

Knowledge Management Practices and Organisational performance in Life Insurance Corporation of India in Thanjavur division

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Abstract - At present the service sector industry faces high competition. To face the challenges to compete with other companies Knowledge Management essential. For all kind of businesses Knowledge Management is very significant as it helps in increasing the quality of service, improve the products. Knowledge Management is used in many companies and its use has prolonged to service sector. Knowledge Management efforts generally focus on organisational objectives such as improved performance, competitive advantage, innovation, the sharing of lessons learned, integration and continuous improvement of the organisation. This paper attempts to explain how Knowledge Management practices has benefits for Life Insurance Corporation of India.

Keywords – Knowledge Management, Life Insurance, performance.

I. INTRODUCTION

Insurance industry especially Life Insurance Corporation of India is faced with a severe competition in rendering its services like underwriting, claims management and risk management. This situation has forced Life Insurance Corporation of India to come up with innovative products and services, which can be done by having a knowledge of the requirements of the public as a whole. Only through analysing and identifying the clients need innovative policies can be framed by the Insurance Corporation of India. This knowledge gained can be acquired, shared and disseminated only through Knowledge Management Practice. Knowledge Management is the process of creating, sharing, using and multidisciplinary approach to achieving organisational objectives by making the best use of knowledge. In order to maintain and improve performance Knowledge Management has very essential for Life Insurance Corporation of India.

Statement of the Problem

The insurance industry, over the decades faces the unique and challenging situations by offering creative products fit for the demand. It is ever going situation and brokers and agents are doing their best to fit these customer needs to the market. The study of Knowledge Management is imperative as in any other sector. Several studies have been conducted about Knowledge Management in Life Insurance Corporation of India. But there is a need to study about the Knowledge Management practices and performance in Life Insurance Corporation of India.

Objectives of the study

The main objectives of the study are :

1. To assess Knowledge Management practice and performance of the organisation.
2. To examine Knowledge Management practice and its benefits to Life Insurance Corporation of India.

II. METHODOLOGY

The study is based on both primary and secondary data.

Primary data : Primary data were collected using a structured questionnaire.

Secondary data : The secondary data were collected from internet and journals.

The respondents were Development officers, Agents of LIC in Thanjavur division. A descriptive study was conducted through random sampling method by collecting data from 200 respondents.

III. RESULTS AND INTERPRETATION

Table 1 : Knowledge Management Practice and performance of the organisation

Knowledge Management Practice	Performance of the organisation		
	Efficiency of employee enhanced	Aided to add new services	Statistical Inference
Development Officer	45	55	T= 3.84, df =1 X ² =8.08>0.05 not significant
	55	45	
Agent	65	35	
	55	45	

Source : Primary data

Null Hypothesis (H₀) : There is no significant difference between Knowledge Management Practice and performance of the organisation.

Alternative Hypothesis (H_a) : There is significant difference between Knowledge Management Practice and performance of the organisation.

From Table 1, applying chi square test it is inferred that calculated value is greater than table value, so the null hypothesis is rejected and alternative hypothesis is accepted which states that Knowledge Management Practice has improved the performance of the organisation. The practices of Knowledge Management has enhanced the efficiency of the employees and has aided to add new services by Life Insurance Corporation of India.

Table 2 : Knowledge Management Practice and benefits to the organisation

Knowledge Management Practice	Benefits to the organisation			
	Quality of service improved	Innovation of new products & services	Attrition declined	Statistical Inference
Manager	35	15	10	T= 9.49, df =4 X ² =144.94>0 .05 not significant
	28.5	18	13.5	
Development Officer	35	20	20	
	35.6	22.5	16.9	
Agent	25	25	15	
	30.9	19.5	14.6	

Source : Primary data

Null Hypothesis (H₀) : There is no significant difference between Knowledge Management Practice and benefits to the organisation.

Alternative Hypothesis (H_a) : There is significant difference between Knowledge Management Practice and benefits to the organisation.

From Table 2, applying chi square test it is inferred that calculated value is greater than table value, so the null hypothesis is rejected and alternative hypothesis is accepted which states that Knowledge Management Practice has benefitted the organisation. The practices of Knowledge Management has improved the quality of services of the organisation, helps in innovation of new products and services and also decline in the attrition of employees in Life Insurance Corporation of India.

IV. CONCLUSION

The implementation of Knowledge Management enables employees to access information quickly leading to enhance of employees performance, innovation of new

product and services, increased productivity. It is equally important for the organisation to have a well planned Knowledge Management strategy to achieve all of these. For successful execution and implementation, it is critical for the organisation to adopt a top-bottom approach to ensure that its significance is understood across the organisation and it is practiced by employees by adapting the change towards Knowledge Management practice. The proper implementation of a Knowledge Management initiative can provide many benefits to an organisation. With proper planning and guidance Knowledge Management practice can be successful and useful and automatically lead to profound positive effects on the organisation and its future.

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