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AGENT RETENTION: A STUDY IN ICICI DIRECT.COM

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ABSTRACT

With attrition rates across industries skyrocketing understanding an employee and his emotional needs is becoming a necessity. And one way to do it is through Employee Research, which is used to find out the feelings of an employee. Agents come in the bottom line. They get salary or sometimes commission in order to retain in the industry or in the company. Agent retention is the one of the critical issue faced by today corporatse as a result of the shortage of skilled labour, economic growth & employee turnover. As a result it becomes the most important challenges in organization today. Organization that partner with their employees will retain those employees when they have the opportunity to become free agents. The quality of the supervisor an agent receives is critical to employee retention. Key employee retention is critical to the term health & success of one's business. Managers readily agree that their rate is key in retaining the best employees to ensure business success. This paper is the result of a survey conducted on Agent Retention in the state of Odisha in ICICI Direct.Com. The present paper tries to measure the factors influencing agent retention. Retention requires a competitive salary & great benefits. Employee involvement, recognition, advancement, development & pay based on performance just get one started in his quest to retain his best.

Key Words: Agent, Retention, Attrition, Strategy, Organisation

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Introduction

The role of HR department is to increase the standard of its employees, which is needed for the organisation growth and development. It handles recruitment and selection procedures, give training to the employees for their development. It has the biggest responsibility to modify the organizational climate and to make its employees acquainted with the organizational culture. For the above reason, it is the biggest responsibility of the HR manager and HR department to retain its employees. Here lies the term "EMPLOYEE RETENTION". If the retention rate is low in an organization, then it is bad for the company. Hence it is the main aim of the HR manager to decrease the employee attrition rate and to increase the employee retention rate. Because, the more the retention rate, the better it is for the company. In this competitive world every organization has to race with each other. So the biggest asset of the organization is "Human Resources" has to be maintained in a fruitful manner. Employee Retention is important from the organization point of view. Since now every organization is competing with each other retention of employees is a must. Assessing the employees is key to an employee as well as organization's success.

Objective of the Research Study

The paper tries to understand the perceptions of agents regarding factors influencing agent retention.

i) To determine the factors affecting Agent retention.

ii) To find the Indices of Agent Retention.

iii) To find the Indices of Agent Attrition.

iv) To increase the retention rate and to decrease the attrition rate.

Agent Retention

Indian monetary service sector is that the one in all, the foremost spirited sector for the past decades as a result of liberalization and deregulation of monetary sector. Within the most recent decade, India's GDP has move up from 414 billion dollar in 2001 to 1.3 trillion dollars in 2012. This development in the size of economy has been praised by eight fold increment within the capitalization of the Indian business. Accordingly individuals are currently putting more and

more in securities exchange to broaden the worth of their money (Narayan & Indurkar,2015). According to Christopher (2007) agents are the sales representatives of companies who earn commissions from their sale of products. Many managers presuppose that retention rates correspond with a company's effectiveness in building its sales and Organization in general. Company "bottom lines" would benefit substantially from increased retention rates. Calder (2009) However, this problem has endlessly been a throbbing headache to numerous companies without any foreseen solution. This is the main focus of the researcher to unearth the way forward out of the situation and give the necessary recommendations. Cravens (2010) points out that, it can be a difficult business for agents to get started in, but with the right tools and training a person can become successful at selling products.

Agents come in the bottom line. They get salary or sometimes commission in order to retain in the industry or in the company. Supervisors are there to help them. The supervisors give some target to their agents. The very example where agents are working is ICICI direct.com, ICICI Prudential Life Insurance, ICICI Lombard General Insurance, AIRTEL, SMART, RELIANCE, and MetLife etc. Basing on their performance, they are getting their commission & salary. They help to sale the products of the company.

The Effect of Supervisors

It can be said that in Contact Centers, "Agents don't leave companies, they leave Supervisors." Because supervisors are the primary channel for influencing agent behavior, and responsible for coaching and quality, they are critical to agent satisfaction and retention. Yet, Supervisors typically face several challenges that can directly impact agent satisfaction including:

➢ Lack of managerial experience-it is often a Supervisor's first time managing

➢ Excessive time spent on administrative tasks vs. high-yield activities such as agent coaching and development

➢ Inconsistent managerial processes across teams and centers

➢ Inexperience using data in decision making

➢ If operations provide Supervisors with the necessary technology, tools and aiming to manage consistently and objectively, operations can increase retention and satisfaction.

Agent Dissatisfaction

Agent dissatisfaction problems typically fall into several categories:

➢ Agent and Supervisors performance objectives can sometimes be unclear or internally inconsistent, confusing the team and undermining an individual's progress.

➢ Agent's sometimes feel that Supervisors are unfair, judging and coaching solely on performances and desires.

➢ Agents sometimes feel they are not getting the coaching and development opportunities necessary to advance in the organization.

➢ An agent's goals change frequently, making it difficult for them to understand what they need to focus on and how their individual performance contributes to the operation's overall objectives.

➢ Incentives must be aligned with corporate objectives to be effective and reinforce specific agent behaviors.

➢ Agents are unclear wha6t they are being held accountable for, they quickly skeptical of their Supervisor and the organization-resulting in low morale and high turnover.

Recommended Practices:

Organization can help Supervisors address agent retention in a number of ways:

➢ Provide highly personalized performance data to everyone in the operation- This can go a long way in creating an environment where every employees is given the responsibility for their own performance and the information necessary to make meaningful improvements.

➢ Establish consistent processes and enforce them-because Supervisors are the critical link between the operation and front –line agents, organizations must standardize and automate key management activities such as coaching frequency and performance thresholds to ensure consistency across teams and center

➢ Use data consistently-create clear goals for everyone in the operation and provide timely feedback against stated objectives

➢ Hold people accountable -, use common metrics and measurements across the operation so peers are evaluated on the same criteria. Additionally, track Supervisor behaviors to ensure they are developing all of their Agents, not just the top and bottom performers.

➢ Reward employees promptly and accurately –by tying individual performance directly to incentives, the operation can effectively influence and reinforce desired behaviors.

Organisation Profile

The ICICI-direct is online trading services offered by ICICI Web Trade Ltd; it is India's no-1 E-broking service provider and 5th world's largest E-broking Firm. Financial service industry is a vast industry in which ICICI-direct is a major depository participant of BSE and NSE. The main competitors are Sharekhan.com, India bulls, 5 Paisa.com, Kotakstreet and Motilal Oswal.

ICICI direct.com is an online platform where a person can directly access to the security market & can invest money in different types of securities. It is an integrated part of ICICI bank, which deals with security market. ICICI direct has become India's favourite online share trading site with a customer base of over 110000. The unique 3in1 trading account of ICICI direct.com offers a hassle-free and seamless trading experience for the customer. The customer's bank account, demat account and the broking account are linked automatically wherein the customer can transact without waiting to call the broker, get the order executed at a particular price, get the order confirmation detail and draw/deposit cheques/TIFDs.

The company commenced commercial operation on April 17, 2000. The profit ICICI group focuses on the e-commerce activities. The company was setup to provide online services to the secondary market equity investors to execute and settle their orders/trades online in securities through its website ICICIdirect.com. The company started offering delivery based cash trading from April 17, 2000. It would function as a service provider offering client servicing and marketing for various financial products offered through the internet.

During the period under services, the company launched India's first paperless share trading for non-resident Indians in the United Arab Emirates Region. The company also commenced offering margin trading to its customers in select scripts based on liquidity, volume and other risk parameters with an initial margin that ranges from 33% to stock exchanges levels.The company also launched India's first automated internet based investments in mutual funds through its mutual funds plaza. The facility integrates the customer's bank account and the registrar of the mutual fund in a scam less manner supporting purchase, redemption

Agents Profile in ICICI Direct.Com

The agents are divided into 2 types. The 1st one is FSA → Fixed Salaried Agents and the 2nd one VSA → Variable Salaried Agents

FSA are the agents getting a fixed salary provided 3 NCAs are done. In the next month, he has to do 6 NCAs. If he is doing above the desired target, then the company provides extra commission. But after 3 months they will be automatically transferred to VSA scheme.

VSA At any time agent can join under VSA scheme. Here no fixed salary is given. It is totally on commission basis. Though certain target is given to the agents, still they find interest to do this type of job because it gives enough motivation.

The task of an agent is to open a demat A/c from customers. There are various A/c opening charges which is applicable according to various schemes. If an agent works with full interest, then he/she can able to get more than Rs one lakhs/- within 6 months and basing on his performance the company gives a permanent job on promotion basis.

When an agent opens an A/c, he gets a commission. While the customer is trading on that A/c, he gets more commission. Within 6 months the agent has to open a total of 100 A/c. If in the 1st 3 months, he opens 25A/c, then he gets extra commission. In the next 2 months, if he opens total of 50 A/cs or another 25 A/c the commission becomes doubled & if in the last month or on the 6th month, he does total 100 A/c or another 50A/c then the commission is quadruplicated..

Perception of the Sample Respondents about Retention

The data was collected from the agents who were working for the company in Odisha. Questionnaire were distributed to 100 agents out of which 80 responded. This gives a clear agent retention scenario of the company. The respondents were asked to give their opinion taking into consideration of the 5 point scale provided, these are; Strongly Agree(Highest score: 5), Agree(Score: 4), Can n't Say(score: 3), Disagree(Score: 4),Strongly Disagree(Score: 1).

The questionnaire consists of ten parts.The questionnaire tries to measure the following parameters.

A. Nature of the job condition.

B. Recruitment and selection procedure.

C. Salary / pay structure.

D. Relationship with superior / co-officers.

E. Training.

F. Career objectives.

G. Management policy and practices.

H. Work environment.

I. Indices of job retention.

J. Indices of job attrition.

(A) Nature of the job and job condition:

Items	AVERAGE
1. Satisfied with your job	3.28
2. Change the organization (with same salary) in the same grade.	3.6
3. Change the nature of the job (with same salary) in the same grade	3.34
4. job provides very less learning opportunity	2.82
5. Receive more salary than to have a secure job	2.02
6. working hour for your job is very long	2.78
7. The job is repetitive and lacks in variety	3.2
8. You prefer to have variety of work	3.92

Most of the agents are satisfied with their job. If opportunity is given the agents are ready to change the organization. The agents are also ready to change the nature of the job. According to the agents their job does not provide less learning opportunity. The agents do not want more salary in compared to insecure job. The working hour is not too long for them. According to them the job lacks variety. The agents in general want a variety of work.

(B) Recruitment and selection procedure:

Items	AVERAGE
1. The for recruitment procedure is satisfactory	2.7
2. Method of selection for your job is right	2.64
3. Method of selection should be modified in order to get better result	4.6

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The agents are not satisfied with the recruitment procedure. They also not happy in the the way the agents are selected by the company. A changed method of selection is required in order to have a better result.

(C) Pay or incentive:

Items	AVERAGE
1. Present pay/commission is satisfactory?	2.6
2. Present pay/commission is fair in comparison to your work load and also equally other jobs in the organization	2.7
3. The incentive scheme offers enough motivation to you.	2.97

The agents are not satisfied with their pay and commission. The commission is also not enough according to their work. Whatever incentive is provided by the company is not enough to motivate the agents. The dissatisfaction for the job lies in the young age group. Generally those who are doing their job for earning their livelihood are not satisfied. It is because of the pay and commission that are paid to them.. Though the FSA scheme has been introduced more are attracted towards it. But the company gives a stop after a certain period. Hence, some fixed salary must be given to the agents in order to retain them, other wise their commission should be more

(D) Relationship with Superior:

QUESTIONS	AVERAGE
1. Relationship with co-officers is cordial.	3.76
2. Superior is very much co-operative and counsels and helps you in readdressing your grievances.	3.22
3. Superior always seems to know that what happens in your work place.	2.92
4. Superior recognizes and informs when you do a good job.	3.78
5. Give suggestion to the superiors on the methods of improvements.	3.8
6. Meet your superior very often in the connection with your work.	3.78
7. Superior is very much encouraging.	3.16

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The relationship is good. The superior co-operates whenever necessary. Their superior never collects the information about the problems that happens with their agents in the organization. The superior recognizes when their agents do good job. The agents give suggestions for the improvement. They meet their superior during their work time. The superior is very much encouraging.

(E) Training:

QUESTIONS	AVERAGE
1. Training can play a decisive role in improving job satisfaction?	4.6
2. Formal training is more important than on-the-job training?	3.70
3. Formal training in your organization is adequate?	2.86
4. Receive adequate on-the-job training from your superiors?	3.1

According to the agents training plays a decisive role for the overall improvement and improvement of job satisfaction. According to them formal training is more important. The agents are dissatisfied with the formal training that is given in their organization. Very less support has been given to the on-the job training. It is somewhat sufficient. There is a greater demand to change the training method. Sufficient training should be given.. Some dress code should be there to be recognized.

(F) Career objectives:

QUESTIONS	AVERAGE
1. Doing the job for the shake of engagement?	2.5
2. Doing the job for earning your livelihood?	3.58
3. You are doing your job for part-time basis?	2.82
4. Your present job is not as per your career objective	2.78

The agents are not doing their job just for engagement. They are basically doing their job for earning their livelihood. They are also not doing their job for part time basis.

Their present job is as per their career objectives.

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(G) Management policy and practices:

QUESTIONS	AVERAGE
1.You are proud of your organization	3.3
2.Your organization thinks you as an asset to them	3.28
3.Your feeling about the organization is sincerely taken into account by the organization	2.78
4.You prefer to carry out your present job (with same service condition) in public sector undertakings	2.8
5.The management practices are always open-ended	3

The agents are proud of their organization. They also believe that the organization thinks them as the asset to them. The feelings of the agents are not taken into account. The agents are not interested for a govt. job. The management practices are open-ended. It matches exactly with the average. They sometimes can't give their proper suggestion toward this.

(H) Work environment:

QUESTIONS	AVERAGE
1. You like your work environment very much both physically and mentally?	3.02
2. You get as much enjoyment from your work as from your spare time?	3.18
3. You feel that your job is more risky?	3.16

The agents are satisfied with their work environment. The agents enjoy from their work. According to the agents their work is not too risky.

1. INDICES OF JOB RETENTION:

INDICES	AVERAGE
1. Pay / Incentive	2.78
2. recognition	2.48
3. achievement	3.24
4. Considerate and supportive supervision	3.28
5. Interesting nature of work	3.24

Recognition has ranked as the no.1 index. The superior has to recognize who ever does a good job. Those who are doing the job as a part-timer, they are giving their full interest for this, because they are already in the pay roll in another company. If proper recognition is given by the

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company they will give full attention towards their job. Preference shall be given to the experienced one. Experienced means those who are having experience as an agent in the same organization. Pay / incentive play the 2nd rank. With the tough economic condition it is difficult to sustain with a very low pay package. Financial incentive plays a major role in agent retention. The company generally does not provide incentive which it has to provide to the agents when they are doing something good. For the over all performance, timely feed back must be taken from the agents.

Achievement and Interesting nature of work has taken the 3rd rank. The last rank has been given to Considerate and supportive supervision.

J. INDICES OF JOB ATTRITION:

INDICES	AVERAGE
1. Monotonous nature of work	2.93
2. Unsatisfactory working condition	3
3. Long hours of work	4.53
4. Hostile relationship with superior.	3.03
5. Lack of education and experience.	3.97
6. No promotion opportunity.	3.63

Monotonous nature of work has been given as the 1st rank. Agents found their job boring and repetitive Hence Job rotation job enlargement is necessary to check attrition rate. According to the agents if the working condition is not satisfactory then the attrition rate will be high. Usually agents have to interact with and motivate the customers to open demat account. Sometimes they have permanent place for sitting and they have to always move from one place another .This is a important factor as sometimes agents have no permanent desk. Hence this has been given second rank. Hostile relationship with superior got 3rd rank. Superior plays very important role in agent retention.Because supervisors are the primary channel for influencing agent behavior, and responsible for coaching and quality, they are critical to agent satisfaction and retention. If the promotion opportunity is not there it will lead to agent attrition. Lack of education has been ranked the 5th position. The last rank has been given to the long hours of work.

Conclusion

It can be concluded from the survey that the Retention Ratio of the Agents in the company is average. Though agents leave the organization, new agents are joining in the organization. According to the agents, the main job is a constant opening. For this sufficient forms are needed. The company gives a particular time for taking form. Before and after it is not be allowed to take the form. But sometimes there is shortage of forms. Those who are coming from a long distance place are unable to get it at proper time. For this they don't want to continue. So, sufficient forms should be there.

Retaining an agent and employee is the biggest job in this competitive market. The job retention indices show that the employee prefers the job by which they will be recognized. During their service period, the employees search for the job which is interesting and gives more earning power. They will leave the organization if the working hour is too long in accordance with their responsibility. Promotion should be there. Most of the respondents think both formal of on – the – job training is important. The job is not according to their qualification; rather it is according to the company requirement. The agents are not satisfied with selection procedure. The agents are also not satisfied with the pay or commission or the incentive that the company provides them.

There are lots of reasons for turnover in an operation and compensation is not always the cause or solution. Then addressing **agent retention**, supervisors are critical assets. By developing a common management platform through a performance management application, operations can standardize supervisor activities to assure consistent practices while providing everyone visibility into clear objectives and performance standards. The sense of employment throughout the organization created by a performance management initiative-from management to supervisor to agent –naturally leads to a happier more satisfied workforce, creating lower turnover and keeping valued employees within the organization.

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