

**INVESTMENT DECISIONS AND CHALLENGES OF WORKING
WOMEN POLICYHOLDER TOWARDS LIFE INSURANCE
CORPORATION IN CHENNAI CITY**

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ABSTRACT

Indian Life insurance sector is growing at a faster rate. The contribution of this industry becomes a tremendous change in economic growth and employment. The great extent of importance realized after it has opened to the private players in the post liberalization period. With many players in business, the insurance regulatory and development authority came with innovative and constructive guidelines for both products and services. It was a period where companies were getting major revenue out of their flagship Unit linked policies. During that time, both technology and investment knowledge were the key to success. Not only it was tough to convert from traditional to Unit linked products but also it was a challenge to keep the profitability. Policy holder preference, attitude, investment decision, problems and challenges are acting as catalyst with the Life insurance. The policy is procured through advisors; internal marketing and motivation to them cannot be avoided. This paper studies the investment decision and challenges of working women towards the life insurance corporation of India in Chennai city so that to overcome this issue. The suggestion and recommendation will help both academicians and industry personnel to revamp their thought in life insurance sector.

KEYWORDS: *Life insurance policies, Investment decision, Policyholder.*

INTRODUCTION

Insurance is one of the demanding financial products in India. Its basic motto is to protect the family of any uncertainty in life. It is a long term investment so the policy holder should have knowledge about the pros and cons of Life insurance before them investing in it. In the post liberalization era, insurance has attracted many private players from different parts of the country to start business in India. India as a country has potential for growth of this business. With the upcoming of regulator in the year 2000, the business in India became more streamlined. Large players along with customer choice results severe competition. Life Insurance Corporation of India in one end Product innovation, profitable growth, multi channel distribution and ethical practices in business are few factors to be considered. This study investigates the certain variable

like Demographic profile of insured women, Decision making behaviour on Investment and Problems faced by women towards Life Insurance Corporation.

LITERATURE REVIEW:

Prof. Prashanta Athama and Prof. Ravikumar (2007) in their study identified the factors which the consumers take into consideration before selecting the life insurance products. They classified those factors into product attributes and non-product attributes. They found that urban policy holders and product attributes like product features, risk coverage, product flexibility, surrender of policy, loan against policy, revival of lapsed policy, grace period, and maturity period, are positively associated. So they suggested that insurer should concentrate on improving the product attributes to have more penetration in urban areas. On the other hand, they found that rural policy holders and non-product attributes like agents and company are positively associated. So they suggested that insurer should concentrate on improving the non-product attributes to have more penetration in rural areas.

G. Gopalkrishna in his article narrates that the basic policy of settling a claim of time is to give the client benefits as early as possible; and to serve the purpose for which they bought the insurance product. He says a repeat business from a deceased policy holder's family goes to prove the faith the people have in life insurance, sales efficiency of the agent and the alertness of the office.

G. V. Rao in his article has opined that insurance is a mind game and exercising imagination to scale new heights in customer service is a must. Seamless service to customers, without fragmenting the company's convenience, increases the productivity and the innovative ways of doing the current work. Customers should be asked how they perceive their services. They can see what is wrong with the companies

STATEMENT OF THE PROBLEM

After reviewing the above literature, it is examined that there is no major study conducted on the Investment decision and challenges faced by women policy holder in life Insurance. This study signifies that briefly to analyze the challenges and investment decision of women policy holder in Life Insurance Corporation in Chennai with the selected number of sample size.

OBJECTIVES OF THE STUDY

1. To ascertain the socio-economic profile of women Policy holder in association with Life Insurance Corporation in Chennai.
2. To find out the investment decision making behaviour on life insurance by an insured women in Chennai
3. To identify the problem faced by selected women policy holder in Chennai

RESEARCH METHODOLOGY

The descriptive research design was used in this study. This study uses primary data. The primary data was collected from one hundred and ten sample respondents by using interview schedule method from Chennai. Samples were chosen by adopting simple random sampling method. The questionnaire has been prepared in such a way that the respondents are able to express their opinion freely in a written manner. A well structured questionnaire was framed with the help of the Research Supervisor, the research experts and the LIC agents in the study

area. It was the main tool used to collect the pertinent data from the selected sample respondents. The data collected from the research are classified and tabulated. Simple statistics such as frequency analysis and correlation techniques are adopted in the present study in explanations to bring out the point more clearly. The sampling target groups include various types of life insurance women Policy holder's in which important variables like age, income, education, occupation, no of policies and the problems faced by an insured women are taken in to consideration. Sample size taken for this study is 100 for the researcher convenience and the simple random sampling method was incorporated.

ANALYSIS AND INTERPRETATION

The detail analysis is done for knowing the status of socio – economic profile of women life insurance policy holder in Chennai by comparing with the of LIC policy holding, how long they associate with the LIC in Chennai, where women policy holders are working and investment contribution towards the LIC of India. The below mentioned table which meet out the need of first objective of this paper.

TABLE: 1 SOCIO ECONOMIC PROFILE ABOUT SELECTED WOMEN RESPONDENTS IN CHENNAI

CROSS TABLE ANALYSIS						
No of LIC Policy holding	Age	Income				Total
		<300000	300001-500000	500001-700000	>700001	
One policy	20-25	3	-	-	-	3
	26-35	6	15	-	-	21
	36-45	2	4	1	-	7
Two Policy	26-35	1	8	1	-	10
	36-45	5	7	17	-	29
	46-55	1	3	6	-	10
	above 55	1	-	-	-	1
More than two	26-35	-	-	1	-	1
	36-45	1	2	7	-	10
	46-55	-	1	5	1	7
	above 55	-	-	-	1	1
Total		20	40	38	2	100

INTERPRETATION:

The above table inferred that 300001- 500000 of women income holder mostly preferred to invest their amount with the LIC. And 36 to 45 aged women are holding two policies with the worth of 500001-700000.

TABLE: 2

CROSS TABLE ANALYSIS						
Association with LIC	Work Place	Investment				Total
		1-3 lakh	4-5 Lakh	8-11 lakh	above 12 lakh	
0-3 years	private org	14	4	-	-	18
	govt org	-	1	-	-	1
3.1-7 Years	private org	4	6	3	-	13
	govt org	4	3	5	-	12
	self employed	-	2	-	-	2
7.1-11 Years	private org	4	2	5	-	11
	govt org	-	4	8	-	12
	self employed	-	3	2	-	5
above 11 Years	private org	-	-	-	1	1
	govt org	1	5	10	3	19
	self employed	-	1	4	1	6
		27	31	37	5	100

INTERPRETATION:

The above table inferred that working in private organisation women are par with government employee in investing with LIC. And the 37% of women invested their amount in Rs. 8-11 lakh for their life coverage with LIC.

TABLE: 3

H0: There is no positive relationship between age and investment decision making behaviour on life insurance corporation policies.

H1: There is a positive relationship between age and investment decision making behaviour on life insurance corporation policies

RELATIONSHIP WITH AGE AND DECISION MAKING BEHAVIOURAL FACTORS								
Pearson correlation	Uncertainty about future	Financial support	Tax benefit	Retirement benefit	Loan assistance	Avoid capital loss	One of the avenue	Child future
	.086	.022	-.177	.008	.081	.031	-.041	.235
	Sig. .397 (2-tailed)	.829	.077	.940	.422	.757	.682	.018

INTERPRETATION:

The above correlation tool between age and decision making behavioural factors interpreted that there is a positive correlation between age and child future decision factor will be high and followed that uncertainty about future, loan assistance, avoid capital loss, financial support and

retirement benefit. There is no correlation between age and decision making behavioural factor in tax benefit and one of the avenue.

Most of the physiological study says that most of the women are always live their life for their dependencies. In this study also reveals the same that most of the insured women were investing their money for their child future.

TABLE: 4

Sl. No	PROBLEMS IN LIC	Frequency
1	Poor service	19
2	At the time of claim settlement	15
3	Lack of professionalism	13
4	Poor returns	4
5	False promise	2
	WOMEN INDIVIDUAL PROBLEM	
6	Investments done on their Dependency influences.	21
7	Problem in payment of premium in stipulated time by the various reason	14
8	Problem in acquiring their own survival benefit	12
Total		100

The insured women were facing the many problems with LIC services and their individual issues. In this study helped to find out that which problematic factor were highly associated with an insured women. The above table inferred that individual problem is more than the problem in LIC.

FINDINGS OF THE STUDY:

- 4% of the insured women getting annual income between Rs. 300001- 500000.
- 29% of 36-45 aged women are possessed two policies.
- 37% of the women policy holder invested their amount in Rs. 8-11 lakh for their life coverage with LIC.
- 18% of Private women employees were obtaining the LIC policy for the past 0-3 year.
- Government employees of women were highly associated with the LIC for their investments for more than 11 years.
- Correlation Statistical tool were applied to identify the relationship between age and investment decision making behavioural factor. In that research found that There is a positive correlation between age and child future decision factor will be far above the ground and followed that uncertainty about future, loan assistance, avoid capital loss and financial support. There is negative correlation between age and tax benefit and life insurance is the one of the avenue factor.
- The insured women are facing the many problems with the LIC and their individual issues. In this study found that individual problem is more than the problem in LIC.

SUGGESTIONS:

Life insurance Corporation of India says that the working women are par or equal with men and no way to undervalued them. The researcher also agrees the same but it is not applicable in all

the cases because women though they are working independently or equal with men still women are dependent with father, husband, and their children and with many relationships.

Though this study reveal that most of the women invest their money for their children but LIC shown in their annual report that children plan are for behind than the other plan. So LIC should concentrated much on the feature of children plan for the better investment choice by the policy holder.

Life Insurance Corporation of India should concentrate much than before in providing service or assist to policy holder especially in claiming time and claiming documentation formalities.

CONCLUSION:

The Investment purpose of women today is for securing their self or their children's future and this leads to an active role in the financial decision-making process within the family. The incidence of women investing in insurance rush forwarded to touch 60 percent in 2013. In India Nearly half (49%) of the female respondents cited their children's future as the main reason for investing in life insurance and 44 percent indicated that life insurance was important in case of untimely death. This shows how important it is for marketers and advertisers of life insurance products to actively involve and engage women in their communication. This study also reveals the same but need to give special attention to women, critically incident women and their survival benefit.

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