performance of the employees.

- A need to develop accountability among employees regarding their work.

- HRD measures should be linked with changing scenario.

- HRD efforts should be directed more towards technological up gradation.

- Proper assignment of work in accordance with the skills developed through HRD efforts.

BIBLIOGRAPHY

- Agrawal, H.V. (2005). A Study of the Impact of HRD Practices and measures to resolve pertinent Challenging issues of HRD in Commercial Banks in India, Ph.D., Thesis Department of Commerce & Business Administration Saurashtra University, Rajkot.

- Agarwal, V. (2011).Training & development in public organization with reference to LIC of India, *Gurukul Business Review* (GBR) Vol. 7, pp. 87-95 ISSN: 0973-1466.

- Alphonsa, V.K, Sr. (2000). "HRD Climate in a Private Hospital in Hyderabad-An Empirical Study" IJTD, Vol. XXX (4).

- Arthur, (1992). The Link between Business Strategy and Industrial Relations Systems   in American Steel Minimills, *Industrial and Labor Relations Review*, 45(4), 488-506.

- Asawathappa, K. (2005). Human Resources and Personnel management- Text and cases *Tata McGraw-Hill Publishing co. Ltd.*, New Delhi, 4th Edition.

- Batt, R. (2002). Managing customer services: Human resource practices, quit rates,

- and sales growth. *Academy of Management Journal*, 45, 587-597.

- Bhatia, B.S., Batra, G.S. (eds.) (2001), Human Resources Development, Deep & Deep Publications Pvt. Ltd, New Delhi.

- Bhattacharya, Anabil (2006), Future of Training and Training Techniques in Insurance Sector", The Insurance Times, Vol. XXVI, No.2, February, pp.22-27.

- Boselie, P., Dietz, G., & Boon, C. (2005). Commonalities and contradictions in HRM and performance research. *Human Resource Management Journal,* 15, 67-94.

- Budhraja, Jyoti (2008), Causes of Stress among insurance Employees: An Empirical Study", *The ICFAIAN Journal of Management Research*, Vol. VII, No. 10, October, pp.7-17.

- Budhwar, S.P., Katou, A.A. (2010), Causal relationship between HRM policies and organizational performance: Evidence from the Greek manufacturing sector *European Management Journal* 28, 25-39.

- Cascio, W. F. (1998), Managing human resources: Productivity, quality of work life, profits 5th edition New York: McGraw-Hill.

- Charles, Moseley (2004) "The Human Resource Dimension and Reform", Human Resources and Labour Issues, *SARI/E Training Programme*, New Delhi, Vol. II, pp 126-131.

- Chaudhary and Kulkarni (1991), Role of Life Insurance Corporation in Economic Development of India *Himalaya Publishing House*, New Delhi.

- Das, R.P. (1987), Recruitment and Selection of Managerial Personnel in Selected Engineering Industrial Undertakings in India, Ph.D. Thesis, Department of Management, Kurukshetra University, Kurukshetra.

- Dasgupta, Samik, (2001) RSA, Iffco-Tokio yet to appoint actuaries, Economic Times, January 23.

- Deepak K.D., P.G. James, M.W. & Patrick, (2003). HRM and firm productivity: Does industry matter?. *National Academy of Management Meetings, Seattle, WA.*

- Gopalakrishna, G. (2007), Life Insurance as a Measure of Social Security, *The Journal of Insurance Institute of India,* July- December.

- Guest, D.E. (2001) Human resource management: When research confronts theory. *International Journal of Human Resource Management,* 12, 1092–1106.

- Gupta, Prem (2002), Personnel Administration in Life Insurance Corporation of India- A Case Study of Punjab, Ph.D. Thesis, Department of Political Science, Guru Nanak Dev University, Amritsar.

- Huselid, M.A. (1995). The impact of human resource management practices on turnover, productivity, and corporate financial performance, *Academy of Management Journal,* 38, 635–72.

- Huselid, M.A., Becker (1997). The impact of human resource management practices on turnover, productivity and corporate financial performance. *Academy of Management Journal,* 38, 635-670.

- Iqbal, M.Z. (2007). Training Needs Assessment: Its impact on improvement of Human productivity in Pharmaceutical Organizations of Pakistan, Ph.D. (HRD) Dissertation, National University of Modern Languages, Islamabad.

- Jain, V. K. (1994), A Comparative Study of Human Resource Development Programmes in Selected Public Undertakings in India, Ph.D. Thesis, Department of Business Management, Punjabi University, Patiala.

- Jampala, Rajesh, Rao, B. Venkateswara (2005), Investment Portfolio and Performance of the LIC, *The Journal of Institute of Public Enterprises,* Vol. 28, July-September, October-December, No. 3&4, PP.167-180.

- Kaur, R., Lehal R. (2010), Human resource management **practices** in **life insurance corporation** of India, Ph.D. Thesis, P.G. Department of Commerce, Punjabi University Patiala.

- Katou, A.A. (2008), Measuring the impact of HRM on organizational performance, *Journal of Industrial Engineering and Management*,1(2), 119-142.

- Katou, A.A., Budhwar, P.S. (2007). The effect of human resource management policies on organizational performance in Greek manufacturing firms, *Thunderbird International Business Review,* 49, 1-35.

- Kayani, T. (2008), Challenges of Human Resource Development to pace with Globalization, Ph.D. Thesis, National University of modern languages Islamabad.

- Khan, V. A. (2000), Need for Training in Insurance with special reference to Life / Non-life in the Present Liberalised Insurance Market, Insurance Times, Calcutta, pp.203-211.

- Khayoto, Maurice Otube (2000), Human Resource Management Practices in Multinational in India, Department of Management, Kurukshetra University, Kurukshetra.

- Kiran, T., Rigg, C. and Stewart, J. (2006), Critical Human Resource Development *International Journal of Training and Development,* 10(1):1360-3736.

- Kundu, S.C., Malhan, D. (*2009).* Human Resource Management Practices in Insurance Companies Operating in India: A Study, *Proceedings of the 13th Asia Pacific Management Conference*, Melbourne, Australia, pp. 472-488.

- Likert, R. (1967), Human Organization, McGraw-Hill, New York.

- Lippitt, Gordon L., Nadler, L. (1979), Emerging Roles of the Training Director, *Training and Development Journal*, June, Vol. 33, No. 6, pp.26-30.

- Lynton, Rolf P., Pareek Udai (1990), Training for Development, Second Edition, Kumarian press Inc.

- Mathur, B.L, (1990), Human Resource Development' Arihant Publishers Jaipur.

- Masood,T. (2010), Impact of Human Resource Management (hrm) practices on organizational performance: a Mediating role of Employee Performance, Ph.D. Thesis, Department of Management Sciences Mohammad Ali Jinnah University Islamabad.

- Mishra, Kavita (2002), A Study of Human Resource Development in Life Insurance Corporation of India, Ph.D. Thesis, Department of Management, Kurukshetra University, Kurukshetra.

- Mishra, M.N. (1991), Life Insurance Corporation of India – A study of working and Performance, vol. 1, RBSA Publishers, Jaipur.

- Mishra, M.N. (1997), Critical appraisal of Malhotra committee Report with reference to insurance Industry, *The Indian Journal of commerce*, A quarterly of the Indian commerce Association, Vol. L, December, pp.05-09.

- Mishra, P. & Bhardwaj, G. (2002), Human Resource Development Climate: An Empirical Study among Private Sector Managers, *Indian Journal of Industrial Relations,* 38 (1): 66.

- Narsaiah, P.V., and Reddy, C. Sivarami (2002), HRD practices in LIC- An Overview, The Insurance Times, Vol. XXII, No. 8, August.

- Narayan, S.N. , Rangnekar, S. (2008**),** "An Empirical Study of Organizational Climate and HRD climate and Job involvement as predictors of managerial effectiveness, proceedings of Glogift, 08, June 14-16, 2008, Stevens Institute of Technology, Hoboken, NJ: 146-160.

- Palande, P.S., Shah, R.S. , Lunawat, M.L. (2003), Insurance in India: Changing policies and Emerging opportunities, Response Books, New Delhi.

- Pandit, Princy Priya, Bharti (1998), Human Resource Development in Life Insurance Corporation of India, Ph.D Thesis, P.G. Department of Commerce, University of Jammu.

- Pareek, U. (1983) Education and Human Resource Development, Bombay: Allied Publishers Pvt. Ltd.

- Pareek, U and Rao, T V (1975), *HRD System in Larsen& Toubro,* Ahmedabad: Indian   Institute of Management, Unpublished Consultancy Report.

- Pareek, U and Rao, T V (1977). *HR Function in Larsen & Toubro,* Ahmedabad: Indian Institute of Management.

- Prasannasai, K (1993), The emerging Role of Human resource Development in Indian   Journal of Training and Development, April-June.Vol XXIII No.2.

- Pedro Ort´In-´Angel, Vicente Salas-Fuma (2007). Compensation Dispersion Between and Within Hierarchical Levels, *Journal of Economics & Management Strategy*, 53-79.

- Qureshi M.T., R.I. Mohammad, & H.T. Syed (2007), Impact of human resource management practices on organizational performance in Pakistan, *Journal of Business & Policy Research,* 3(2), 128-138.

- Rainayee Riyaz (2002), HRD Climate in Commercial banks: An Empirical study, The Business Review Vol 9 No.1 September.

- Rajesham, Ch. , And Rajender, K.(2006), Changing Scenario of Indian Insurance Sector, *Indian Journal of Marketing*, Vol.XXXVI, No. 7, July, pp.9-15.

- Rao P.S , Rao V.S.P. (1990), Personal / Human Resource Management. Text, Cases and Games. New Delhi: National HRD Network Office.

- Rao, T.S. Rama Krishna and Jawaharlal, U. (2004), Training for competence Building in Insurance, Insurance Chronicle, Vol. IV, Issue VI, July, pp. 17-22.

- Rao T.V (1988) Alternative Approaches and Strategies of Human Resource Development. New Delhi: National HRD Network Office.

- Rao T.V (1990) The H.R.D Missionary Role and Functions of HRD Managers and HRD Departments. New Delhi: Oxford and IBH Publishing Co. Pvt. Ltd.

- Rao, T.V. (1991) Readings in Human Resource Development, Oxford and IBH Publishing Co. Pvt. Ltd., New Delhi.

- Rao, T.V. (1999). *HRD Audit,* New Delhi: Response Books (A Division of Sage Publications).

- Rao, T.V. (1984), Performance Appraisal. New Delhi. Vikas Publications.

- Rao, T.V. (1990), The Human Resource Development Machinery. New Delhi: Sage Publications.

- Rao, T.V. , Abraham E. (1986), HRD Climate in Indian Organizations. In Recent Experiences in Human Resource Development, Rao and Preira (Eds.). New Delhi: Oxford and IBH.

- Rao, T.V. (1996), Human Resource Development. Experiences, Interventions, Strategies. New Delhi: Sage Publications India Pvt. Ltd.

- Rao, T. V., Rao Raju, and Yadav Taru (2001), A study of hrd concepts, structure of

- HRD departments and hrd practices in India, *Vol. 26, No. 1, January-March.*

- Rao, T.V.Verma, K.K, Khandelwal, A.K , Abraham (1988), Alternative Approaches and Strategies .of Human Resources Management, Jaipur: Rawat.

- Rastogi, Savita (2002), Executive Training and Development- A Comparative Study of Selected Public and Private Sector Enterprises, *Indian Journal of Training and Development,* Vol. XXXII (3), July-September, pp.86-94.

- Reddy, C. Sudarsana; Reddy P. Mohan; and reddy, C. Sivarami (2004), Liberalization of Insurance: Opportunities and Challenges, The Insurance Times, Vol. XXIV, No. 3, March, pp.23-27.

- Riaz1 Adnan & Qazi Jameel (*2007)* The Impact of HRM Practices on the Perceived Organizational Performance- A study of Telecom Sector in Pakistan *MIBES 913.*

- Seeck, H. & M.R. Parzefall (2008), Employee agency: Challenges and opportunities for psychological contract theory, Personnel *Review, 37(5), 473- 489.*

- Sengupta, N.N. (2003), Insurance Industry- Current Trends & Future prospects: Indian Scenario, The Insurance Times, September.

- Shahzad, K., S. Bashir, & I.M. Ramay (2008), Impact of HR Practices on Perceived Performance of University Teachers in Pakistan, *International Review of Business Research Papers*, 4, 2 pp. 302-315.

- Sharma, A., Purang , P. (2000), Value institutionalization and HRD climate: A case study of a Navratna Public Sector Organization. Vision, *The Journal of Business Perspective, 4*: 11–17.

- Silveria, D.M. (1988), Human Resource Development- The Indian Experience, News India Publications.

- Singh, Anil (2010), Impact of the HRM practices and organization culture on managerial effectiveness in public sector organizations in India, Agric. Econ. – Czech, *56*, 379–386.

- Singh, K. (2003), Strategic HR Orientation and Firm Performance in India, *International Journal of HRM*, June 2003, pp 530-543.

- Singh, K. (2004), Impact of HR practices on perceived firm performance in India, *Asia   pacific Journal of Human Resources* 42(3) 301-317.

- Sinha, Tapen (2000), Pension Reform in Latin America and Its Implications for International Policymakers. Boston, USA, Huebner Series Volume No. 23, Kluwer Academic Publishers.

- Sinha, T., Sinha, Dipendra (1997), A Comparison of Development Prospects in India and China, Asian *Economies,* Vol. 27(2), 5-31.

- Srimanaraya, M. (2007), Human Resource Development Climate in Dubai Organizations, *IJIR*, Vol 43 No. 1 July 2007,pp 1-13.

- Stein, Barry A. (1983), Quality of Work Life in Action, American Management Association, Briefing New York.

- Subba Rao, P. (2005), Essentials of Human Resource Management and Industrial Relations, Himalaya Publishing House, Mumbai.

- Subhadra, K. (2002), Life Insurance Corporation of India, *ICFAI centre for management Research,* Hyderabad.

- Subramanian, M, Anjani*, N.* (2010), Effectiveness of employee counseling in automobile industry" *Indian Journal of Commerce and Management Studies.*

- Subrahmanian, M., Anjani*, N. (2010), Constructs of Quality of Work Life– A Perspective of Textile and Engineering Employees" Asian journal of management research.*

- Talha, Mohammad (1989), An Appraisal of Investment Policies of Life Insurance Corporation Of India, Department of Commerce, Aligarh Muslim University, Aligarh.

- Tanuja Aggarwala, (2002), Innovative HR Practices and Human Resource Development Climate: a comparison of automobile and IT Industries. Udai Pareek,Osman-Gani Ramnarayan and T.V.Rao(Ed) HRD in Asia, Oxford &I.B.H,New Delhi,pp.3-10.

- Tessema, M., Soeters, J. (2006), Challenges and prospects of HRM in developing countries: testing the HRM-performance link in Eritrean civil service, *International Journal of Human Resource Management*, 17(1), 86-105.

- Tripathi, P. C. (2002), Human Resources Development, Sultan Chand and Sons, New Delhi,

- U. A. Dandekar, S. C. Karnik and S. M. Sathye (1993),Improving HRD in the Power Sector: The Case of Performance Appraisal in MSEB, in a HRD in the New Economic Environment, .pp 222-228.

- Varadan. M.S. (1987), HRD in Plantations Shared Concern for the Helpers Labour. The Hindu, October. P.3

- Venugopal, K. (2008), Insurance Employees Urge LIC, GIC to Hike Wages, The Hindu Business Line, June 2.

- Victoria, M. H. (2006), Teacher Evaluation Practices and Teacher Job Satisfaction. Ph.D. (Education) Unpublished Dissertation, Faculty of the Graduate School, University of Missouri-Columbia, USA.

- Wan, D., V. C. Kok, & Huat, (2002). Strategic human resource management and Organizational performance in Singapore*, Compensation and Benefits Review Saranac*, 34(4), 33.

- Wan, L.H., (2007). Human Capital development policies: enhancing employees' satisfaction, Journal of European Industrial training 31(4), 297-322.

- Wright, P.M., McMahan, G.C. (2006), Theoretical perspectives for strategic human resource management, *Journal of Management,* 18(2): 295-320

REPORT/ PERIODICALS AND NEWS PAPERS
- Annual Reports of IRDA, Various issues.

- Annual Reports of LIC of India, Various issues.

- Yogakshema, Various issues.

- HRD News- letter

- Training and development journal

- The economic times

- Business today

WEBSITES
- www.**licindia**.com/

- History http://www.irdaindia.org

- Indian Insurance: At The Crossroads

- http://www.securities.com/Public/Public98/RBI/Speech/speech010913Insurance in India - A historical perspective

- http://www.banknetindia.com/finance/ihist.htm accessed on 2 June 2003Left protests against opening up the insurance sector

- http://www.ipan.com/reviews/archives/ins0497.htm

- LIC Act 1956 http://www.vakilno1.com/

- Life Insurance In India http://www.indiainfoline.com/sect/insu/ch03.html

QUESTIONNAIRE

Sir / Madam,

       I am Ph.D Scholar and doing research about Human Resource Development practices in LIC and their impact on employee's productivity. You are requested to give opinion. It is assured that secrecy about your personal opinion and information is my first priority; and it will be used for the purpose of research only.

Thanks.

RITA

PhD Scholar

Name: _____

Designation: _____

Department_____

Gender: _____

Age: _____

Qualification_____

 Experience: _____

Instruction for filling the Questionnaire

Please give your assessment by rating your corporation on each statement, using the 5 point scale.

5	=	Strongly Agree
4	=	Agree
3	=	Indifferent
2	=	Disagree
1	=	Strongly Disagree

ANNEXURE - A

Human Resource Development Climate

		5	4	3	2	1
1.	The top management of this organization goes out of its climate way to make sure that employees enjoy their work.	5	4	3	2	1
2.	Development of the subordinates is seen as an important part of their job by the managers/officers here.	5	4	3	2	1
3.	The personnel policies in this organization facilitate employee development.	5	4	3	2	1
4.	The top management is willing to invest a considerable part of their time and other resources to ensure the development of employees.	5	4	3	2	1
5.	Senior officers/executives in this organization take active interest in their juniors and help them learn their job.	5	4	3	2	1
6.	People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended.	5	4	3	2	1
7.	Managers in this organization believe that employee behaviour can be changed and people can be developed at any stage of their life.	5	4	3	2	1
8.	People in this organization are helpful to each other.	5	4	3	2	1
9.	Employees in this organization are very informal and do not hesitate to discuss their personal problems with their super- visors.	5	4	3	2	1
10.	The psychological climate in this organization is very conducive to any employee interested in developing himself by acquiring new knowledge and skills.	5	4	3	2	1
11.	Seniors guide their juniors and prepare them for future responsibilities/ roles they are likely to take up.	5	4	3	2	1
12.	The top management of this organization makes efforts to identify and utilize the potential of the employees.	5	4	3	2	1
13.	Promotion decisions are based on the suitability of mechanisms promotee rather than on favoritism.	5	4	3	2	1
14.	There are mechanisms in this organization to reward any good work done or any contribution made by employees.	5	4	3	2	1
15.	An employee is appreciated by his supervisors when he does good work.	5	4	3	2	1
16.	Performance appraisal reports in our organization are based on objective assessment and adequate information and not on any favouritism.	5	4	3	2	1
17.	People in this organization do not have any fixed mental impression/mental reservations about each other.	5	4	3	2	1
18.	Employees are encouraged to experiment with and try out new methods and try out creative ideas	5	4	3	2	1
19.	When any employee makes a mistake his supervisors treat it with understanding and help him to learn from such mistakes rather than punishing him or discouraging him.	5	4	3	2	1
20.	Weaknesses of employees are communicated to them in a Nonthreatening way.	5	4	3	2	1
21.	When behavior feedback is given to employees they take it seriously and use it for development.	5	4	3	2	1
22.	Employees in this organization take pains to find out their strengths and weaknesses from their supervising officers or colleagues.	5	4	3	2	1
23.	When employees are sponsored for training, they take it seriously and try to learn from the programmes they attend.	5	4	3	2	1

24.	Employees returning from training programmes are given opportunities to try out what they have learnt.	5	4	3	2	1
25.	Employees are sponsored for training programmes on the basis of genuine training needs.	5	4	3	2	1
26.	People trust each other in this organization.	5	4	3	2	1
27.	Employees are not afraid to express or discuss their feelings with their subordinates.	5	4	3	2	1
28.	Employees do not feel afraid about their expression of/or culture discussion of their feelings with their superiors.	5	4	3	2	1
29.	Employees are encouraged to take initiative and do things on their own without having to wait for instructions from supervisors.	5	4	3	2	1
30.	Delegation of authority to encourage juniors to develop handling higher responsibilities is quite common in this Organization.	5	4	3	2	1
31.	When seniors delegate authority to juniors, the juniors use it as an opportunity for development.	5	4	3	2	1
32.	Team spirit is of high order in this organization.	5	4	3	2	1
33.	When problems arise people discuss these problems openly and try to solve them rather than keep accusing each other behind the back.	5	4	3	2	1
34.	Career opportunities are pointed out to juniors by senior officers in the organization.	5	4	3	2	1
35.	The organization's future plans are made known to the managerial staff to help them develop their juniors and prepare them for future.	5	4	3	2	1
36.	This organization ensures employee's welfare to such an extent that the employees can save a lot of their mental energy for work purposes.	5	4	3	2	1
37.	Job-rotation in this organization facilitates employee development.	5	4	3	2	1
38.	HRD climate helps in increasing employee's productivity.	5	4	3	2	1

ANNEXURE - B

Training & Development

1.	Induction training is given adequate importance now than in the past.	5	4	3	2	1
2.	Induction training is well planned exercise and is of sufficient duration.	5	4	3	2	1
3.	The senior officers take interest in and spend time with new recruits during induction training.	5	4	3	2	1
4.	There is a structured, widely shared training policy in your corporation based on its business needs.	5	4	3	2	1
5.	Employees are helped to acquire technical knowledge and skill through training.	5	4	3	2	1
6.	There is adequate emphasis on developing managerial capabilities of colleagues through training.	5	4	3	2	1
7.	Human relations competencies are adequately developed in this corporation through training in human skills.	5	4	3	2	1
8.	In the corporation, in-house training programmes are handled by competent senior officers.	5	4	3	2	1
9.	The senior officers are eager to help their juniors to develop their competencies through training.	5	4	3	2	1
10.	Employees returning from training are given adequate free time to reflect and plan improvements.	5	4	3	2	1

11.	External training programmes are carefully chosen after collecting enough information about their quality and suitability	5	4	3	2	1
12.	Experimental action oriented techniques, including game are used to training programs.	5	4	3	2	1
13.	Various methods are used to help employees learn and implement creative ideas.	5	4	3	2	1
14.	Corporation encourages and support self learning an education by its managers.	5	4	3	2	1
15.	Managers are provided opportunities to perform different tasks and acquire competencies.	5	4	3	2	1
16.	Training programs quality and the globalization of business is the very core of the corporation curriculum.	5	4	3	2	1
17.	Your organization training programs are evaluated and improved every year.	5	4	3	2	1
18.	The officers are sponsored for training programmes on the basis of carefully identified developmental needs.	5	4	3	2	1
19.	The officers sponsored for training go with a clear understanding of the knowledge and skills they are expected to acquire from training.	5	4	3	2	1
20.	Training helps in increasing employee's Productivity.	5	4	3	2	1

ANNEXURE – C

3. PERFORMANE APPRAISAL

1.	Periodic orientation programmes are conducted to explain the objectives and other details of the appraisal system.	5	4	3	2	1
2.	The appraiser generally spends time with their staff to discuss their performance.	5	4	3	2	1
3.	The appraiser does a thorough job on self- appraisal in terms of reviewing, reflecting and analyzing the factors affecting their performance.	5	4	3	2	1
4.	The performance review discussions are taken seriously by appraiser and sufficient time is spent on these discussions.	5	4	3	2	1
5.	The appraisal system helps appraiser to educate their subordinates to overcome their personal biases and favoritisms.	5	4	3	2	1
6.	The performance appraisal of employees by the officer in this corporation provides an opportunity for each employees to have a clear understanding of what is expected of a job?	5	4	3	2	1
7.	The appraisal system provides the employees effective feedback regarding their performance.	5	4	3	2	1
8.	The appraisal system helps appraiser to identify the needs of the employees.	5	4	3	2	1
9.	The appraisal system provides an opportunity for each employees to communicate the support he needs from his seniors to perform his job well	5	4	3	2	1
10.	The appraisal system provides an opportunity for self review and reflection.	5	4	3	2	1
11.	The appraisal system is based on all round feedback, that is, it involves all concerned parties.	5	4	3	2	1
12.	The appraisal system has scope for reflection and assessment of each	5	4	3	2	1

13.	The appraisal system encourages open communication between officers employees and peers through performance review discussion.	5	4	3	2	1
14.	The appraisal system has scope for correcting the biases of appraiser through a review process.	5	4	3	2	1
15.	The appraisal system aims at strengthening appraiser and appraises relationship through developing mutual trust.	5	4	3	2	1
16.	The appraisal system helps interested appraise to gain more insights into their strengths and weaknesses.	5	4	3	2	1
17.	The appraisal system has scope for communicating the corporation plans and goals to staff.	5	4	3	2	1
18.	The objectives of the appraisal system are clear to all appraise.	5	4	3	2	1
19.	Efforts are made by appraiser to see that appraise are objective in their appraisal of trainees.	5	4	3	2	1
20.	Performance appraisal helps in increasing employee's productivity.	5	4	3	2	1

ANNEXURE – D

Quality of work life

1.	You satisfied with the working conditions provided by the corporation.	5	4	3	2	1
2.	There is a harmonious relationship with your colleagues in the corporation.	5	4	3	2	1
3.	Sense of belongingness increase with the co-operation.	5	4	3	2	1
4.	You are given adequate and fair compensation for the work you do.	5	4	3	2	1
5.	The corporation does a good job of linking rewards to job performance.	5	4	3	2	1
6.	Do you feel that your works allow you to do in a particular area where you can do best?	5	4	3	2	1
7.	There is a balance between stated objectives and resources provided by the corporation.	5	4	3	2	1
8.	Do you feel comfortable and satisfied with your job?	5	4	3	2	1
9.	Quality of working life helps in increasing employee's productivity.	5	4	3	2	1

ANNEXURE – E

Employees Counseling

1.	The corporation believes that initiating special counseling session for employees is necessary.	5	4	3	2	1
2.	The corporation frankly tells your employees about their strengths and weakness.	5	4	3	2	1
3.	The corporation offer specific and concrete suggestions to your employees.	5	4	3	2	1
4.	Counseling take time to reflect about your own behavior and its impact on others in the organization.	5	4	3	2	1
5.	Counseling helps in increasing employee's productivity.	5	4	3	2	1

ANNEXURE – F

Reward system

1.	Your organization uses numerous rewards, including non financial ones to motivate employees.	5	4	3	2	1
2.	Rewards be the monetary and non monetary, are always objectively determined.	5	4	3	2	1
3.	Awards are as a technique for motivating both the employees and his/her family.	5	4	3	2	1
4.	Salaries and other benefits are innovatively packaged reviewed in a year.	5	4	3	2	1
5.	Rewards help in increasing productivity.	5	4	3	2	1

ANNEXURE – G

Employee Productivity

1.	Quantity of our employees' work output has improved over the past years.	5	4	3	2	1
2.	Over all employees targets achievements has improved over the past years.	5	4	3	2	1
3.	Employees feel happy to work in teams.	5	4	3	2	1
4.	Majority of our employees can work independently and they give high performance.	5	4	3	2	1
5.	Employees' in the organization have been enabled to make decisions well.	5	4	3	2	1

Table-1: Mean and Standard Deviation Results of 39. Item – HRD Climate Survey

1.	The top management of this organization goes out of its climate way to make sure that employees enjoy their work.	2.8296	.97576
2.	The top management believes that human resources are an extremely important resource and that they have to be treated more humanly	3.3367	.92632
3.	Development of the subordinates is seen as an important part of their job by the managers/officers here	3.5790	1.03190
4.	The personnel policies in this organization facilitate employee development.	3.1213	1.06132
5.	The top management Is willing to invest a considerable part of their time and other resources to ensure the development of employees.	2.4662	1.05412
6.	Senior officers/executives in this organization take active Interest in their juniors and help them learn their job.	2.0923	1.07645
7.	People lacking competence in doing their jobs are helped to acquire competence rather than being left unattended	3.1345	1.03925
8.	Managers in this organization believe that employee behaviour can be changed and people can be developed at any stage of their life	3.6820	.04123
9.	People in this organization are helpful to each other.	3.2021	1.06430
10.	Employees in this organization are very informal and do not hesitate to discuss their personal problems with their super visors	2.4320	1.05678
11.	.The psychological climate in this organization is very conducive to any employee interested in developing himself by acquiring new knowledge and skills.	3.0908	1.07430
12.	Seniors guide their juniors and prepare them for future responsibilities/ roles they are likely to take up.	3.2387	1.06792
13.	The top management of this organization makes efforts to identify and utilize the potential of the employees	2.7435	1.05478
18.	People in this organization do not have any fixed mental impression/mental reservations about each other.	3.0734	1.07790

HRD mechanism

14.	Promotion decisions are based on the suitability of the mechanisms ehavio rather than on favouritism.	3.0768	.77785
15.	There are mechanisms in this organization to reward any good work done or any contribution made by employees.	2.1268	.84131
16.	An employee is appreciated by his supervisors when he does good work.	3.6897	.93218
17.	Performance appraisal reports in our organization are based on objective assessment and adequate information and not on any favouritism.	3.2076	.86546
19.	Employees are encouraged to experiment with and try out new methods and try out creative ideas	2.7793	.95812
20.	When any employee makes a mistake his supervisors treat it with understanding and help him to learn from such mistakes rather than punishing him or discouraging him.	3.0913	.97785
21.	Weaknesses of employees are communicated to them in a non-threatening way.	3.0761	.87659
22.	When behavior feedback is given to employees they take it seriously and use it for development.	3.1340	.90230
23.	Employees in this organization take pains to find out their strengths and weaknesses from their supervising officers or colleagues	2.7709	.93104
24.	When employees are sponsored for training, they take it seriously and try to learn from the programmes they attend.	2.2113	.95092
25.	Employees returning from training programmes are given opportunities to try out what they have learnt.	2.7324	.85230
26.	Employees are sponsored for training programmes on the basis of genuine training needs.	3.0831	.97762
37.	This organization ensures employee's welfare to such an extent that the employees can save a lot of their mental energy for work purposes.	2.2321	.96567
38.	Job-rotation in this organization facilitates employee development	2.7812	.95665
39.	HRDC helps in employees productivity	3.1567	.67845
	Overall HRDM	2.92	.48539

OCTAPAC Culture

27.	People trust each other in this organization.	3.1902	.96523
28.	Employees do not feel afraid about their expression of/or culture discussion of their feelings with their superiors	2.1413	.95230
29.	Employees are not afraid to express or discuss their feelings with their subordinates.	3.0675	.97877
30.	Employees are encouraged to take initiative and do things on their own without having to wait for instructions from supervisors.	3.2373	.96622
31.	Delegation of authority to encourage juniors to develop handling higher responsibilities is quite common in this organization.	2.7098	.954822
32.	When seniors delegate authority to juniors, the juniors use it as an opportunity for development.	3.0765	.97321
33.	Team spirit is of high order in this organization	3.2198	.96809
34.	When problems arise people discuss these problems openly and try to solve them rather than keep accusing each other behind the back	2.7608	.85029
35.	Career opportunities are pointed out to juniors by senior officers in the organization.	3.0987	.96987
36.	The organization's future plans are made known to the managerial staff to help them develop their juniors and prepare them for future.	2.7698	.95490
	Overall OC	2.92	.44390
	OVERALL HRD CLIMATE	2.95	.45891

Table-2: Mean and Standard Deviation Results of 20 Item –Training Development Survey

Item No.	Statement	Mean	S.D.
1.	Induction training is well planned exercise and is of sufficient duration.	2.8614	1.06426
2.	The senior officers take interest in and spend time with new recruits during induction training.	3.0501	1.06980
3.	There is a structured, widely shared training policy in your corporation based on its business needs.	3.1532	1.04603
4.	Employees are helped to acquire technical knowledge and skill through training.	2.7689	1.05934
5.	There is adequate emphasis on developing managerial capabilities of colleagues through training	3.7120	1.03364
6.	Human relations competencies are adequately developed in this corporation through training in human skills	3.2156	1.06439
7.	In the corporation, in-house training programmes are handled by competent senior officers.	2.7548	1.05649
8.	The senior officers are eager to help their juniors to develop their competencies through training.	3.0782	1.07780
9.	Employees returning from training are given adequate free time to reflect and plan improvements.	3.1263	1.05012
10.	External training programmes are carefully chosen after collecting enough information about their quality and suitability.	3.7048	1.03762
11.	Experimental action oriented techniques, including game are used to training programs.	3.1345	1.04305
12.	Various methods are used to help employees learn and implement creative ideas.	3.0848	1.07879
13.	Corporation encourages and support self learning an education by its managers.	2.1277	1.04361
14.	Managers are provided opportunities to perform different tasks and acquire competencies.	2.7436	1.06109
15.	Training programs quality and the globalization of business is the very core of the corporation curriculum.	3.7325	1.03402
16.	Training programs quality and the globalization of business is the very core of the corporation curriculum.	2.2122	1.06838
17.	Your organization training programs are evaluated and improved every year.	2.7643	1.05621
18.	The officers are sponsored for training programmes on the basis of carefully identified developmental needs	3.1210	1.07635
19.	The officers sponsored for training go with a clear understanding of the knowledge and skills they are expected to acquire from training.	3.1325	1.04121
20.	Training helps in increasing employee's Productivity	3.2430	1.03364
	Overall TD survey	3.05	.37291

Table-3: Mean and Standard Deviation Results of 20 Item –Performance Appraisal Survey

Item No.	Statement	Mean	S.D.
1.	Periodic orientation programmes are conducted to explain the objectives and other details of the appraisal system.	2.4502	1.04904
2.	The appraiser generally spends time with their staff to discuss their performance.	3.7101	1.03437
3.	The appraiser does a thorough job on self- appraisal in terms of reviewing, reflecting and analyzing the factors affecting their performance.	3.2129	1.05609
4.	The performance review discussions are taken seriously by appraiser and sufficient time is spent on these discussions.	2.7654	1.05861
5.	The appraisal system helps appraiser to educate their subordinates to overcome their personal biases and favourtisms.	3.1279	1.06437
6.	The performance appraisal of employees by the officer in this corporation provides an opportunity for each employee to have a clear understanding of what is expected of a job?	3.1349	1.04761
7.	The appraisal system provides the employees effective feedback regarding their performance.	2.6579	1.04989
8.	The appraisal system helps appraiser to identify the needs of the employees.	3.6890	1.02987
9.	The appraisal system provides an opportunity for each employees to communicate the support he needs from his seniors to perform his job well.	3.2346	1.05678
10.	The appraisal system provides an opportunity for self review and reflection.	2.7890	1.05980
11.	The appraisal system is based on all round feedback, that is, it involves all concerned parties.	3.0783	1.07120
12.	The appraisal system has scope for reflection and assessment of each employee on the personality factors.	3.1342	1.04581
13.	The appraisal system encourages open communication between officers, employees and peers through performance review discussion.	3.6890	1.04231
14.	The appraisal system has scope for correcting the biases of appraiser through a review process.	3.1567	1.04340
15.	The appraisal system aims at strengthening appraiser and appraises relationship through developing mutual trust.	3.6870	1.03679
16.	The appraisal system helps interested appraise to gain more insights into their strengths and weaknesses.	3.2189	1.06923
17.	The appraisal system has scope for communicating the corporation plans and goals to staff.	2.7721	1.05327
18.	The objectives of the appraisal system are clear to all appraise.	3.0761	1.07671
19.	Efforts are made by appraiser to see that appraise are objective in their appraisal of trainees.	3.1290	1.04780
20.	Performance appraisal helps in increasing employee's productivity.	3.1280	1.03712
	Overall PA	3.02	.43281

Table-4: Mean and Standard Deviation Results of 9 Item –Quality of working Life survey

Item No.	Statement	Mean	S.D.
1.	You satisfied with the working conditions provided by the corporation.	3.6943	1.03029
2.	There is a harmonious relationship with your colleagues in the corporation.	3.2093	1.06823
3.	Sense of belongingness increase with the co-operation.	3.7746	1.05826
4.	You are given adequate and fair compensation for the work you do.	3.0845	1.07897
5.	The corporation does a good job of linking rewards to job performance	2.1268	1.04101
6.	Do you feel that your works allow you to do in a particular area where you can do best.	3.7042	1.03364
7.	There is a balance between stated objectives and resources provided by the corporation.	2.2113	1.06792
8.	Do you feel comfortable and satisfied with your job?	2.4512	1.05826
9.	Quality of working life helps in increasing employee's productivity.	3.2954	1.07897
	Overall QWL	3.09	.36983

Table-5: Mean and Standard Deviation Results of 5 Item – Employees Counselling Survey

Item No.	Statement	Mean	S.D.
1.	The corporation believes that initiating special counseling session for employees are necessary.	2.6563	1.03209
2.	The corporation frankly tells your employees about their strengths and weakness	2.2097	1.06581
3.	The corporation offer specific and concrete suggestions to your employees.	2.7723	1.05923
4.	Counselling take time to reflect about your own behavior and its impact on others in the organization.	2.0798	1.07710
5.	Counseling helps in increasing employees productivity	2.8996	1.04208
	Overall EC	2.57	.34529

Table-6: Mean and Standard Deviation Results of 5 Item –Compensation/ Reward System .

Item No.	Statement	Mean	S.D.
1.	Your organization uses numerous rewards, including non financial ones to motivate employees	3.7132	.92269
2.	Rewards be the monetary and non monetary, are always objectively determined.	3.3312	1.06492
3.	Awards are as a techniques for motivating both the employees and his/her family	2.7567	.95431
4.	Salaries and other benefits are innovatively packaged and reviewed at least twice a year.	2.0703	1.07695
5.	Rewards help in increasing productivity	3.1565	.95912
	Overall CS	3.02	.31995

Table-7: Mean and Standard Deviation Results of 05 Item–Employees Productivity Survey

Item No.	Statement	Mean	S.D.
1.	Quantity of our employees' work output has improved Over the past years.	3.8041	1.03566
2.	Over all employees targets achievements has improved over the past years.	3.1921	.95992
3.	Employees feel happy to work in teams.	3.7746	1.06823
4.	Majority of our employees can work independently.	3.0847	.96612
5.	Employees' in the organization have been enabled to make decisions well.	3.1369	.93908
	Overall EP	3.39	29643..

LIST OF TABLES

LIST OF FIGURES

ABBREVIATIONS

LIC	Life Insurance Corporation
ANOVA	Analysis of Variance
OLICE	Oriental Life Insurance Company
GATT	General Agreement on Trade and Tariff
RBI	Reserve Bank of India
GIC	General Insurance Corporation
UK	United Kingdom
ATM	Automatic Teller Machine
RBI	Reserve Bank Of India
LPG	Liberalisation, Privatization, Globalisation
ULIP	Unit Linked Investment Plans
IVRS	Interactive Voice Response System
IRDA	Insurance Regulation Development Authority
SSS	Small Saving Schemes
MAN	Metropolitan Area Network
OCTAPAC	Openness, Confrontation, Trust, Autonomy, Pro- activity, Authenticity and Collaboration.
OD	Organization Development
OJT	On the job training
SPSS	Statistical Package for Social Sciences
HRD	Human Resource Development
HR	Human Resource
DOPA	Development Oriented Performance appraisal
QWL	Quality of working Life
AAO	Assistant Administrative Officer
AO	Administrative Officer
ADM	Assistant Divisional manager
DM	Divisional Manager
HRDC	Human Resource Development Climate
TD	Training and Development
PA	Performance Appraisal
EC	Employees Counselling
RS	Reward System
CS	Compensation System

About Author

Dr. Rita is currently working as an Associate Professor & HOD in department of Master of business administration at Swami Devi Dyal Group of Professional Institution, Barwala (Panchkula) affiliated to Kurukshetra University Kurukshetra. She has more than 15 years of Teaching, Research & Administrative experience. She has published and presented several papers in national & International journals & conferences and attended various faculty development programmes. She has given Guest lectures in National & International Conferences, Seminars and workshops. She has also published 3 books in the field of Economics, Management & Insurance.

About the Book

This book HRD practices in LIC essentially implies the focus on six practices of human resource development in Life Insurance Company and their impact on employee's productivity especially the four divisions of northern zone. The analysis of these practices is aimed at finding out appropriate solutions and suggesting necessary corrective measures to exploit the employee's productivity of LIC employees. This analysis is based on the data collected through a sample survey using a questionnaire.

The analysis shows that HRD practices are just above an average in LIC which indicates that not only help a corporation to achieve sustained growth but also provide competitive edge. This book provides the students with the broad framework of theory as well as practical aspects of insurance sector. In the addition of the useful sources of information related to insurance perspective, there is variety of tools such as styles, figures tables and graphs are used to provide more adapting view to researchers and managers and make the research easier for them.