



Discerning the antecedents determining empowerment of life insurance agents: an empirical examination

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Abstract

The purpose of the study is to examine the determining factors which influence empowerment amongst life insurance agents in the Indian context. A questionnaire-based survey was conducted amongst 409 life insurance agents. Principal component analysis and confirmatory factor analysis were performed to identify and validate dimensions and antecedents of employee empowerment. Later, using multivariate multiple regression analysis, the relative importance of these factors in influencing psychological empowerment is empirically tested. The results of analysis indicate that rewards work as an important antecedent for building psychological empowerment, followed by self-efficacy and self-esteem. Even though access to information is reported as a significant antecedent, it was found to be the least important one in determining psychological empowerment. Insights generated in this paper provide guidelines in understanding critical antecedents of psychological empowerment amongst life insurance agents and also suggest implications for better managerial practice.

Keywords Psychological empowerment · Life insurance agents · Insurance business · India · Multivariate multiple regression

Introduction

The Indian insurance market is a huge business opportunity waiting to be harnessed. India currently accounts for less than 1.92 per cent of the world's total insurance premiums and about 2.61 per cent of the world's life insurance premiums, despite being the world's second most populous nation.

The total insurance penetration in the insurance sector is at 3.7%, while the same is 6.1% globally. This statistic shows a wide gap in insurance coverage in India (IRDAI 2019). Nevertheless, the future looks promising for the life insurance industry with recent changes in regulatory framework that abolish public sector exclusivity. Arrival of private players leads to swift positive modifications in the way the industry conducted its business and engaged with its customers. Adding to these developments, socio-economic factors such as growing middle class, rising demography of young insurable population and increasing awareness of the need for financial protection and retirement planning are expected to boost the growth of Indian life insurance in India. Globally too, life insurance as an industry is constantly evolving. The industry has gone from focusing on one wage earner as the primary breadwinner to focusing on two wage earners. Historically, the primary concern of the insurance agent was helping customers address the issue of dying too soon. However, today's customers face the challenge of living too long and outliving their retirement savings (O'Brien and Fenn 2012).

Individual agents have played a key role in the growth of life insurance industry across the spectrum of its evolution. They are indispensable part of the distribution network for the insurers due to a variety of value-added services

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offered by them (Capgemini 2017a). Insurance agents are the first point of contact with the customers. They prepare premium reports, maintain customer records, seek out new clients and, in the event of bereavement, help policyholders settle their insurance claims. As a result, insurance agents are instrumental in cross-selling and up-selling insurance products as compared to direct channels such as Internet and mobile (Hourahine and Howard 2004). They also assist the insurance organizations in risk assessment. For complex and high-perceived-risk services, customers tend to rely on individual agents (Kim et al. 1996) than website-based recommendations (Huber and Schlager 2018).

As the insurance paradigm evolves, it will be critical for both new and experienced agents to address these newer sets of consumer needs and also become resilient to changing market dynamics. Taking an interactional perspective, Liden et al. (2000) proved that psychological empowerment mediates the relationship between job characteristics, relationships with team members and leaders at workplace and work-related outcomes such as work satisfaction, organizational commitment and job performance. Eisman et al. (2016) study suggests that empowered individuals better comprehend the relationship between them and the societal system at large and believe that they can exert influence in changing the system when necessary. Eisman et al. (2016) study also points towards pro-social behaviours amongst people who are empowered. These studies when seen from the perspective of perceived employee empowerment connote the pivotal importance of psychological empowerment amongst employees to succeed in a volatile workplace culture manifested by changing organizational systems, job descriptions, consumer needs and market place conditions (Capgemini 2017b).

Agents play a pivotal role in understanding the customer needs, and in some cases they act as the only interface between customers and the organisation. In such cases, customers perceive the organization completely based upon the acts of the agent. Life insurance in India is one such industry where insurance agents act as the primary interface between customers and the organization since life insurance agents alone contribute to 70% of the insurance premium generated by life insurers in India (IRDAI 2019). Excessive reliance on insurance agents for business presents itself both as an opportunity and as a threat. In cases when the agent is inefficient to cater to customers' specific requirements, reliance on the agent may be construed as a threat. One of the primary reasons behind agents' inability to attend to customers' unique needs is the lack of agent empowerment (Singh and Singh 2019). When life insurance agents are empowered, agents can both recommend and make decisions that are in the best interest of customers (Menon 2001) which could in turn lead to better customer patronage in terms of enhanced loyalty, customer advocacy and more customer lifetime

value (O'Brien and Fenn 2012). Hence, understanding drivers of psychological empowerment amongst life insurance agents need detailed exploration and empirical validation. Therefore, the purpose of this paper is to explore the antecedents of psychological empowerment and test a model that discusses the relationships between antecedents of psychological empowerment with dimensions of psychological empowerment. This model will be tested empirically using the data collected from life insurance agents in India. Based upon the results of this model, managerial implications are suggested so as to enhance psychological empowerment amongst life insurance agents in India.

Literature review

Empowerment

The prior literature (e.g. Ma et al. 2021; Menon 2001) defined empowerment in a workplace perspective as giving people work-related decision-making authority. Empowerment can be structural or psychological, according to the literature (Laschinger et al. 2004). Structural empowerment deals with passing power and responsibility from managers to subordinates, whereas psychological empowerment relates to employees' cognitive perception of empowerment (Spreitzer 1995). More importantly, from an individual point of view, it is individuals' subjective assessment of being able to change their environment which is referred to as psychological empowerment (Dahl et al. 2014; Hartmann et al. 2018). In the current study, we focus on the psychological side of empowerment, because prior studies supported studying psychological empowerment to better understand the perceptions and behaviours of the individuals in the workplace (e.g. Gong et al. 2020; Singh and Singh 2019).

From a psychological perspective, Thomas and Velthouse (1990) argued that employee empowerment is multifaceted and that its essence cannot be captured by a single concept. Based on the Thomas and Velthouse (1990) approach, Spreitzer (1995) defined empowerment as increased intrinsic motivation manifested in four dimensions, namely meaning, defined as the value of a work goal or purpose, judged in relation to an individual's own ideals or standards (Thomas and Velthouse 1990); competence, defined as an individual's belief in his or her capability to perform activities with skill (Gist 1987); self-determination, defined as autonomy in the initiation and continuation of work behaviours and processes; and impact, defined as the degree to which an individual can influence strategic, administrative or operating outcomes at work (Ashforth 1989). These four dimensions combine additively to create an overall construct of employee empowerment.



In the current study, we postulate the role of agency theory which explains the importance of empowerment amongst life insurance agents. Empowerment, according to agency theory, is an effective technique to give authority over their occupations (Hales and Klidas 1998; Klidas et al. 2007; Meng and Han 2014). Empowerment provides more influence over the service delivery process and reduces the uncertainty that comes with it, resulting in improved service performance and customer satisfaction (Ma et al. 2021). When employees are empowered, they feel trusted, their self-esteem rises, and they feel obligated to give back, which they often engage in organizational citizenship behaviours directed towards internal and external consumers (Ma et al. 2020; Saleem et al. 2017). Here, in this study, following the agency theory, we define agent empowerment as the amount of assistance and flexibility that the agents are prepared to provide for their customers (Morris and Venkatesh 2010).

Importance of empowering life insurance agents

Life insurers employ agents who play a prominent role in engaging with customers to sell insurance policies and grow insurance business. The primary role of insurance agents is to solicit or procure business. In India, in order to ensure that only licensed people (after having qualified the requisite statutory written exam) engage as agents in prospecting and sale of insurance products, IRDAI has issued regulations for licensing of agents of IRDA Act (1999) (Refer: section 14 (2) (a) and (c) of the act). According to these guidelines, "Insurance Agent" is defined as an individual appointed by an insurer for the purpose of soliciting or procuring insurance business including business relating to the continuance, renewal or revival of policies of insurance.

Given the increasing complexity in prospecting and selling insurance policies, it is critical for agents to be empowered in terms of their role, product information, technology and decision-making authority in preliminary underwriting. Such empowerment is required for better sales conversion and market share sustenance (Dumm and Hoyt 2002), since insurance agents still are considered the primary point of contact across all facets of sales and service activities. Four broad advantages that insurers may derive by empowering agents are (1) improved volume growth and profitability, (2) enhancement in customer patronage for agent-based selling, (3) better agent services to customers and (4) significant economic value added for insurers (Vestergaard et al. 2020).

Hypotheses development: antecedents of empowerment

A variety of antecedents have been examined in relation to empowerment. Several features of organization design, including a wide span of control (Spreitzer 1996), enriching

job characteristics (Liden et al. 2000) and a supportive climate or culture (Sparrowe 1994), have been found to be related to high levels of employee empowerment. Other research has shown that high-quality relationships, including leader-member exchange (Liden et al. 2000), supportive peer and customer relationships (Corsun and Enz 1999), sociopolitical support from one's boss, peers and subordinates (Spreitzer 1996) and leader approachability (Koberg et al. 1999), are also important factors in facilitating empowerment.

Interestingly, many of these antecedents are to be viewed from a structural perspective since their effect is realized only when the employees perceive value in it. For example, a system may provide high tolerance to error in employee decision-making. Unless employees perceive the value of it to their advantage, they might not feel empowered. Therefore, antecedents to empowerment differ between both the perspectives. From a psychological perspective, Spreitzer (1995) proposed the following antecedents to empowerment, namely self-esteem, self-efficacy, access to information and rewards.

Self-esteem is defined as a general feeling of self-worth (Rotter 1966). Blascovich et al. (1991) define self-esteem as an overall affective judgement of an individual's importance, value or worth. Researchers agree that individuals with higher self-esteem have a larger feeling of self-worth, psychological well-being, optimism towards goals, positive affect in reaction failure and other adaptive attitudes and behaviours than those with lower self-esteem (Baranik et al. 2008; Pierce and Gardner 2004). According to Kim and Beehr (2018), when leaders motivate employees to be more participative in decision-making process, encourage the employees to state their point of view, allow autonomy in job performance where necessary and entrust the employees to take both responsibility and ownership of the work, employees develop self-esteem. Higher perception of self-esteem results in better perception of job-related empowerment (Greasley et al. 2005). Valadares (2004) study also proved that employees who exhibit higher self-esteem display higher confidence levels and thereby feel more empowered. Accordingly, we hypothesize:

H1a Self-esteem has a positive impact on dimensions of agent empowerment.

Self-efficacy explains the degree to which people believe that they, rather than external forces, determine what happens in their lives (Brockner 1987). Self-efficacy, or a person's belief in their ability to complete tasks successfully (Bandura 1997), can be boosted by empowering leader actions such as inspiration and development assistance. From theoretical perspectives, such as expectancy theory, self-efficacy is fundamentally a part of motivation because



it is a form of the expectation that one's effort will result in performance (e.g. Vroom 1964). Huang (2017) study revealed that employees who exhibit higher self-efficacy are prone to be more proactive in their behaviour which leads to experiencing higher levels of psychological empowerment. Amundsen and Martinsen (2014) indicate that leaders' skills of imparting coaching and other mentoring skills to employees make them feel more confident about their capabilities to perform tasks. This higher confidence in turn leads to better perception of self-efficacy that results in higher empowerment (Kim and Beehr 2018). Accordingly, we hypothesize:

H2a Self-efficacy has a positive impact on dimensions of agent empowerment.

Access to information deals with employees' understanding about the mission of the organization (Spreitzer 1995). According to de Castro and Sridharan (2021), access to information enables the employee to learn how to carry out the task in a manner that is in alignment with business unit/organization-wide objectives. Their study supports the evidence of a positive relationship between access to information and better subordinate performance. Yukl and Becker (2006) study indicates better decision-making on the part of the employee with better access to information. Bordin et al. (2007) empirically proved the positive correlation between access to information and perception of empowerment in the context of skilled professionals. Accordingly, we hypothesize:

H3a Access to information has a positive impact on dimensions of agent empowerment.

Rewards can be comprehended as an organizational incentive system that rewards performance (Bowen and Lawler 1992). Based upon Gkorezis and Petridou (2012) research, rewards can be broadly classified into four categories, namely financial rewards that include incentives, increments and bonuses; career growth-oriented rewards that include promotion opportunities; organization prestige that includes organization's recognition and extollation of employee performance amongst members of the organization; and social rewards that include better relation with reporting managers and colleagues. Their research empirically proved that in the case of both public sector and private sector employees, a significant positive correlation exists between rewards and employee empowerment. Better rewards develop intrinsic and extrinsic motivation of the agents involved, hence better psychological empowerment (Bowen and Lawler 1992). In order to achieve better performance, the rewards supplied by the company in exchange for employee (here agents) efforts must be able to match the expectation level of employees (Piaralal et al. 2016). Then,

the rewards in turn will empower the employees (Mihardjo et al. 2021). Klidas et al. (2007) study also emphasizes the importance of rewards in building empowerment amongst front-line employees. Accordingly, we hypothesize:

H4a Rewards has a positive impact on dimensions of agent empowerment.

Methodology

Study design and data collection

As part of this study, the researchers approached a market research agency specializing in banking, finance and insurance services. With the help of this agency, we identified life insurance agents who are willing to participate in the questionnaire-based survey. One thousand two hundred agents were approached during the study period, of which 512 respondents consented for the study and 409 respondents were approached for data collection based upon stratification criterion used in the study (details in sample characteristics section). The study was carried out by trained interviewers following an in-home interview technique. The confidentiality of the responses was assured before the beginning of the study. Besides this, willingness to participate in the study was reconfirmed before the start of the study.

Survey instrument

In order to collect data, the study developed a questionnaire-based survey. This survey instrument consists of multiple sections. The first section of the survey consists of measurement items, pertaining to the employee empowerment and its antecedents. In this scale, capturing the psychological empowerment (see Table 1) was based upon research by Spreitzer (1995), consisting of four dimensions of empowerment, namely meaning, competence, self-determination and impact. The scales on antecedents (see Table 2) were drawn from research by Spreitzer (1995), Melhem (2004) and Jha (2013). All questionnaire items are measured on a five-point Likert scale (1 = strongly disagree to 5 = strongly agree). Apart from these, in the second section, the questionnaire also had items on agent characteristics such as age, region served, agent type (government agent vs private agent), commission range and gender. Since in this study we presume that private insurance companies have a strong foothold in urban India, vice versa is true for LIC, which is a government-owned company (LIC 2020), we used agent type and region as the control variables.

As part of survey development, the study conducted a pretest. The objective was to primarily check the item wording, content, format and structure of the questionnaire. In the



Table 1 Factor loadings: antecedents of psychological empowerment

Construct	α	AVE	Items	Questions	Factor loading
Self-esteem	0.81	0.72	SE1	I feel valued to deliver on my work in the insurance company	0.76
			SE2	I find meaning in my role and work with insurance company	0.81
			SE3	I take pride in my work in the insurance company	0.96
Access to information	0.86	0.75	ATI1	<i>I have complete product information from the insurance company</i>	
			ATI2	I have information about competing products	0.90
			ATI3	I have information about competitive pricing	0.89
			ATI4	I have awareness about processes in my insurance company	0.80
			ATI5	<i>I have knowledge about the purpose and goals of the insurance company</i>	–
Rewards	0.92	0.72	R1	I have been rewarded and recognized for my performance	0.94
			R2	I have differentiated empowerment based on my loyalty and performance with the insurance company	0.88
			R3	I receive visible and timely appreciation from the insurance company	0.78
			R4	I have received monetary benefits in relation to my performance and growth of business	0.77
Self-efficacy	0.89	0.76	SEFC1	I am motivated to perform better for the insurance company	0.97
			SEFC2	I believe I have been able to make an impact to the business of the insurance company	0.84
			SEFC3	I am contributing to the insurance company's growth	0.78
			SEFC4	<i>I believe I am able to deliver on the commitments to the customers</i>	–

Italicized items were deleted

α Cronbach's alpha, AVE average variance extracted

Table 2 Factor loading: dimensions of psychological empowerment

Construct	α	AVE	Items	Questions	Factor loading
Meaning	0.82	0.74	ME1	The work I do is very important to me	0.86
			ME2	My job activities are personally meaningful to me	0.91
			ME3	The work I do is meaningful to me	0.80
Competence	0.92	0.66	COMP1	I am confident about my ability to do my job	0.71
			COMP2	I am self-assured about my capabilities to perform my work activities	0.85
			COMP3	I have mastered the skills necessary for my job	0.85
Self-determination	0.89	0.73	SD1	I have significant autonomy in determining how I do my job	0.98
			SD2	I can decide on my own how to go about doing my work	0.84
			SD3	I have considerable opportunity for independence and freedom in how I do my job	0.71
Impact	0.82	0.72	IMP1	My impact on what happens in my department is large	0.79
			IMP2	I have a great deal of control over what happens in my department	0.93
			IMP3	I have significant influence over what happens in my department	0.81

α Cronbach's alpha, AVE average variance extracted

pretest, ten respondents, who were insurance agents (did not participate in the main study), were administered the study questionnaire. In this process, we confirmed the instructional clarity, item clarity, relevance and time taken to complete the questionnaire. In addition, opinion from academicians was also sought to identify plausible ambiguity and check face validity of the items before the actual study began (Hardesty and Bearden 2004). The items furnished in the tables are finalized items after the pretest.

Sample characteristics

There are 24 life insurers in India, including 23 private insurers and 1 public insurer. Within the life insurance industry, 60% of the agents work with the public sector insurer, LIC, and the remaining 40% work with private sector insurers (IRDAI 2019). To achieve a similar kind of proportion in the study sample, stratified sampling method was used (Riffe et al. 1996). Affiliation of the agent (working for government



vs private insurance company) was used as stratification criteria. The demographic details of these respondents are represented in Table 3.

Data analysis and results

Before the formal test of hypothesis, the study conducted dimensionality check and scale validation. First to check the dimensionality of the scales, we applied two separate principal component analysis (PCA) with varimax rotation. After this, in the second stage, to confirm the psychometric properties (reliability and validity) of the scale, the study employed confirmatory factor analysis (CFA) using AMOS (version 20) software. After the confirmation of these two stages, in the third stage, the study tested the hypotheses using multiple regression analysis. In the following sections, first we present the PCA results, and confirmation of scale validity, and finally provide hypothesis testing results.

Dimensionality check: principal component analysis

Two separate PCAs were performed to assess the dimensionality of the scales. In the first PCA, we checked the dimensionality of the psychological empowerment; followed by this, in the second PCA dimensionality assessment was performed for psychological empowerment. In both the cases, eigenvalue > 1 criteria was used to determine the number of components. In the first PCA, all the items considered loaded as per the expectation. However, the second PCA results supported that few variables, namely SEFC4, AT11 and AT15, were found to either not significantly loading on any component (loading < 0.50) or cross-loading on more than one factor. Hence, these variables were removed from

the analysis. We have obtained a four-component solution in both cases with valid sample adequacy ($KMO > 0.70$). Besides this, the reliability of the components used was assessed using Cronbach's alpha. The Cronbach's alpha of all the constructs used in the study was found to be reliable since their value was greater than 0.70 (Hair et al. 1998). Loadings of the first PCA matched Spreitzer (1995) dimensions of psychological empowerment, and hence they were named accordingly.

Psychometric assessment: confirmatory factor analysis

We further conducted a confirmatory factor analysis (CFA) using maximum likelihood estimation using AMOS 20 to validate our measures. The results indicated that the measurement models provided very good fit to the data for both the dimensions of psychological empowerment ($\chi^2 = 585.9$, $df = 48$, $GFI = 0.91$, $TLI = 0.92$, $CFI = 0.96$, $RMSEA = 0.08$) and the antecedents ($\chi^2 = 314.3$, $df = 59$, $GFI = 0.92$, $TLI = 0.93$, $CFI = 0.95$, $RMSEA = 0.07$). The results of the CFA with factor loadings are summarized in Table 2. We employed a set of established procedures to check for convergent validity (Anderson and David 1988) and discriminant validity of our scales (Fornell and Larcker 1981). Convergent validity was supported as the estimated coefficients of all the indicators were significant, and the average variance extracted (AVE) was higher than 0.50. Discriminant validity was assessed by calculating the AVE for all pairs of constructs and comparing this value to the squared correlation between the two constructs of interest. Discriminant validity was satisfied as the squared correlation between any pair of constructs was in all cases less than the respective AVE of each of the constructs in the pair. See Table 4 for the

Table 3 Sample characteristics ($N = 409$)

Age		Gender	
20–29 years	26%	Female	48%
30–39 years	33%	Male	52%
40–49 years	34%		
50–59 years	7%		
Insurance company		Commission range in Indian rupees	
Public sector (LIC)	54%	< 2 lakhs	22%
Private insurers	46%	2–5 lakhs	43%
		5–10 lakhs	26%
		> 10 lakhs	9%
Type of business		Region served	
LIC (Govt.)	45%	Urban	44%
Private	55%	Semi-urban	34%
		Rural	22%



Table 4 Correlations between the dimensions in CFA

Antecedents to PE		1	2	3	4	Dimensions of PE		1	2	3	4
1	Self-esteem	0.72				1	Meaning	0.74			
2	Access to Information	0.00	0.75			2	Competence	0.03	0.66		
3	Rewards	0.00	0.01	0.72		3	Self-determination	0.10	0.36	0.73	
4	Self-efficacy	0.01	0.00	0.10	0.76	4	Impact	0.02	0.12	0.00	0.72

Values in the diagonals are the AVE for each construct

PE psychological empowerment

results of these analyses. Further, we extracted the CFA factor scores and used the same in multiple regression analysis and tested the study hypothesis.

Test of hypothesis

To check for the impact of antecedents on individual dimensions of psychological empowerment separately, a multivariate multiple regression (MMR) was performed. MMR regresses a set of independent variables on a set of dependent variables (Dattalo 2013). In this study, independent variables were antecedents of psychological empowerment, while the dependent variables were dimensions of empowerment. The regression coefficients obtained using MMR are the same as regression coefficients obtained if the same set of independent variables (antecedents of psychological empowerment) is regressed on each dependent variable (dimension of psychological empowerment) separately using multiple linear regression (MLR) procedure. However, MMR was preferred over performing individual MLRs for the following reasons: in MMR procedure, multivariate tests of significance of each independent variable across all dependent variables can be performed using Pillai's trace, and also effect size (using partial eta squared) of each independent variable for its contribution to all dependent variables in the model can be calculated. These calculations are not possible within the traditional MLR context. MMR is performed using the "General Linear Model—Multivariate" procedure of SPSS.

Multivariate significance test of independent variables was performed using Pillai's trace (PT) as it is robust to

deviations from multivariate normality assumption of dependent variables (Osion 1974). Effect size of each independent variable is calculated using Partial eta squares. Null hypothesis of PT is that the population regression coefficient of an independent variable is equal to zero for all regression models when the same independent variable is regressed upon each dependent variable separately. Alternate hypothesis is that at least one population regression model has a nonzero regression coefficient. As observed from Table 5, significance ($p < 0.05$) is achieved for all the antecedents. Also, it may be observed that PT is insignificant for all the control variables, namely gender, affiliation and geography, and hence they are excluded from further analysis.

Independent variables containing larger partial eta squared values contribute more to the model. Hence, from the point of view of predictor (here antecedent) importance, a variable with high partial eta squared value is to be considered more important (in determining empowerment).

Table 6 contains regression coefficients and their associated significance levels of antecedents for each dimension of psychological empowerment separately. This result is similar to regression coefficients that would be obtained if the antecedents are regressed on each dimension of psychological empowerment separately. Corresponding R square values for each regression are also made available in the table. Significant variables (having $p < 0.05$) are typed in bold. Results of the analysis are presented in Table 6.

Table 5 Pillai's trace and partial eta squared

Variable	PT	F Statistic	Hypothesis df	Error df	P value	Partial eta squared
Affiliation	0.014	1.227	4	347	0.299	0.014
Geography	0.023	1.425	8	676	0.292	0.023
Gender	0.014	0.992	4	347	0.441	0.014
Rewards	0.348	46.835	4	347	0	0.348
Self-efficacy	0.289	35.592	4	347	0	0.289
Access to information	0.047	4.306	4	347	0.002	0.047
Self-esteem	0.261	31.009	4	347	0	0.261



Table 6 Results of multivariate multiple regression

Dependent variable	Parameter	Estimates	Std. Error	T value	P value	R square
Meaning	Intercept	-0.03	0.05	-0.64	0.52	0.293
	Rewards	0.01	0.04	0.2	0.84	
	Self-efficacy	0.42	0.04	9.4	0.00	
	Access to information	-0.12	0.04	-2.76	0.01	
	Self-esteem	-0.32	0.05	-7.23	0.00	
Competence	Intercept	-0.03	0.05	-0.52	0.60	0.14
	Rewards	0.34	0.05	6.85	0.00	
	Self-efficacy	0.03	0.05	0.66	0.51	
	Access to information	0.13	0.05	2.71	0.01	
	Self-esteem	-0.09	0.05	-1.73	0.09	
Impact	Intercept	0.01	0.05	0.2	0.85	0.201
	Rewards	0.12	0.05	2.42	0.02	
	Self-efficacy	0.19	0.05	3.88	0.00	
	Access to information	-0.09	0.05	-1.8	0.07	
	Self-esteem	0.38	0.05	7.94	0.00	
Self-determination	Intercept	-0.01	0.05	-0.17	0.87	0.234
	Rewards	0.44	0.05	9.55	0.00	
	Self-efficacy	0.21	0.05	4.6	0.00	
	Access to information	0.02	0.05	0.35	0.72	
	Self-esteem	0.04	0.05	0.84	0.40	

Significant estimates are shown in bold (5% level of significance)

Summary of results hypothesis-wise

The first hypothesis assumes that self-esteem has a positive impact on all the dimensions of empowerment. This hypothesis was found true only for the impact dimension of empowerment. For competence and self-determination dimensions, self-esteem was not found to have any impact. The results show that self-esteem impacts the meaning dimension of empowerment negatively. The second hypothesis assumes that self-efficacy has a positive impact on all dimensions of empowerment. This was proved for all dimensions of empowerment except competence dimension, where no effect was reported. The third hypothesis assumes that access to information has a positive impact on all dimensions of empowerment. However, the study results reported a positive significant effect only

for competence dimension. For self-determination and impact dimension, no effect is found; for meaning dimension, a significant negative effect was found. The fourth hypothesis assumes that rewards have a positive impact on all dimensions of empowerment. This was proved for all dimensions of empowerment except meaning dimension, where a significant negative effect was reported instead (Table 7).

Discussion

Insurance in India is still regarded as a push product (PWC 2019). The job role of a typical Indian insurance agent deals more with hard selling life insurance policies rather than engaging in consultative financial planning based on customer requirements. Hence, those agents who have high

Table 7 Summary of the results of multivariate multiple regression

			Impact on dimension of empowerment			
			Meaning	Competence	Self-determination	Impact
Antecedents ^a	H1	Self-esteem	Significant but negative	Insignificant	Insignificant	Positively significant
	H2	Self-efficacy	Positively significant	Insignificant	Positively significant	Positively significant
	H3	Access to information	Significant but negative	Positively significant	Insignificant	Insignificant
	H4	Rewards	Insignificant	Positively significant	Positively significant	Positively significant

^aAll alternative hypotheses assume that antecedents have a significant positive impact on all dimensions of empowerment



self-esteem might see little meaning in their jobs because of the nature of hard selling that emphasizes highly on persuasion skills in comparison with skills related to customer need analysis or product knowledge. Hence, in our study, self-esteem was found to negatively affect the meaning dimension of empowerment and it was found unrelated to competence and self-determination dimensions of empowerment. Again taking into consideration the push nature of insurance products, self-efficacy dimension was found unrelated to competence dimension of empowerment, while it was found positively significant for other dimensions of empowerment.

In buying insurance products, word of mouth, recommendation from close family members and friends prevail over professional advice given by the agents (Cag Gemini 2017a). Agents' role is seen as primarily that of distributor of an insurance product and not that of consultant who suggests the right kind of product. One of the primary reasons for this phenomenon is relatively lower financial literacy in India coupled with insurance still being perceived as an investment product (Yadav and Tiwari 2012). Therefore, it may be argued that access to information has no significant effect on self-determination dimension and impact dimension. Since product knowledge is a direct outcome of access to information (Smith et al. 2005) and that in hard selling exercise, persuasion is emphasized above product knowledge (Friestad and Wright 1994), access to information also showed a negative impact on meaning dimension. In line with the literature, rewards had a positive significant effect on all other dimensions of empowerment except for meaning dimension. Rewards did not significantly affect the meaning dimension of empowerment. This finding is in line with Kohn (1993) argument that rewards do not create a lasting commitment to the job. They only temporarily alter the way job is done. The results of this study show that self-efficacy has no impact on competence dimension.

Managerial implications

From partial eta squared-based analysis (see Table 5), rewards were observed as the most important variable in determining psychological empowerment as a whole. This study accordingly points to the inevitable contribution of reward in improving psychological motivation for agents. Managers can create and implement reward programs that provide timely acknowledgement, appreciation and reward insurance agents' performance and their contribution to the growth of insurance business. It is important that insurers create reward programs that are attractive for both existing agents and new recruits to see insurance as a long-term career option.

In a highly competitive market like India, it is critical that the life insurance industry creates a strategy to groom the right talent. One of the keys to success in this area is to have an impactful onboarding program for new agents. Insurers may consider having focused reward programs that demonstrate tangible benefits and visible value and appreciation for the efforts of agents during the onboarding process (PWC 2019). This will contribute to longer-term success for agents and result in growth of insurance business.

The second important antecedent to empowerment is self-efficacy as observed from Table 5. Therefore, during the agent recruitment, managers may give preference to those agents who score high on self-efficacy over agents who have high levels of self-esteem. Results of this study indicate that self-esteem could actually impede psychological empowerment in some cases. Insurance organizations and managers can devise strategies and screening mechanisms to identify agents who are high on self-efficacy but not on self-esteem.

The third important antecedent to empowerment is self-esteem as observed from Table 5. The role of self-esteem in psychological empowerment is found to be ambivalent. High levels of self-esteem seem to erode the meaning of the job, but improve their impact at the workplace. Since agent is a customer-facing job, it can be safely assumed that the negative effects of self-esteem may outweigh the positive effects. Hence, during recruitment a person with high self-efficacy should be given preference over a person with high self-esteem. Managers can devise ongoing training strategies that will help agents develop high self-efficacy and work on improvement plans for individuals who have perceived high self-esteem.

Access to information stands as the least important contributor to psychological empowerment as observed from Table 5. The role of access to information in psychological empowerment was also found to be ambivalent. Results suggest that high access to information seems to erode meaning of the job but improves its competence at workplace. However, based on the changes in the current industry trends, contribution of access to information in determining psychological empowerment may soon be escalated (Amron et al. 2018).

The fundamental shifts are seen to be emerging 1) from product sales to relationship-based selling and to expertise-based selling and 2) training script-based selling skills to behavioural skills and to expert financial advisory skills (Agarwal, et al. 2015). This change requires the agents to possess a strong understanding of the market and the ability to interpret a significant amount of financial, market and economic data to advise customers (Siddiqui 2010). In such a scenario, access to information would have a significant positive contribution in psychological empowerment. While insurance agents might not see the value of access to information in contributing to the meaning of their immediate



role, but, as the nature of selling is evolving from hard selling to consultative one, it might turn out to be a decisive requirement for psychological empowerment.

Conclusion and limitations

Antecedents to psychological empowerment at the workplace for life insurance agents have an ambivalent impact on dimensions of psychological empowerment as shown by our study. In the Discussion section, we have revisited the study findings in the context of the current scenario of the insurance sector in India from a consumer behaviour perspective. Managerial implications are crafted in the areas of recruitment, onboarding and training the life insurance agents based upon the study results. This study has two limitations: the generalizability of study can be extended by using a greater sample size. Methodologically, structural equation modelling framework can be used instead of MMR method to get more robust estimates.

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