

## ATTITUDE OF WORKING WOMEN TOWARDS INVESTING IN LIFE INSURANCE WITH SPECIAL REFERENCE TO PRIVATE BANK EMPLOYEES OF COIMBATORE CITY

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### ABSTRACT

Life insurance is an excellent way of providing retirement savings and also protecting families from financial hardship. For women, life insurance is often a more effective way of saving for retirement. The research study is entitled "Attitude of Working Women in Private Banks towards investing in Life Insurance with special reference to Coimbatore City" with the objectives of to study and analyze the preference of Life Insurance products, To analyze the kind of policy mostly preferred by the private bank working women's, the reason for investing in Life Insurance and to find the satisfaction of working women on the quality of service of the Insurance Companies. It found that majority of the Private Bank Working Women's were prefer Life Insurance Corporation of India for investing in Life Insurance Policies, Money Back insurance policy is the most familiar kind of policy among the private bank working women's and savings and tax benefit are most common reason for investing in Life Insurance Policies.

**Keywords:** : Working women's attitude, Life Insurance Policies, Insurance Companies, Service Quality.

### INTRODUCTION

Women are traditionally less likely to have life insurance than men in a country like India. Working women in families have less live cover than their working male counterparts. Seldom do they realize that it is important that working women, need to have some form of life insurance. Two-income households typically depend on both incomes to meet their expenses, and the loss of either income could be financially devastating for the family.

Women live longer than men, (<http://pigmediacraft.posterous.com>) hence becomes important for women to save for retirement, and life insurance is an excellent way of providing retirement savings and also protecting families from financial hardship. For women, life insurance is often a more effective way of saving for retirement. The average women spends twelve of her working years caring for children and other family members, meaning that she is less likely to accumulate enough funds for retirement via employer-sponsored benefits. A life insurance policy is an excellent means of overcoming this problem.

#### Statement of Problem

The research study is entitled "Attitude of Working Women towards investing in Life Insurance with special reference to Private Bank Employees of Coimbatore City"

Women are increasingly taking control of their family's financial affairs in India. In traditional Tamilnadu in which Coimbatore is a part, it had been women the finance leader. It is because of the financial discipline which they have inherited from their grandmothers and great grand mothers. But still they have not been taught to protect their life. The main reason had been that they had no financial independence. In the last two decades, working women have made great strides toward economic equality with men. This fact seems to have escaped many life-insurance companies, however. One-third of women had no life insurance coverage in 1992. This is about the same proportion of women who were uninsured in 1976, according to the Life Insurance Marketing and Research Association(LIMRA). The gap between women's and men's life insurance coverage has narrowed since 1984, but not because agents have done a better job of selling to women but because women have become independent and hence do not feel guilty to spend money on themselves as it used to be two decades ago. Due to this independence trend has tremendously changed and most of the

working women are investing in life insurance for their safety, future income and also to protect their children from financial hardships. The researchers tried to find the attitude of a group of working women belonging to Private Banks towards insurance as this group has a better knowledge on Insurance and its products after the privatization of Insurance in India and the products are sold in their working area itself.

#### Objectives of the Study

To study and analyze the preference of Life Insurance products by the working women in Private Banks with their demographic factors as parameters.

To analyze the kind of policy mostly preferred by the working women in Private Banks with their Monthly Income as a threshold.

To study the reason for investing in Life Insurance by the working women in Private Banks

To find the satisfaction of working women on the service quality of the Insurance Companies.

#### Hypothesis

There is no significant relationship between the demographic factors of the private bank working women's with Life Insurance Company preference, Kind of Policy, reason for investing in Life Insurance and Satisfaction level over the service provided by the Insurance Companies.

#### Methodology

The study is based on primary and secondary data. The necessary data required for the study were collected through a structured interview schedule, from the working women of six private banks located in Coimbatore city limit. In Coimbatore nearly there are 25 public sector and 16 private sector (both scheduled and Non-scheduled) banks. The researchers selected specifically 6 Non-Scheduled private banks located in the city limit (Gandhipuram, Trichy Road, Avinashi Road, Town Hall and RS Puram). Non-random (Convenient Sampling) method was adopted and 68 samples were collected for the study. The Secondary data were collected from the books, journals and through internet.

**Statistical tools used for the Study**

The collected data were analyzed with the help of various statistical measures such as Simple Percentage, Chi-Square test and ANOVA.

**Demographic Background of the Respondents**

The following table explains about the demographic details of the respondents:

**Analysis and Results**

**Table No.1: Demographic details of the Respondents**

Demographic Factor	Particulars	Frequency	Percent	
Age	Less than 20 Years	4	5.88	
	21 - 40 Years	50	73.53	
	Above 41 years	14	20.59	
Education	Graduation	28	41.18	
	Post Graduation	24	35.29	
	Professional Degree	16	23.53	
Monthly Income	Less than Rs.10,000	10	14.71	
	Rs.10,001 - Rs.20,000	28	41.18	
	Rs.20,000 - Rs.30,000	18	26.47	
	Rs.30,001 - Rs.40,000	12	17.65	
Marital status	Married	52	76.47	
	Unmarried	16	23.53	
Monthly Savings	Less than Rs.1,000	52	76.47	
	Rs.1,000 - Rs.5,000	14	20.59	
	Rs. 5,001 and above	2	2.94	
Name of the Bank (Working Place)	AXIS Bank	16	23.53	
	ICICI Bank	18	26.47	
	ING Vysya Bank	8	11.76	
	HDFC Bank	12	17.65	
	Yes Bank	8	11.76	
	Kotak Mahindra Bank	6	8.82	
	<b>Total</b>	<b>68</b>	<b>100</b>	

Source: Primary Data

Out of 68 samples, majority i.e., 50 (73.53 %) respondents belongs to the age group of 21-40 years. 28 (41.18 %) respondents belongs to the educational category of Graduates. 28 (41.18 %) respondents have a monthly income between Rs.10,001 to Rs.20,000. 52 (76.47%) working women's of the private banks are married, majority of respondents monthly savings is less than Rs.1,000 for a month and 18 respondents were working at ICICI bank, followed by 16 respondents were working at AXIS Bank and other were working

at ING Vysya Bank, HDFC Bank, Yes Bank and Kotak Mahindra Bank in Coimbatore City.

**LIFE INSURANCE POLICY PARTICULARS OF THE RESPONDENTS**

The following table explains that the private bank working women's life insurance particulars like kind of policy they prefer, insurance sector they prefer to invest, reason for investing in life insurance policies and their level of satisfaction over the service of the insurance companies.

**Table No. 2: Life Insurance Policy details of the Respondents**

Policy Details	Particulars	Frequency	Percent
Kind of policy	Money Back Policy	42	61.76
	Pension Plan	12	17.65
	ULIP	4	5.88
	Whole Life	2	2.94
	Endowment Plan	4	5.88
	Child Plan	4	5.88
Insurance Company Preference	LIC (Public Sector)	28	41.18
	Private Insurance Co.	20	29.41
	Banks	16	23.53
	Post Offices	4	5.88
Reason for Investing in Life Insurance	Tax benefit	18	26.47
	Savings	26	38.24
	Regular Income	8	11.76
	Future Income	10	14.71
	Others	6	8.82
Opinion on Service Quality of the Insurance Company	Highly Satisfied	16	23.53
	Satisfied	42	61.76
	Neutral	8	11.76
	Dissatisfied	2	2.94
	Highly Dissatisfied	0	0.00
<b>Total</b>		<b>68</b>	<b>100</b>

Source: Primary Data

The above table indicates that majority i.e., 42 (61.76%) respondents prefer Money Back Policy of the Insurance Companies. 28 (41.48 %) respondents were prefer invest only in the Life Insurance Corporations, followed by Private Insurance Companies i.e., 29.41 %. Majority of the 26 (38.24%) of respondents were investing in Life insurance for Savings and 18 respondents were investing for avail the tax benefit. 42 (61.76 % ) respondents were satisfied with the service quality of their Insurance Companies.

**CHI-SQUARE ANALYSIS**

**Table No.3.1: Chi-Square Results of Preference of Insurance Company and Demographic factors**

Level of Significance is 0.05

Demographic Factors	Calculated Chi-Square Value	Degree of Freedom	Table Value	Remarks
Age	3.679	6	12.592	Not Significant
Education	8.228	6	12.592	Not Significant
Monthly Income	8.984	9	16.919	Not Significant
Marital Status	1.686	3	7.815	Not Significant
Monthly Savings	18.355	6	12.592	Not Significant

Source: Primary Data

From the above table analysis it seen that the calculated value is less than the table value and hence the null hypothesis accepted. Thus, the demographic factors like age, sex, educational qualification, annual income and occupation do not influence the preference of Insurance Companies.

**Service Quality of the Insurance Companies with Demographic factors of the Respondents:**

**Preference of Insurance Companies with Demographic factors of the Respondents**

In order to study the relationship between the demographic factors and the preference of Insurance Companies, the demographic factors of the samples have been grouped into age, educational qualification, monthly income, marital status, monthly savings and chi-square test has been employed.

Ho: To find out whether the demographic factors of the respondents are independent of Preference of Insurance Companies.

The following table analyzed with chi-square test, the relationship between the demographic factors and the Service Quality of the Insurance Companies, In order to analysis the services have been grouped into five Highly Satisfied, Satisfied, Neutral, Dissatisfied and Highly Dissatisfied. Mean while the demographic factors were classified as age, educational qualification, monthly income, marital status and monthly savings.

Ho: To find out whether the demographic factors of the respondents are independent of Service Quality of Insurance Companies.

**Table No.3.2: Chi-Square Results of Service Quality of Insurance Company and Demographic factors**

Level of Significance is 0.05

Demographic Factors	Calculated Chi-Square Value	Degree of Freedom	Table Value	Remarks
Age	5.542	6	12.592	Not Significant
Education	4.796	6	12.592	Not Significant
Monthly Income	15.943	9	16.919	Not Significant
Marital Status	4.425	3	7.815	Not Significant
Monthly Savings	3.306	6	12.592	Not Significant

Source: Primary Data

From the above table analysis it seen that the calculated value is less than the table value and hence the null hypothesis accepted. Thus, the demographic factors like age, sex, educational qualification, annual income and occupation do not influence the Service quality of the Insurance Companies.

**ANOVA**

**Monthly Income and Kind of Policy preferred by the Respondents**

Ho: The monthly income of the respondents gives the same opinion on kind of policy preferred by the respondents

**Table No. 4.1: ANOVA – Monthly Income and Kind of Policy preferred by the Respondents**

Level of Significance is 0.05

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	2.7893	6	0.9298	0.3772	0.7701
Within Groups	73.9460	60	2.4649		
Total	76.7353	66			

Source: Primary Data (Calculated thru SPSS)

From the table, the calculated F-ratio (0.3772) is less than table value at the significance level of 0.05. So Null hypothesis is accepted and that the opinion given on monthly income of the respondents and kind of policy prefer not differs significantly.

**Age and Reason for investing in Life Insurance by the Respondents**

Ho: The age of the respondents gives the same opinion on reason for investing in life insurance by the respondents

**Table No. 4.2: ANOVA – Age and Reason for investing in Life Insurance by the Respondents**

Level of Significance is 0.05

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	0.7592	8	0.1898	0.7333	0.5767
Within Groups	7.5056	58	0.2588		
Total	8.2647	66			

Source: Primary Data (Calculated thru SPSS)

From the table, the calculated F-ratio (0.7333) is greater than table value at the significance level of 0.05. So Null hypothesis is rejected and that there is significant relationship between age of the respondents and reason for investing Life Insurance by them.

#### **FINDINGS**

Majority of the Private Bank Working Women's preferred Life Insurance Corporation of India for investing in Life Insurance Policies.

Money Back insurance policy is the most familiar kind of policy among the respondents.

Savings and tax benefit are most common reason for investing in Life Insurance Policies.

Based on the study the majority of the respondents are satisfied with the service quality of their life insurance companies.

There is no significant relationship between demographic factors on Preference of life insurance companies and Service of Quality of the Insurance Companies.

There is significant relationship between age of the respondents and reason for investing Life insurance policies.

#### **SUGGESTIONS**

The study is specifically based on private bank women employees but majority of them not preferring bancassurance, the banks must take steps to increase their policy holders.

Post offices must take severe actions to reach the public in the area of Insurance.

In general, the policy holders are lack in insurance education; the insurance companies should take efforts by arranging demo fares or provide information to the customers.

Insurance companies can familiarize the e-channels to reach their policy holders.

Insurance companies must take steps to educate the female for investing in insurance and it also concentrate to familiarize their policies apart from money back and endowment plans among the working women's.

#### **CONCLUSION**

Financial Literacy index reveals that while 61.4% women in India are financially literate while in Asia pacific this percentage is 65.7%. There is a need for women to become financially literate as only financial literate women can take of her family and her future in much better way than a financially illiterate one. The life insurance investment of working women provides savings for children's education, future medical expenses and retirement life.

The Study analyzes on the Attitude of Working Women's Investments in Life Insurance. The working women's are not fully aware about the Life insurance investments and its benefits, even though they become bank employees. On the basis of the observations of the respondents, the life insurance companies must take steps to educate and to increase the policy holders from the working women's. Meantime the insurance advisors can also spread the benefits out of the life insurance investments among the working women's. Based on the effective steps from Insurance Companies, we can also anticipate wide range of investments' from working women's in the life insurance.

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