

# Case study of national insurance company

[Business](#)



The main purpose of this report is to analyse the condition and working environment of National Insurance and Investment (NI) a company whose main business is in selling and servicing insurance packages for both individual and corporate customers. So it is basically a call centre, which responds to the clients of its customers on their behalf.

So the purpose of this report is to understand the overzealousness in National Investment & Insurance company (MINI), which is facing various problems like higher employee turnover, lower customer satisfaction, lower levels of motivation among employees etc. The suggested case study. Help of various other research papers and journal articles has also been taken to underpin the possible reasons of the problems of MINI and other similar companies in the same industry and how such problems can affect the overall growth and current working environment of the industry and company in particular. The first section of the report consists of introduction of the company and few journal article references which deal with the problems as underlined in the case study.

The second section of analysis of the company deals with the issues identified from the MINI case study which are like high degree of employee turnover, lack of training, lower level of motivation & satisfaction and poor communication among staffs.

Key points from literature have been added to analyse the problems more precisely. The last section of the report deals with recommendations, which can help MINI to improve its working.

Some of the major recommendations are need to make a better staff mix, advised to provide proper training to the employees, which will help to improve the employee morale for dealing with the problems and even make them more clear about their role, MINI should also work In the field of Improving the titivation level of employees, problem of poor communication Is also needed to be solved among Ass's by interacting more with staff, having regular meetings, asking for opinions and by directing senior Ass's to help the new recruits to the maximum extent.

Underclothing's the last two decades the growing globalization of economies, along with continuous development in Information technology, has left us with excessive amount of new products and production processes.

Businesses are also going on a path of continuous change and have to develop new ways every time, with the changing attitudes and requirements of customers.

Their response to customer expectations and demand for a 24 hour electronic society has seen a phenomenal growth in call centre industry (Lynn Woolworth, Susan Cartridge 2003).

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So the purpose AT tans report Is to unreason ten various Issues In Notational Investment & insurance company (N"), a call centre whose main business in selling and servicing insurance packages for both individual and corporate customers. Company has recently discovered some problems within its staff and overall working of the company.

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All such related issues are discussed below. Help of various research papers and Journal articles has also been taken to underpin the possible reasons of the problems of MINI and the possible solutions to them.

Summary of Journal Arteriolosclerosis to Woolworth and Cartridge(2003) study in this field, ' Call centre managers are continuously searching for new ways to combat the issues that appear to be intrinsic to work within the industry. The current management practice in call centers is to introduce empowerment strategies. ' It says that the key advantage of introducing empowerment is the increase in Job satisfaction of employees and decreased Job stress, which in turn helps in improvement of physical and mental well being and a decrease in sickness, absence and turnover rates.

Even study by Keith Townsend (2007) says that the main purpose of recruitment in companies of this sector is Just to attract large number of applicants for the Job and than to sort among those applicants the ones who got the more Job-centered technical skills, whilst the post-hire outcomes like Job satisfaction and training are not given much of the importance.

Even the stay of new recruits in the company very much depends upon their initial Job performance.

Townsend says about this approach of cruisers as, ' Included in this approach are recruitment systems based around more intangible qualities within the person's key issues of this case study I. E. Higher employee turnover and high number of casual/ part-time staff are well explained in the study of Kenneth McCabe and Leonard Karakas (2001) which says that much of the turnover in the organization is influenced by four broad factors; work related  
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attitudes (push factors), external environment factors (pull factors), individual characteristics factors and Job performance factors.

So if analyses such factors outlined by McCabe and Karakas, MINI definitely has some turnover problems related to individual characteristics for egg. As most of the employees at MINI are part time, young, not married and are working for extra cash only, which can be an indicator of lower commitments to the organizations.

Even many of them are not doing the work for household income and are even pretty much interested in Job, status and alternatives, which can also be the reasons of MINI problem and are identified under pull factors.

So from all these studies also its been very clear that there are some problems/issues elated to this industry, which are very important to be looked upon in time, otherwise the growth of this industry would be in vein. Analysis we look at the picture of MINI as mentioned in the case study, it shows that 80% of the Ass's (Assistant Officers) are part time and work on hourly rate. Only 20% of full time employees get annual pay increments, training sessions and promotions.

Another thing Is Tanat most AT ten part time Ass's are not Interested In Dealing Dull time as many of them don't want to make this field their carrier and many of them don't even know that what will happen after, if they do so and how they can do so? So from this entire situation, there are few problems, which we can look at straightaway.

First is the high degree of Casual staff, who just works for some extra cash, which makes them less committed towards work and results in high employee turnover. Secondly, due to less commitment towards work, they don't even work properly and just kill time in the organization.

It can be viewed from the fact that customers are complaining to MINI that their staff is not friendly and they don't even feel as they are talking to some human. They even take long to resolve customer problems, even when the fact is that 95% of the problems are small and are often related to poor user knowledge rather than equipment or software failures. They even themselves admit the fact that sometimes customers even know better about product than these Ass's and they even find difficult to help customers with very less computing knowledge, which is a problem due to lack of training.

So it makes the fact very clear that Ass's level of motivation is very less, and they don't take the job very seriously. Thus key issues of case study are; High degree of employee turnover, Lack of training, Lower level of motivation and satisfaction, poor communication among Ass's. All these problems are quite general in this industry due to its dynamic nature and fast growth but if dealt properly, they can be resolved. Looking at these issues from theoretical point of view, high degree of employee turnover can be due to many reasons like high stress.

The survey conducted by Woolworth and Cartridge(2003) found that 'Coca's found all aspects of their job more stressful, overall, than the general working population'.

‘ Respondents are particularly under pressure due to conflicting demands, frustrations over lack of arsenal growth and the usual duties of their working day’. Along with this lower level of Job satisfaction can also be the reason for high turnover. Woolworth and Searchlight’s study also indicated that ‘ Low Job satisfaction was found in all areas of (Customer service assistants/agents) Coca’s Job compared to the general working population.

The overall Job satisfaction score and those obtained for achievement and organizational processes were found to be significantly lower than general working population. Lack of training is another important issue in this industry and study by Keith Townsend (2007) says in this context that ‘ While there has been a large volume of literature examining many aspects of the burgeoning call centre sector, there has been little attention paid to the recruitment and training processes in these organizations’.

‘ The most common methods of training include basic contextual knowledge of company products, computer systems and company policies.

In addition, there is often an initial process of “ budding”; where an experienced employee is placed with an inexperienced staff member (Franken et al. , 1998). It is recognized that many call centers engage in “ coaching” where managers monitor employee/customer transactions Ana prove Teacake to ten employees (Russell, 2002). However, the dispute over whether this is a form of control or skill development and the fact that this does not fit into the initial training regime is enough to exclude “ coaching” from this analysis.

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In general terms, the training methods of call centers have been considered quite rudimentary (Jennie et al. , 2000)the problem of motivation and satisfaction is also very serious and their can be many reasons for that like lack of commitment as they are not permanent due to which employees doesn't feel motivated to perform extra. Some other reasons are like training as mentioned above, low wage rates, lack of interest in the field etc. Another problem of poor communication among Ass's at MINI is also very significant. Here poor communication refers to the communication among casual staff and permanent Ass's.

All full time staff members don't provide the casual staff with the required amount of support and guidelines as they are suppose to. Even they Just come to help them, when situation goes out of their hand. No such support for staff working during night hours. So these all acts make Ass's feel that their supervisors onto work enough and they even hesitate from asking them any queries. This is quite evident from the fact that most of them don't know how to apply for permanent jobs or what are the benefits of doing so? This all represents significantly low amount of communication among Ass's.

So whole of the analysis makes it very clear that some serious issues definitely exist with MINI which are needed to be looked after to keep the company going and for retaining the employees.

As employees are like the life blood of any company and if blood goes out from the body, it will be very hard for it to keep its existence.

Recommendations/postpositions section talks about the recommendations for dealing with above mentioned issues. There are number of things which



MINI need to improve to bring the whole company on right track, where everyone should be in the position of win-win.

The first and the foremost thing among that is to change their policy regarding the ratio of casual and full time employees. As only 20% of the staff is full time it means remaining 80% have no contractual obligation of working with them and they can leave anytime.

Its not a good situation and can prove dangerous for MINI onetime. So they need to make a better staff mix, where they should have the capacity to operate, even during the days of less casual staff. So mix of 40-60, where 40% permanent and 60% casual or 50-50 can be the good one.

Secondly, they are also advised to provide proper training to the employees, which will help to improve the employee morale for dealing with the problems and even make them more clear about their role. It even helps to reduce their stress levels and will even reduce the turnover problem, as some of the Just leave as they can't able to cope with the stress. It can help the Ass's to perform more smart emotional labor.

Its been said that people with better good skills of performing emotional labor along with technical skills are more successful in this industry than others.

Even Keith Townsend (2007) says in his study, it is expected that the outcomes of emotional laddering may De Deterrent appending on winter tense Skills are recreate or trained into technically competent recruits. ' So providing good training sessions to staff is very important for company. MINI

should also work in the field of improving the motivation level of employees. It's ideal known that highly motivated employees perform better and also feel more committed towards their work. They can do so by empowerment, which in turn is helpful in reduction of stress and improvement in satisfaction also.

According to Woolworth and Searchlights ' As high turnover and absence rates are key issues for call centre managers it would be beneficial to explore which empowerment dimensions are associated with Coca's Job satisfaction and stress. In addition identifying Coca's perceptions of empowerment will assist in the development of related management practices. "' Sprinter et al. 1997) examined each of the four dimensions of empowerment and their relationship to Job satisfaction and the psycho-physiological outcomes of Job stress. Meaning, self-determination and competence were all associated with Job satisfaction.

The most powerful association was found with meaning, suggesting that to feel satisfied with work employees need to feel energized by, and put their hearts into, their work. Job stress was negatively related to meaning as well as a sense of competence suggesting that employees, who feel they have influence within the organization and the necessary skills, may be offered from experiencing Job-related stress. Other relevant research notes that meaning is positively related to work satisfaction and organizational commitment, and competence significantly related to enhanced work satisfaction and Job performance (Elide et al. 2000) and the more Coca's experience a lack of control the lower their Job satisfaction and the poorer their mental health (Holman and Fernier, 2000). " (Woolworth and <https://assignbuster.com/case-study-of-national-insurance-company/>

Searchlights 2003) Another problem of poor communication is also needed to be solved, which MINI management can do by interacting more with Taft, having regular meetings, asking for opinions and by directing senior Ass's to help the new recruits to the maximum extent, so that they feel concerned.

They should also teach them about the achievement levels in the company and should also draw some achievement pattern through which every new person can find out the position where they stand and how they can get promoted.

It will even help them to get improved productivity and greater efficiency in work. Conclusions in nutshell I can say that after analyzing the whole case of MINI and eating through different articles, its very clear that for any organization to succeed they need few key ingredients of proper planning, training, monitoring, motivating and empowering.