

## THE IMPACT OF GLOBALIZATION TOWARDS EMPLOYEE PERCEPTION AND ATTITUDE WITH SPECIAL REFERENCE TO LIFE INSURANCE COMPANIES EMPLOYEES IN TIRUCHIRAPPALLI

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### ABSTRACT

In any organization, the most valuable input is the human element. The most valuable of all capital is that invested in human being. It is difficult for organizations to avoid change and normally people always resist change. Human Resource is having own strengths, emotions, feelings, attitudes and beliefs and it is very difficult to control the above factors. This study is focused towards assessing the attitudes of people toward their job, pay, working conditions or the organization as a whole. Thus the sources of employee satisfaction and dissatisfaction may be identified. If the organization manages the above factors of the employees positively, I will bring Positive result. In a company's balance sheet, normally human resource will not be considered as assets. The physical assets are having depreciable but human resource is having appreciable value if their perception and attitude are in a right direction. The sample size is 100 respondents and it has been collected from the employees working in Insurance companies in Tiruchirappalli. The tools used for the study are one way-ANOVA, Correlation analysis and Multi-regression analysis. It is found that most of the respondents feel that the technology aspects are the final factor which determines the leader in the competitive market.

**KEYWORDS:** Strengths, Emotions, Feelings, Attitudes, Beliefs, Globalization, Perception and Attitude

### INTRODUCTION

Human resource is a vital resource to any organization like any other material or economic resources. Unlike other factors human resources have the unique characteristics that there is no limit for utilization of the ability and skill if they are offered voluntarily.

In other words, among the various factors, the only resources that has its own strength emotions, attitude, and feeling and believes etc., thus management of this factor is not only an important task but also a difficult task. The quality of output cannot be made to exceed the quantity of material inputs. Machines can be worked only up to a limit if exceeded will lead to a breakdown. But on the other hand human beings at work in a manufacturing concern if inspired and motivated to work will bring surprising results.

There is a fundamental truth in the cliché that, "people are an organization's most important assets". In every organization human resources is a pivotal variable without which the inanimate assets are worthless like cash put into a savings A/C. Human resources can appreciate in value. It is therefore of prime importance to understand human behavior and influence it in a particular direction for the attainment of the desired goals and for the getting maximum contribution from workforce for increased productivity and satisfaction of employees.

### Associate Relationship



**Figure 1**

### Brief History of the Insurance Sector in India

The insurance sector in India has come in a full circle from being an open competitive market to nationalization and back to a liberalized market again. Tracing the developments in the Indian insurance sector reveals the 360-degree turn witnessed over a period of almost 190 years. The business of life insurance in India in its existing form started in India in the year 1818 with the establishment of the Oriental Life Insurance Company in Calcutta.

### Some of the Important Milestones in the Life Insurance Business in India are

**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 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. The General insurance business in India, on the other hand, can trace its roots to the Triton Insurance Company Ltd., the first general insurance company established in the year 1850 in Calcutta by the British.

### Some of the Important Milestones in the General Insurance Business in India are

**1907** - The Indian Mercantile Insurance Ltd. set up, the first company to transact all classes of general insurance business.

**1957** - General Insurance Council, a wing of the Insurance Association of India, frames a code of conduct for ensuring fair conduct and sound business practices.

**1968** - The Insurance Act amended to regulate investments and set minimum solvency margins and the Tariff Advisory Committee set up.

**1972** - The General Insurance Business (Nationalization) Act, 1972 nationalized the general insurance business in India with effect from 1st January 1973.

**107** insurers amalgamated and grouped into four company's viz. the National Insurance Company Ltd., the New India Assurance Company Ltd., the Oriental Insurance Company Ltd. and the United India Insurance Company Ltd. GIC incorporated as a company.

## **REVIEW OF LITERATURE**

### **Introduction to Globalization**

#### **Perceptions of globalization**

"One of the great myths of corporate globalization is that it will end poverty. It will not! It creates enormous wealth, but only for the elite who benefit from consolidation, mergers, the surge of global-scale technology and financial activity. For the past 50 years — and this is seen in statements by the World Bank and others — the world has seen more poverty than ever and the situation is worse." **Anita Roddick**

The last twenty years of economic development, which has been called the globalization age, was a period when there was a massive improvement in the quality of life for billions of people All over the world. Private sector investment – both local and foreign invested –increased; each year, about 6 million new firms are being created in the world (net of closures).

In our constitution the state has been assigned the responsibility. "To promote the welfare of the people by securing and protecting, as effectively as it may, a social order in which justice, social, economical and political, shall inform all the institutions of the national life". The decision to take up planned economic development under the overall direction of the state was the operational part in the economic sphere of that declaration. In a practical sense there has been no country in the world, especially in the second half of the 20th century, where the state did not play prominent role in economic affairs. Even in leading capitalist countries, such as the United States, the state has emerged as a prominent entity in economic matters either to counteract the periodic cyclical fluctuations or to attend to a wide range of welfare measures, such as doles for the unemployed or security provisions for the aged.

The recommendation of the fifth central pay commission, has triggered wide spread agitation among workers of several government departments. The situation continues to be complicated and trapped within contradiction. The Voluntary Retirement Scheme (VRS) or the golden handshake has become the main tool of retrenchment of workers in the Public Sector Enterprises (PSEs). It is worth enquiring into how workers and trade unions address this issue. Disinvestments, rationalization and VRS continue to be the key words to describe PSUs India's industrial backbone. The sector has been mass revolts workers resorting to agitation to safeguard their interests.

Globalization as it operated today is more driven by market expansions without due regard for social outcomes. Market dominated the political and social outcome. Activities and programs critical for human development are squeezed, by pressure from the global competition.

## **RESEARCH METHEDODOLOGY**

Research refers to a search of knowledge. The pattern in which a research is carried out arrives at a conclusion or to find new relationship with in a particular framework called Research Methodology. It is a blue print that is followed in

completing the study. It also refers to the various sequences of steps carried out to achieve a task.

**Research Design:** Descriptive Research Design

**Data Collection:** Primary Data and Secondary Data

**Population:** The employees working at Life Insurance companies is my total Population

**Sampling Method:** Simple random sampling

**Sample Size:** 100 employees of Life Insurance companies

## OBJECTIVES

- To assess whether modernization has been made after the concept of globalization.
- To assess employee perception about globalization.
- To assess the technical changes of adopting the globalization in the organization.

## SCOPE OF THE STUDY

Scope of the study is to discuss the impact of globalization towards employee perception and attitude in LIC. This research includes the study of skill, technology changes, career growth and workload situations of the impact of globalization.

## Limitation

- The survey was confined to employees of Tiruchirappalli region only.
- Respondents were apprehensive and expressed reservations in giving information to some questions.
- Lack of co-operation from the respondents.

## TOOLS FOR ANALYSIS

Statistical package for social sciences (SPSS) is meant for statistical analysis of data. It has got tools to obtain accurate results.

These tools are used in scientific calculations to derive accurate results. This is mainly used because manual errors are totally avoided. Using the tools the researcher will arrive at a faster at the same time 100% error free conclusions.

## Statistical Tools Used

- One way-ANOVA
- Correlation analysis
- Multi-regression analysis

**Correlations**

**Table 1**

Factors		Private sector	Quality	New Investment	Career Growth
Private sector	Pearson Correlation	1	.741(**)	.207(*)	.497(**)
	Sig. (2-tailed)		.000	.039	.000
	N	100	100	100	100
Quality	Pearson Correlation	.741(**)	1	.239(*)	.379(**)
	Sig. (2-tailed)	.000		.017	.000
	N	100	100	100	100
New Investment	Pearson Correlation	.207(*)	.239(*)	1	.039
	Sig. (2-tailed)	.039	.017		.699
	N	100	100	100	100
Career Growth	Pearson Correlation	.497(**)	.379(**)	.039	1
	Sig. (2-tailed)	.000	.000	.699	
	N	100	100	100	100

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

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

**Inference**

From the above analyze all the factors are positively correlated and all the above factors. But the highly positive correlated factors private sectors with quality, poor correlation factor is new investment with career growth are find in the correlation analysis.

**Multiple Regression Analysis**

**Table 2**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.643(a)	.413	.388	.837

Predictors: (Constant), New Skills, Modernization, Success in Environment, Technology Changes

**Coefficients (a)**

**Table 3**

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta	B	Std. Error
1	(Constant)	-.163	.382		-.427	.671
	Success Environment	.168	.085	.173	1.989	.050
	Modernization	.099	.093	.092	1.066	.289
	Technology Changes	.415	.100	.358	4.130	.000
	New Skills	.325	.093	.313	3.514	.001

A Dependent Variable: Competitions

The Multiple regression equation for the model is

$$Y = 1.63 + 0.168(\text{success environment}) + 0.99 (\text{modernization}) + 0.415 (\text{Fair technology Changes}) + 0.325 (\text{New Skills})$$

Skills)

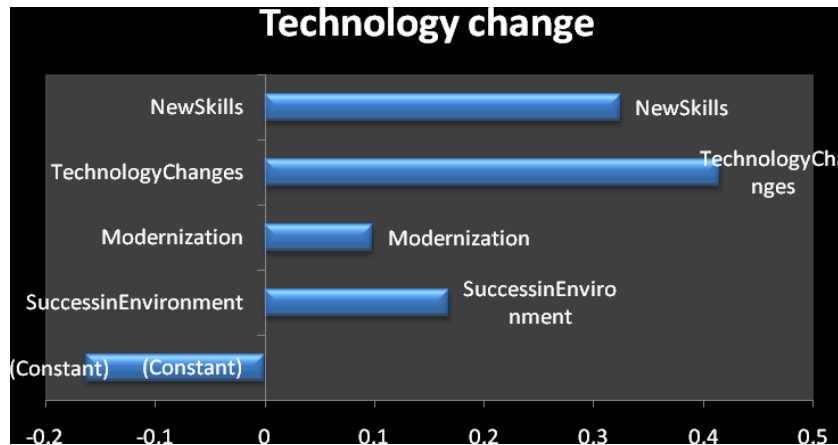


Figure 2

**Inference**

From above analysis it is found that a Fair technology change is most important factor in the context of globalization.

**ANALYSIS OF VARIANCE**

**Null Hypothesis (H<sub>0</sub>):**

All the factors are same for all the categories of age group.

**Alternative Hypothesis (H<sub>1</sub>):**

All the factors are not same for all the categories of age group

**Inference**

From the One way ANOVA analysis to compare means about the age with factors of globalization. This variable to be find which factors are same or not in the categories.

The following factors are modernization, success environment, posses the skills, and work load is different from the age groups. Other variables are satisfied the age groups of globalization factors.

Table 4: ANOVA

Attributes	Sum of Squares	Df	Mean Square	F	Sig.
Private sector	31.730	4	7.933	7.748	.056
Quality	29.741	4	7.435	8.096	.050
Customer Satisfaction	29.056	4	7.264	7.428	.060
Modernization	12.982	4	3.246	3.659	.008
New Investment	12.148	4	3.037	3.344	.013
Technology Changes	4.608	4	1.152	1.368	.251
New Skills	6.858	4	1.714	1.653	.167
Competitions	3.692	4	.923	.799	.529
Employee Benefits	8.659	4	2.165	1.786	.138
Success Environment	17.739	4	4.435	4.164	.004

High skill	7.967	4	1.992	2.079	.090
Posses the skills	20.088	4	5.022	2.970	.023
Economical Development	11.539	4	2.885	2.412	.054
Career Growth	10.381	4	2.595	2.194	.075
Workload	14.578	4	3.645	3.050	.021

## FINDINGS

- According to correlation analyze the highly positive correlated factors private sectors with quality; poor correlation factor is new investment with career growth is found in correlation analysis.
- According multiple regression analysis it is found that a Fair technology change is most important factor in the context of globalization.
- According to the **Analysis of variance (ANOVA)**, The following factors are modernization, success environment, posses the skills, and work load is different from the age groups. Other variables are satisfied the age groups of globalization factors.

## SUGGESTIONS

Management can confirm whether the workload of the employee is in proportion of the employee force

In the time of technology changes the training is very helpful to handle the certain change in the process of new strategies

Impact of globalization the private sector performance is in high so that to maintain the high performance by the way of modernize their structure and strategies.

## CONCLUSIONS

Thus globalization has made a revolution among employee's perception and attitude. The present descriptive study helps to know that majority of the respondents' feels the impact of globalization is increase economic development of the country, organization performance and their life style also.

Most of the respondents feels the technology aspects is the final factor can be a leader in the competitive market. With regards to globalization employees are willing to acquire new knowledge at the same time they need the job rotation.

This will help to make the organization a leading one in the global market.

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