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Research Paper

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INVESTIGATION ON LEVEL OF PERCEPTION OF RESPONDENTS ABOUT LIC'S IT ASSETS

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ABSTRACT

Information technology (IT) is the use of any computers, storage, networking and other physical devices, infrastructure and processes to create, process, store, secure and exchange all forms of electronic data. Companies without IT and internet in the new world cannot get benefit in their business better than others. For publics also it is serious to know about technology for have an improved life. Life Insurance Corporation (LIC) is the well-known and only one insurance Company which established and supported with the government in India and in this study, LIC Company examined in proficiency and usage of IT by the questionnaire which spends within Customers and Employees. According to the result of the SPSS analysis, Customers of LIC in different education have a different perception about LICs IT assets but for Employees, it's not correct. The result of the study also proved that the Employees and Customers of LIC have a different level of perception about LIC to applying new technologies in its job.

KEYWORDS *(Information Technology, Hardware, PC, Software, Administrator, General IT, IT assets, Insurance, LIC)*

INTRODUCTION

A life insurance policy is an agreement between the insurer and policyholder which the insurer will pay a specific sum of cash if the policyholder passes away or whatever other indicated possibility happens. So insurer takes a premium sum from the approach holder. (LIC) is an Indian state possessed insurance and Venture association headquartered in Mumbai and in reality it is the greatest insurance office in India. The company was sorted out in 1956 when the Parliament of India passed the fiasco security of India act that nationalized the privet assurance industry in India more than 245 insurance organizations were united to make the state had Life Insurance Corporation.

Investments in information technology (IT) by U.S. firms has developed at a quick pace throughout the most recent two decades, with the yearly growth in genuine investment topping at a normal of 24% in the 1995 to 2000 period, somewhere in the range of five times the development rate of investment in different sorts of hardware(Doms 2004).

Enhancing consumer loyalty is one of the prime inspirations for making information technology (IT) investments, since overwhelming investment in IT, assets as of late is an impression of the business conviction that IT assets can improve the business client interface (Chopra & Meindl, 2003).

Technology has empowered the Insurer to advance new items, give better customer service and more profound and more extensive insurance scope to them.

The rapid innovation in the field of information technology has posed serious challenges for the insurance industry. The use and application of the information technology in a wide variety of insurers operations have now become strategic in the sense that has a direct impact on the productivity of resources and a sweeping impact on reducing the cost of various activities. In recently all company without IT and internet cannot alive in business. It is essential to know about technology for have a better life. If we want to join or use any facilities of any things we should know at least something about IT.

The researcher assesses tow objectives in this paper which the first is to study the proficiency in IT assets among educational groups of LIC customers and employees and second is to study the level of perception of the respondent of LIC about proficiency in IT assets in Mysore district.

This study is limited to Mysore district and another parts or City of India are not examined. The respondents are only 303 customers and 100 employees of LIC and not total respondents of LIC. Also, the study is limited to selected life insurance corporation and, therefore, the findings cannot be generalized to whole insurance industries.

REVIEW OF LITERATURE

Life insurance

Kotgiri, S. (2013), has focused on working with insurance players in Indian scenario and comparison in terms of growth in the insurance industry and trend of customers of investing amount in particular plans. Some important aspects like a number of investment habits changes in the attitude of customer's investment, the importance given to the type of business organization are likewise analysed.

Sinha, A. (2013) has made a study of the life insurance sector in India. Understanding the level of soundness of the life insurers - Bajaj Allianz Life Insurance and ICICI Prudential Life Insurance which were his sample for research, was the highest purpose of his analytical study. The methodology that he used is the Caramels framework developed by the International Monetary Fund to understand financial strengths and weaknesses of different segments like insurance, banking, etc. Actually, the Caramels model acts as a framework which reflects different factors for determining the accuracy of organizations spread across different businesses. The study on ICICI Prudential Life Insurance and Bajaj Allianz Life Insurance gave mixed outcomes. Several areas have been identified which require a lot of upgrading.

Singh, S., & Chaudhary, N. J. S. M. K. (2014) stated that the Economic performance of insurance companies is the result of customers satisfaction and their perception of service quality of the insurers. Their study concentrated on perception of customer about service quality as provided by the Life Insurance companies. 139 respondents from Delhi NCR Region were the sample of research. Their study has found that there are four main reasons which influence customer perception of service quality, responsiveness and assurance, convenience, physical and empathy. The demographic factors have no significant impact on the customer perception except age of respondents.

Information technology on insurance

Information and communications technologies are a device set of technological implements and resources used to communicate rural people about to distribute awareness, make interest enrol objectives of insurance. In the other word, information communication technology and its tools that societies use to share, distribute, information collecting and to communicate with insurance suppliers, or in groups, through the use of media such as print, visual and interconnected computer networks.(Varadaraju Thamodaran, Mahalingam Ramesh 2010).

Mithas, S., Tafti, A. R., Bardhan, I., & Goh, J. M. (2012) with use of archival data from 1998 to 2003 for 400 international firms and mentions that IT has a positive impact on profitability. Extremely, the effect of IT investments on sales and profitability is higher than that of other investments, such as R&D and advertising. Accounted for by IT-enabled revenue growth is a main share of IT's impact on firm profitability, but there is no proof for the effect of IT on profitability through operating cost decrease. They concluded firms have had better success in achieving higher profitability through IT-enabled revenue growth than through IT-enabled cost reduction. They also afford important suggestions for managers to make apportionments among discretionary expenditures such as IT, advertising, and R&D.

Sunday Adekunle Aduloju (2014) found out whether IT managerial capabilities and IT investments can account for differences in customer service performance among insurance companies in Nigeria. He has Used Questionnaire and the data gathered from 402 staff at the managerial level from the selected insurance companies in Nigeria, which have been the biggest investors in Information technology, and where customer service is usually perceived as tactically important. A major finding of his study was that IT is a necessary, but not sufficient, condition for sustainable competitive advantage in customer service. Results showed that the interaction of IT investments and tacit, path-dependent, and firm-specific IT managerial capabilities significantly explains variations in customer service performance. Only accompanied developing IT managerial capabilities, should be investments in IT.

HYPOTHESIS

H1: There are no significant means different in LICs IT assets score among perception of a different educational group of respondents of LIC.

H2: There are different significant levels of perception of respondents about LIC s IT assets.

RESEARCH METHODOLOGY

For carrying out the study, data is collected from both primary and secondary data. The primary data collection tools which used are a personal interview of LIC Employee and Customers, focus group discussion, a questionnaire from 303 customers and 100 employees of LIC and observation to collect primary data. Secondary data gathered from libraries, government departments, commercial bodies, and the internet. The websites of the selected corporation, online journals and articles and related sites may also be useful sources of secondary data for the study. Non_ probability, Convenience, and Judgment adopted for designing the sample frame for the study. Respondents also selected with using the random procedure. Descriptive and analytical research design have used for this study.

ANALYSIS

Among 303 Customer respondents, 168 (55.4%) were male and 135 (44.6%) were female and Among 100 employee respondents, 63 (63.0%) were male and 37 (37.0%) were female.

Among 303 Customers, 2 (0.7%) were aged less than 20 years, 58 (19.1%) were aged between 20 – 29 years, 144 (47.5%) were aged between 30 – 39 years, 75 (24.8%) were aged between 40 – 49 years, 24 (7.9%) were aged above 50 years.

Among 100 Employees, 1 (1.0%) was aged between 20-29 years, 7 (7%) were aged between 30-39 years, 40 (40%) were aged between 40-49 years and 52 (52%) were aged above 50 years.

CUSTOMER QUALIFICATION:

Table 1: Educational Group of Customers selected of LIC

QUALIFICATION					
	QUALIFICATION	Frequency	Percent	Valid Percent	Cumulative Percent
	Literate	20	6.6	6.6	6.6
	Degree	128	42.2	42.2	48.8
	Post Graduate	142	46.9	46.9	95.7
	Doctorate	13	4.3	4.3	100.0
	Total	303	100.0	100.0	

20 (6.6%) were Literates, 128 (42.2) were having Graduation, 142 (46.9%) were having Post-Graduation and 13 (4.3%) having Doctorate Degree.

EMPLOYEE QUALIFICATION:

Table 2: Educational Group of Employees selected of LIC

Qualification				
Qualification	Frequency	Percent	Valid Percent	Cumulative Percent
Literate	1	1.0	1.0	1.0
Graduate	48	48.0	48.0	49.0
PG	49	49.0	49.0	98.0
Doctorate	2	2.0	2.0	100.0
Total	100	100.0	100.0	

Among 100 employees, 1 (1.0%) was only Literate, 48 (48%) were Graduates, 49 (49%) were having Post-Graduation and only 2 (2%) were having PhD.

For analyzing of the Questioners data, I used (SPSS) program in version 22.0 and I used one-way ANOVA test.

Mean squares (MS)

Calculation for the mean square for the factor:

$$\text{MS Factor} = \frac{\text{SS Factor}}{\text{DF Factor}}$$

calculation for the mean square for error:

$$\text{MS Error} = \frac{\text{SS Error}}{\text{DF Error}}$$

Sum of Squares (SS)

SS (Factor) is the deviation of the estimated factor level mean round the total mean. It is likewise known as the sum of squares between treatments. SS Error (error within treatments) is the deviation of an observation from its corresponding factor level mean.

The calculations are:

$$\text{SS Factor} = \Sigma n_i(\bar{y}_{i.} - \bar{y}..)^2$$

$$\text{SS Error} = \Sigma_i\Sigma_j(y_{ij} - \bar{y}_i)^2$$

$$\text{SS Total} = \Sigma_i\Sigma_j(y_{ij} - \bar{y}..)^2$$

yi = mean of the observations at ith factor level.

y.. = mean of all observations.

yij = value of the jth observation at ith factor level.

Degrees of freedom (DF)

Indicates the number of independent elements in the sum of squares. The degrees of freedom for each component of the model are:

DF (Factor) = $r - 1$

DF Error = $n_T - r$

Total = $n_T - 1$

n T = total number of observation.

r = number of factor level.

$$F = \frac{\text{MS (Factor)}}{\text{MS (Error)}}$$

F-value =

The degrees of freedom for the numerator is r – 1.
The degrees of freedom for the denominator is nT – r.

To test **H1**, One way ANOVA was used and the computations made were tabulated in table 3

Table 3: ANOVA test for Educational Group of Customers selected in perception about LICs

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
IT Assets	Between Groups	618.573	3	206.191	3.602	.014
	Within Groups	17117.546	299	57.249		
	Total	17736.119	302			

From the above tables following inferences were drawn:

- Since P = 0.014 < 0.05, the test was significant at 5% levels. That is there exists a significant mean difference in LICs IT assets scores among perception of different education group of customers at 5% level of significance.

  Post hoc tests indicated that
  - There exists a significant mean difference in LICs IT assets score between the perception of the Literate group and Degree group with Degree group have a better opinion about LICs IT assets proficiency than that of the Literate group.
  - There exists a significant mean difference in LICs IT assets score between the perception of the Literate group and Post-Graduate group with the Post-Graduate group have a better opinion about LICs IT assets proficiency than that of the Literate group.
  - There exists a significant mean difference in LICs IT assets score between the perception of the Literate group and Doctorate group with Doctorate group have a better opinion about LICs IT assets proficiency than that of the Literate group.

To test **H1**, One way ANOVA was used and the computations made were tabulated in table 4

Table 4: ANOVA test for Educational Group of Employees selected in perception about LICs IT

ANOVA						
		Sum of Squares	**df**	**Mean Square**	**F**	**Sig.**
IT Assets	Between Groups	27.892	3	9.297	.124	.946
	Within Groups	7189.468	96	74.890		
	Total	7217.360	99			

Since P = 0.946 > 0.05, the test was not significant at 5% levels, i.e. there was no significant mean difference in LICs IT assets score among perception of the different educational level of employees at 5% levels.

To test **H2**, it was regular to present the norm table of IT assets score of Customers using 6 sigma scales.

Descriptive Statistics:

Maximum: The biggest value in the dataset.

Minimum: The smallest value in the dataset.

Mean: A commonly used measure of the centre of a set of numbers. The mean is likewise called the average. It is the sum of all observations divided by the number of (no missing) observations.

$$\overline{X} = \frac{\sum_{i=1}^{N} x_i}{N}$$

Formula

Xi = i th Observation

N = number of no missing Observation

Standard deviation

The sample standard deviation provides a measure of the extent of data. It is like to the square root of the sample variance.

If the column contains x 1, x 2... x N, with mean $\overline{x}$, then the standard deviation of the sample is:

$$s = \sqrt{\frac{\sum (x - \overline{x})^2}{N - 1}}$$

Xi = ith Observation

X = mean of the Observation

N = number of no missing Observation

Chi-square·

$$\chi_c^2 = \sum \frac{(O_i - E_i)^2}{E_i}$$

X²=" (O"E) / 2E

O =Observedfrequency

E =Expectedfrequency

∑∑ =Summation

X2 = Chi-Square value

To test **H2**, it was usual to present the norm table of IT assets score of Customers using 6 sigma scales. The computations made were tabulated in table 5 and 6

Table 5: Chi-square test1 for levels of perception of Customers selected about LICs IT

Descriptive Statistics					
	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
IT Assets	303	49.00	125.00	80.1980	7.66348
Valid N (listwise)	303				

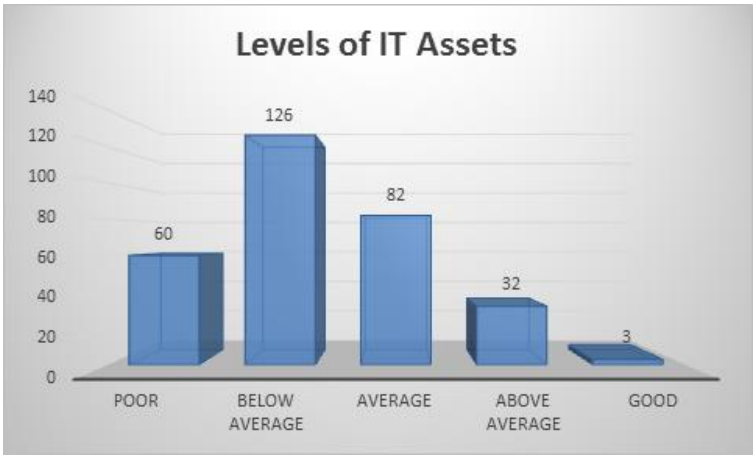
Table 6: Chi-square test2 for levels of perception of Customers selected about LICs IT

IT Assets				
Levels	**Frequency**	**Percent**	**Valid Percent**	**Cumulative Percent**
Poor	60	19.8	19.8	19.8
Below Average	126	41.6	41.6	61.4
Average	82	27.1	27.1	88.4
Above Average	32	10.6	10.6	99.0
Good	3	1.0	1.0	100.0
Total	303	100.0	100.0	

X2=" (O"E) / 2E

Calculated Chi-square value: 144.43
Table Chi-square value: 9.488

Figure 1: Level of LICs IT assets in Customer perception



Since calculated Chi-square value was bigger than table value reject H2 at 5% level of significance, that is, from 303 customers, 60 (19.8%) have believed that LIC was having poor level of proficiency in IT assets, 126 (41.6%) have believed that LIC was having below average level of proficiency, 82 (27.1%) have believed that LIC were having average level of proficiency, 32 (10.6%) have believed that LIC was having above average level of proficiency, and 3 (1.0%) have believed that LIC was having good level of proficiency in IT assets and it was found to be statistically significant at 5% level of proficiency.

To test **H2**, it was regular to present the norm table of IT assets score of Employees using 6 sigma scales. The computations made were tabulated in tables 7 and 8

Table 7: Chi-square test1 for levels of perception of Employees selected about LICs IT

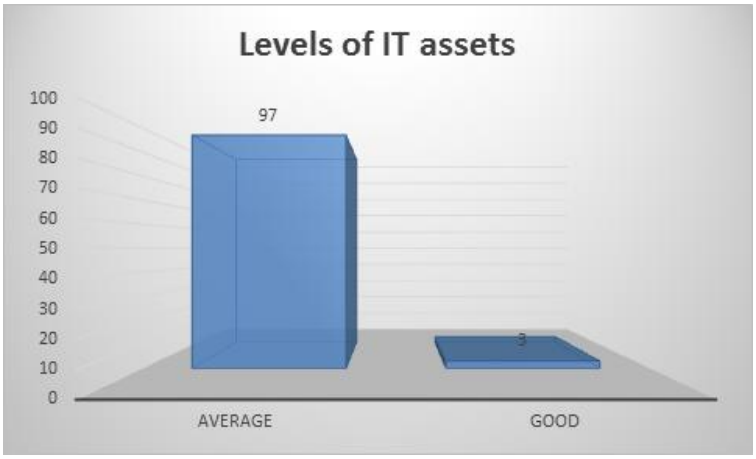
Descriptive Statistics					
	N	**Minimum**	**Maximum**	**Mean**	**Std. Deviation**
IT Assets	100	140.00	195.00	146.0800	8.53830
Valid N (listwise)	100				

Table 8: Chi-square test2 for levels of perception of Employees selected about LICs IT

IT Assets				
Level of IT assets	**Frequency**	**Percent**	**Valid Percent**	**Cumulative Percent**
Average	97	97.0	97.0	97.0
Good	3	3.0	3.0	100.0
Total	100	100.0	100.0	

X2=" (O"E) / 2E Calculated Chi-square value: 88.36

Figure 2: Level of LICs IT assets in Employee perception



Since calculated Chi-square value was bigger than table value rejects H2 at 5% level of significance. That is between 100 employees, 97 (97%) have believed that LIC was at the average level of IT assets proficiency and only 3 (3%) have thought that LIC was at the good level of proficiency in IT assets and it is statistically significant at 5% levels.

FINDING

There is a significant mean dissimilarity in LICs IT assets scores among perception of different education group of customers of LIC as below:

- Degree group has a better perception about LICs IT assets from the Literate group.
- The post-graduate group has a better perception about LICs IT assets from the Literate group.
- Doctorate group has a better perception about LICs IT assets from the Literate group.

The analized data from customers respondents showed that the different educational level of customers of LIC, have a dissimilar perception about LICs IT assets so **H1**for Customer is **rejected**.

Since P = 0.946 > 0.05, the test was not significant at 5% levels, i.e. there was no significant mean difference in LICs IT assets score among perception of the different educational level of employees at 5% levels.

The result of analizes showed that the employees respondents of LIC in different education level haven't a dissimilar perception in LICs IT assets so **HI** for Employee is **justified**.

Calculated Chi-square value was greater than table value justifies H2 at 5% level of significance. The study verified that the Customers have a different level of perception in LICs IT assets so **H2** for Customer is **justified**.

Calculated Chi-square value was bigger than table value. The study verified that the Employees have a dissimilar level of perception in LICs IT assets at 5% level of significance.so **H2** for Employee is **justified**.

CONCLUSION

There are various items that show the usage of Information Technology in LIC and in this study the researcher with statistical analysis proved that by the perception of respondents of LIC. As per the evidenced data, it can be concluded that there exist significant mean different in LICs IT asset score among perception of different education group of respondents of LIC it means those customers who have a higher education degree, their knowledge about technology are better and so regarding the result most of the customers of LIC have good proficiency in IT and its help to reduce wasting time and spending wasting energy. But for employees, it's not true and all employees have the same perception in LICs Information Technology because of good IT training of LIC for their Employees. Regarding another result of the study, the Customers and Employees of LIC have a different level of perception about LICs information technology usage. Its mean LIC is going in true way to bring up its Customer satisfaction with using new technology to reduce the wasting time and wasting energy for both Customers and Employees and attracting more Customers from other competitors.

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