# AN EMPIRICAL STUDY TO MEASURE FACTORS CONTRIBUTING TO EMPLOYEE ATTRITION IN LIFE INSURANCE INDUSTRY WITH SPECIAL REFERENCE TO GUJARAT STATE

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### *Abstract*

*Retaining employees and managing talent has been a critical concern for many national and international organizations. The most precious resource for a company is its human resources, and their development in terms of skills, knowledge, and abilities aids the organization in achieving its goals (Chakraborty Joy, 2007). The most crucial Human Capital Management components, according to Hall, are effective executive teams, key position excellence and leaders who deliver results (Hall, B. W., 2008). A talent management practice aims to place the right people in the right jobs and to maximize the potential of their employees (Van Dick, R., O. Christ, at. el. 2004). The gradual loss of employees or workers as a result of retirement, resignation, or death is known as attrition (Carayon, P., M.C., Haims, and S., Kraemer, 2001). To put it another way, attrition is the total number of workers who leave a company—both freely and involuntarily—in a particular period of time (Goswami, B. K., & Jha, S., 2012). Due to various circumstances, series of events or reasons which may either be related to the organization or personal, employees leave their organization or join other firms (Desai, D., 2018/June). The insurance industry is a highly labor-intensive one, and human resources play a critical part in the overall expansion of the sector. In today's fiercely competitive climate, The prevalence of employee churn is viewed by Indian life insurance service providers as a growingly serious problem (Weerasinghe, G., 2017). Additionally, any kind of staff turnover is often regarded as a financial loss due to the expenses connected with training new personnel (Chander, Subash and Singh, parampal, 1983). Attrition rate is the rate at which a company's workforce is reducing or becoming fewer in number. A straightforward formula can be utilised to determine rates of attrition. Attrition = (No. of employees who left in the year /average employees in the year) x 100 (CHANDHOK, A., 2022). Obviously, turnover is expensive. It covers the expense of layoffs, replacement workers, vacant positions, and lost production due to learning curves (Fitz-Enz, J., 2000).*

## 1. INTRODUCTION

Another set of measurements must be used in addition to key performance indicators like sales per employee, customer happiness, customer retention, and unit labour expenses (Havolovic, S.J. , 1991). The degree of satisfaction among employees with their learning and development possibilities The degree of satisfaction among employees with the managerial qualities of their immediate supervisor Employees' happiness with the degree to which they receive fair treatment, feel valued, and are recognised for their efforts, Employee sense that their job matters Key employees' retention rate Employee sense that their work matters (DiVANNA, J., & Rogers, J., 2005). Unexpectedly, the authors discovered that while an unsatisfactory environment at work led to unhappiness, though better conditions rarely resulted in better attitudes. Rather, accomplishments, job recognition, and demanding, interesting, and responsible work were the things that provided the majority of people with a sense of fulfilment at their job (Herzberg, F., Mausner, B., & Snyderman, B. B., 1999).

## 2 LITERATURE REVIEW

Any life insurance firm suffers from the attrition of mainly retail insurance agents and other personnel. Because life insurance contracts are long-term and agents operate as the mediators between the insured and the insurer, the issue is especially severe in this industry (Ammy Kihari Kigo & Gachunga, H., 2016/May). Additionally, crucial elements for keeping personnel are motivation, achieving goals, and supervisors'

behaviour (Roy, N. C., & Shome, S.,2018). Attrition Rate = (No. of employees who left in the year /average employees in the year) x 100 Here are some major reasons of attrition according to V.T.D: Job Satisfaction, Work Environment, Job Security, Work Pressure, Nature of Job, Career Growth Opportunity (Head, V. T. D. , 2015).

## 2.1 Team Performance

In the LI industry, the quality of entry-level labour and the lack of a definite hiring strategy by insurers continue to be problematic. In order to have more manpower, qualities are frequently compromised, which mainly has a boomerang effect (Zheng, C., and D. Lamond). Both Frontline staff and Agents lack a specific retention mechanism. Although LI organisations spend a lot of monetary resources on "Training Expenses," the effectiveness of training is quite low (Mitra, S., & Ghosh, A. K. 2012). To inspire their employees for the sake of the company, employers should implement an appropriate compensation structure, career goals, a healthy work environment, and a respectable need analysis procedure (Juneja, N., & Gakhar, K). Significant correlations between motivational elements and flexible work schedules, positive relationships with coworkers, and job security have been discovered (Bojnec, Š., & Gašparič, K., 2010). Combining individual performance incentives with organisational design and training that prioritise collaboration and coordination are well-known examples of overlooking fit (Victor Oladapo., 2014). Individual incentives that encourage internal competitiveness might inhibit cooperation. Why would you spend money on team-based training and designs if you were going to overly emphasise individual rewards? Optimization across policies and practises is challenging when they are produced in the HR department silos and only separately considered (Boudreau, J. W., & Ramstad, P. M., 2007).

## 2.2 Employee Development

A person's motivation for working might vary depending on the type and strength of the unmet requirements in their own hierarchies of needs (Glasier, E, 1976). It is clear that people join insurance companies for more reasons than just fair pay and employment; they also want job security, the ability to work flexible hours, and the chance to progress in their careers. Employees place a high value on career progress, flexible scheduling, and job stability (Shah, M., & Bharti, P. , 2014). Employers should provide and offer an alluring benefits package to both retain existing employees and draw in fresh talent (Lynn, P., 2010). Offer a clear career path to staff if you want to keep them. Give the workers some level of freedom (Arrawatial, A., Dixit, S., 2017/July). Keep staff members engaged and inspired. Workplace culture, pressure to meet goals, and encouragement should be highlighted (Yumnam, T., & Singh, E. N., 2019). The company's internal research found that opportunities for advancement, pay, the nature of the job, and relationships with supervisors are all significant contributors to employee churn. The idea that compensation is the primary cause of attrition is untrue (Harichandana, M. K., & Reddy). One of the major issues that many life insurance companies encounter is the attrition and retention of talented employees. There are several private life insurance providers on the market, and they are all fiercely competing with one another in terms of new product development, customer service, and other factors (Ali Chitsaz-Isfahani & HamidReza Boustani, 2014/ September). The majority of private insurance employees were more drawn to the financial rewards and remuneration that were offered to them (Yadav, B).

## 2.3 Higher Authority Attitude

In addition to harming the organization's profitability, a high attrition rate demotivates the other workers (Beehr, T., & Franz, T., 1987). Attrition is also influenced by other factors, including relationships with peers and bosses and social recognition. Relationships with co-workers and managers, as well as social recognition, are important. (Pandey, N., & Kaur, G. , 2011). Various factors that contribute to attrition include fringe benefits, boss bombast and the use of derogatory language, failure to meet the goals, operational benefits and promotional features (Roy, N. C., & Rao, K. N. , 2014). Managers must provide employees with clear, concise, and timely job instructions, constructive criticism of their job performance, and many lines of contact in order to increase their dedication to their jobs (Raina, R., & Roebuck, D. B. ,2016). Work satisfaction and organisational commitment had an impact on turnover intention, and there was a positive correlation between turnover intention and perceived alternative career options (Agrawal, A., 2015). Organizations and higher authority employees take into account if these differentiating factors are attributable to supply-side variability in the human capital that workers bring to the market? (Grusky, D. B., 2019).

The likelihood that an employee will leave the company decreases noticeably as length of service increases, the likelihood that they will leave increases or decreases with age, and the likelihood that they will leave is lower if they are under the standard pay plan (Goodman, P.S., 1980). It is found that, regardless of age, the number of quits increases after 6.25 years of employment (Frye, A., Boomhower, C., Smith, M., Vitovsky, L., & Fabricant, S. ,2018). Insurance companies should offer their employees appealing and competitive wages as well as good career prospects (Mony, S. V. (2005). The human resource management department should focus more on retaining and rewarding high-performing staff as a result. The right and proper selection of staff is another important component in the organization's effort to reduce turnover (Chandrashekara, K., 2019). Employee attrition is negatively impacted by a number of factors, including poor business performance, low employee

morale, and workforce issues (Gupta, S.S. and Gupta, A., 2008). This article discusses staff churn in the insurance industry (Rehman, S, M., 2012/January). The researcher covered a wide range of topics, including remuneration, job security, succession planning, HR policies, and grievance management (Rathnamala, M. S., Bruce, M. M. J., & VJ, M. , 2019).

### 2.4 Need for Study and Research Gap

An empirical study to measure factors contributing to employee attrition in insurance industry with special reference to Gujarat state. The life insurance industry is expected to increase at a growth rate of 5.3% till 2023(ref. website of India Brand Equity foundation). As a growing market it has become difficult to manage employees for the company hear the reviewing various study and establishing the research gap the researcher perceived necessity to carry out top exploration to seek the answer as to which factors according to employees' satisfaction level and perception are affecting the employee attrition. Many researches have been done for finding reasons for attrition, but only few researches are conducted for Life insurance industry particularly in Gujarat state.

### 2.5 Scope of the Study

This study's scope is confined to Gujarat state only. This study largely focuses on how satisfied and how they view their life insurance provider as employees. It includes regular people above the age of 18. For the study, a number of demographic variables were collected, including age, gender, annual family income, marital status, occupants of the home, and other variables based on the literature review.

## 3. RESEARCH OBJECTIVE AND RESEARCH METHODOLOGY

### 3.1 Research Objective

Research Objective for current study is to identify different factors which significantly affect employee attrition in life insurance industry within Gujarat and to propose a strong model for the employee retention in life insurance industry within Gujarat from the sustainable human resources perspective.

### 3.2 Research Methodology

This study's target population consists of the former employees of Life insurance company in Gujarat state. Among descriptive research designs, a single cross-sectional study design was chosen. The questionnaire survey was administered. Respondents' informed consent was obtained prior to data collection. Snowball sampling was used in this research. Non comparative scaling technique is used in this study. Response time was around 6 minutes to fill up the questionnaire. Pilot testing was done over 42 respondents to validate the questionnaire. Data obtained from pilot survey were reliable as the Cronbach alpha value was 0.963. Pilot survey data was not utilized for the final survey. A number of other books, journals, websites and research articles were utilized for secondary data collection. Primary data was collected from employees who have left their life insurance company job in the last 5 years, with help of the structured questionnaire. Statements of questionnaires were extracted through literature review. Here researcher has utilized Likert scale for strongly agree to disagree options. Information was collected between June 2022 to September 2022. The sample size for this research survey is 387 respondents. For analysis purpose SPSS and AMOS, which are considered among the most powerful statistical analysis tools, were used in the research project.

## 4. DATA ANALYSIS

4.1 Demographic Analysis

| Factors | Particulars | Frequency | Percent | Cumulative Percent |
|---|---|---|---|---|
| **Gender** | Male | 257 | 66.4 | 66.4 |
| | Female | 130 | 33.6 | 100.0 |
| | Total | 387 | 100.0 | |
| **Age** | 18-28 | 136 | 35.1 | 35.1 |
| | 29-38 | 172 | 44.4 | 79.6 |
| | 39-48 | 56 | 14.5 | 94.1 |
| | 49-58 | 23 | 5.9 | 100.0 |
| | Total | 387 | 100.0 | |
| **Marital status** | Married | 275 | 71.1 | 71.1 |
| | Unmarried | 112 | 28.9 | 100.0 |
| | Total | 387 | 100.0 | |
| **Annual Family Income** | Less than 2,00,000 | 29 | 7.5 | 7.5 |

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| | | | | |
|---|---|---|---|---|
| | 2,00,001-4,00,000 | 119 | 30.7 | 38.2 |
| | 4,00,001-6,00,000 | 129 | 33.3 | 71.6 |
| | 6,00,001-8,00,000 | 63 | 16.3 | 87.9 |
| | Above 8,00,000 | 47 | 12.1 | 100.0 |
| | Total | 387 | 100.0 | |
| **Locality** | Urban | 228 | 58.9 | 58.9 |
| | Rural | 159 | 41.1 | 100.0 |
| | Total | 387 | 100.0 | |
| **Education** | HSC | 1 | .3 | .3 |
| | Graduation | 176 | 45.5 | 45.8 |
| | Post graduation and above | 210 | 54.3 | 100.0 |
| | Total | 387 | 100.0 | |
| **Family members** | 1-2 | 17 | 4.4 | 4.4 |
| | 3-4 | 186 | 48.1 | 52.5 |
| | 5-6 | 144 | 37.2 | 89.7 |
| | More than 6 | 40 | 10.3 | 100.0 |
| | Total | 387 | 100.0 | |
| **Company** | SBI Life Insurance | 144 | 37.2 | 37.2 |
| | HDFC Life Insurance | 83 | 21.5 | 58.7 |
| | PNB MetLife Insurance | 69 | 17.9 | 76.6 |
| | Kotak Mahindra Life Insurance | 48 | 12.5 | 89.1 |
| | ICICI Prudential Life | 43 | 11.1 | 100.0 |
| | Total | 387 | 100.0 | |
| Table 4.1 Demographic Frequency | | | | |

**Interpretation:**
1) The researcher obtained 387 samples from the population to conduct this survey. There were more male responses than female respondents, with 66.4 [n=257] were male and 33.6% [n=130] were female.
2) 35.1%[n=136] of the respondents are from age group 18-28, 44.4% [n=172] which is maximum; are from age group of 29-38, 14.5% [n=56] are from age group of 39-48, 5.9% [n=23] are from group of 49-58.
3) Most of the respondents- 71.1% [n=275] are married, and rest of 28.9% [n=112] are Unmarried & 0% [n=0] Preferred to not Say.
4) Annual Personal Income of 7.5% [n=29] respondents are below Rs. 2 Lacks and 30.7% [n=119] are between 2,00,001-4,00,000, 33.3% [n=119] are between 4,00,001 - 6,00,000 and 16.3% [n=63] are 6,00,001 -8,00,000 and 12.1% [n=47] are above 8 lacs.
5) This analysis says that from total responders 58.9% [n=228] are from Urban locality,41.1 [n=159] are from rural locality.
6) Educational background of 0.3% [n=1] is HSC, 45.5% [n=176] have done Graduation, 54.3% (n=210] have done Post Graduation & above.
7)Frequency Analysis Says that Member in house hold are 4.4 [n=17] is 1-2 particularly,48.1 [n=186] respondents have 3-4 member,37.2% [n=144] is 5-6 member,10.3% [n=40] have Above 6 members.
8) 37.2%[n=144] were from SBI life insurance company, 21.5%[n=83] were from HDFC Life Insurance, 17.9% [n=69] were from PNB MetLife Insurance, 12.5%[n=48] were from Kotak Mahindra Life Insurance 11.1%[n=43] were from ICICI Prudential Life.

### 4.2 Reliability Test
Statistically, the reliability of a scale is determined by whether the results are consistent when repeated measurements are made. It is said to be more reliable if a measure delivers identical results under constant conditions.

| Reliability Statistics | |
|---|---|
| Cronbach's Alpha | N of Items |
| .975 | 57 |
| Table 4.2 Reliability Analysis | |

**Acceptable values of Cronbach's alpha have to be greater than 0.70 (Nunnally J, Bernstein L., 1994). According to reliability analysis, Cronbach's alpha value is 0.975, hence the data is reliable for further studies.**

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## 4.3 Exploratory Factor Analysis

| KMO and Bartlett's Test | | |
|---|---|---|
| Kaiser-Meyer-Olkin Measure of Sampling Adequacy. | | .963 |
| Bartlett's Test of Sphericity | Approx. Chi-Square | 8170.977 |
| | Df | 253 |
| | Sig. | .000 |

Table 4.3 KMO and Bartlett's Test

Principal component analysis and varimax rotation were used for performing exploratory factor analysis (EFA). Bartlett's Test of Sphericity brings forth a measure of the statistical probability that the correlation matrix has significant correlations among some of its components. There were significant results, x2 (n=254) = 8170.977 (p < 0.001), Which indicates its appropriateness for factor analysis. The KMO measure of Sampling Adequacy (MSA) was 0. 963. In this respect, data with MSA values above 0.500 are considered suitable for factor analysis. The minimum factor loading criteria was to set 0.50. The result show that all communalities, indicating amount of variance in each dimension, were over 0.50. In the initial EFA, all the items (V1 to V22 & OV) were loaded successfully in the dimension significantly. Hence no items were removed from further analysis. The factor solution resulted from this analysis derived five factors for the scale, which accounted for 70.906 percent of the variation in the data.

**Rotated Component Matrix[a]**

| | Component | | |
|---|---|---|---|
| | 1 | 2 | 3 |
| V14 I felt connected to my co-workers. | .789 | | |
| V12 Proper Insurance and medi-claim facilities were given to me and my family. | .761 | | |
| V15 My opinions about work mattered to my co-workers. | .757 | | |
| V20 I was able to be productive during my working hours. | .757 | | |
| V17 I got along well wit take careh my team members. | .747 | | |
| V16 I felt respected and recognised for my work. | .733 | | |
| V13 I found my work meaningful. | .718 | | |
| V21 I felt encouraged by contests participation and awards opportunities. | .685 | | |
| V22 Performance appraisal system was fair and just. | .678 | | |
| OV Overall I am happy with my company policy and the way they take care of employees. | .639 | | |
| V11 Leaves were granted to me without much hesitation or discussion. | .622 | | |
| V10 I was able to take leave if there was an emergency. | .620 | | |
| V3 Development opportunities were available to me. | | .733 | |
| V1 I would like to work for my insurance company again in the future. | | .707 | |
| V2 I would recommend my insurance company to a friend if he/she is looking for employment. | | .697 | |
| V5 I believe that my insurance company is a great place to work. | | .681 | |
| V4 I thoroughly enjoyed my work. | | .668 | |
| V7 I had all the tools and resources needed to perform my job well. | | .620 | |
| V6 I had a clear understanding of my path to promotion. | | .614 | |
| V 19 Proper time was given to me to complete my tasks. | | | .789 |
| V9 I believe that my supervisors took my feedback seriously. | | | .788 |
| V8 I felt valued at work. | | | .652 |
| V 18 Supervisor was able to guide me in case of any confusion . | | | .572 |
| Extraction Method: Principal Component Analysis. | | | |
| Rotation Method: Varimax with Kaiser Normalization. | | | |
| a.         Rotation converged in 10 iterations. | | | |

Table 4.4 Rotated Component Matrix

Theoretical proposition in this research was in alignment with the 3 factors identified as part of this EFA. Team Performance which is Factor 1 includes items V14, V12, V15, V20, V17, V16, V13, V21, V22, OV, V11 and V10. Factor 2 – Employee development, gathers the items V3, V1, V2, V5, V4, V7, V6. Factor 3 which is Higher authority attitude includes items V19, V9, V8, V18. Factor loading are presented in above table.

## 4.4 Measurement Model

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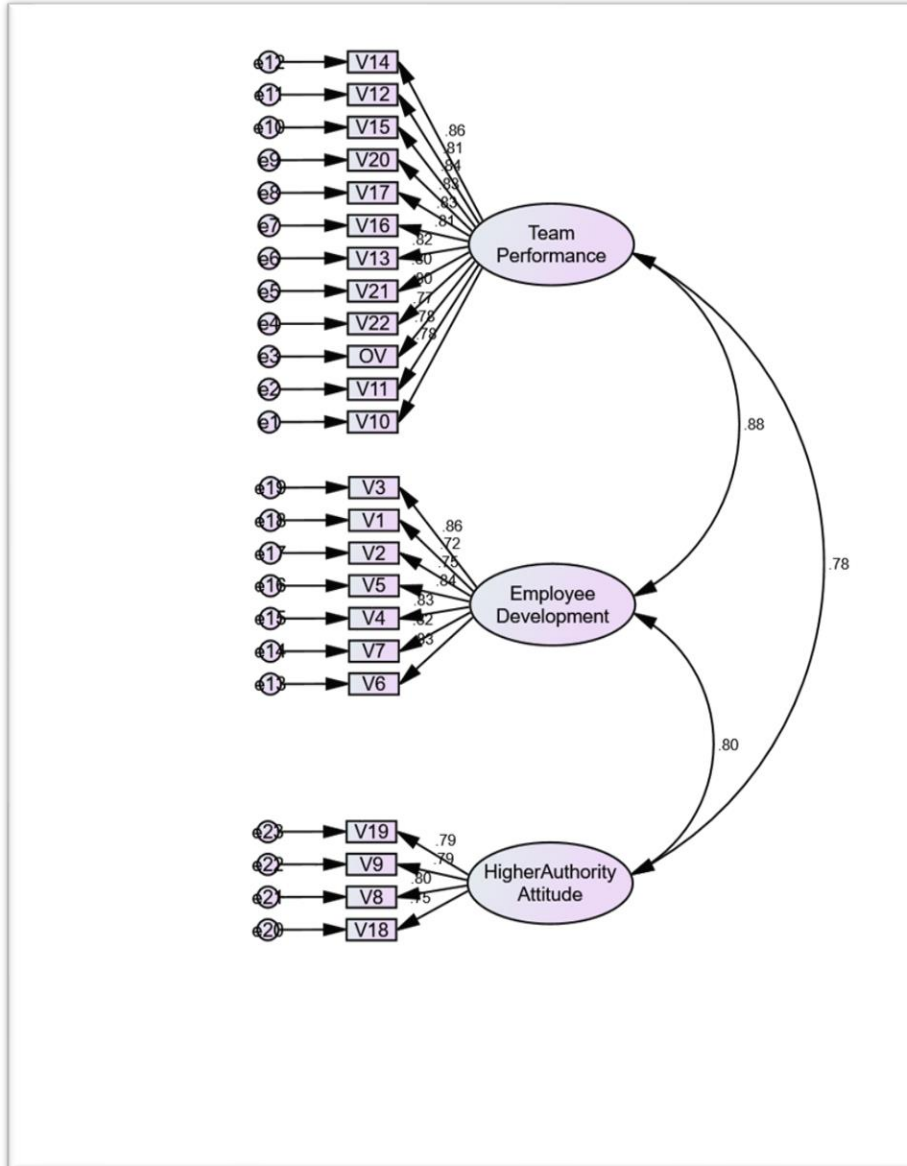
**Interpretation:**

The measurement model was run with factor loading assessment. Factor loading values are more than threshold level 0.7. CFA-Confirmatory Factor Analysis and construct validity assessment were used to measure the constructs and to proposed above model. The above model consists 3 latent variables and 23 observed variables. Team performance measured through 12 indicators, whereas Employee development has 7 indicators and Higher authority attitude has 4 indicators. All indicators possess the error terms. Researcher used Maximum likelihood estimation procedures to estimate parameters and all items seem adequately loaded on the specific construct.

| Factor | Indicator | Factor Loading |
|---|---|---|
| Team Performance | V10 | 0.782 |
| | V11 | 0.778 |
| | OV | 0.768 |
| | V22 | 0.804 |
| | V21 | 0.804 |
| | V13 | 0.822 |
| | V16 | 0.807 |
| | V17 | 0.832 |
| | V20 | 0.832 |
| | V15 | 0.841 |
| | V12 | 0.812 |
| | V14 | 0.857 |

| | V6 | 0.831 |
|---|---|---|
| | V7 | 0.825 |
| | V4 | 0.835 |
| Employee Development | V5 | 0.842 |
| | V2 | 0.752 |
| | V1 | 0.717 |
| | V3 | 0.858 |
| | V18 | 0.745 |
| Higher Authority Attitude | V8 | 0.802 |
| | V9 | 0.79 |
| | V19 | 0.79 |
| Table 4.5 Factor Loading 2 | | |

## 4.4 QUALITY MEASUREMENT

| Construct Reliability and Average variance Extracted | CR | AVE |
|---|---|---|
| Employee Development | 0.930 | 0.656 |
| Team Performance | 0.959 | 0.659 |
| Higher Authority Attitude | 0.863 | 0.612 |
| Table 4.6 Construct Reliability and Average variance Extracted 2 | | |

**Table 4 Quality Measurement**

AVE is the average variance of the indicator variables to described by the structure. The value of AVE should be 0.5 or above and CR value should be 0.7. Here and above that is considered as good model fit. As all of the result criteria is above the standards cut off, AVE, composite reliability and discriminant validity indicates excellent fit.

**Nomo-logical Validity**

Covariance between latent variables is statistically shown in the below table, which provides the evidence for nomo-logical validity. Evidence of acceptable levels of reliability and validity for CFA Model can be obtained by the consistent use of this model with its validated constructs should produce statistically robust findings.

| Factor | Estimate | S.E. | C.R. | P |
|---|---|---|---|---|
| Team_Performance | 1.164 | .128 | 9.116 | *** |
| Employee_Development | 1.234 | .126 | 9.806 | *** |
| HigherAuthority_Attitude | .969 | .118 | 8.217 | *** |
| 4.7 Nomo-logical Validity | | | | |

Covariance between latent variables is statistically shown in the above table, which provides the evidence for nomo-logical validity. Evidence of acceptable levels of reliability and validity for CFA Model can be obtained by the consistent use of this model and conducting path analyses with its validated constructs should produce statistically robust findings.

## 4.5 Goodness of Fit Analysis

Table summarizes key measures for model fit. Researchers are required to provide minimum one "Absolute Fit Index" along with one "Incremental Fit Index" besides the $\chi2$ (Chi- Square) results. There are 3 to 4 fit indexes which provide adequate evidence of model fit. Following the guidelines of these authors, the table provides various fit statistics; $\chi2$ (chi-square statistic), $\chi2/df$ (Normed $\chi2$), RMSEA, IFI, NFI, CFI, and TLI.

| Measure | Estimate | Threshold | Interpretation |
|---|---|---|---|
| Chi-square | 1212.682 | ... | |
| CMIN/DF | 4.342 | <5 | Above Threshold value |
| RMSEA | .016 | <.08 | Above Threshold value |
| NFI | .855 | >.7 | Above Threshold value |
| CFI | .878 | >.7 | Above Threshold value |
| TLI | .864 | >.7 | Above Threshold value |
| IFI | .879 | >.7 | Above Threshold value |
| 4.8 Goodness of fit | | | |

**Interpretation:**

This table depicts the total value of chi-square as 1212.682. It is suggested by researchers that Chi-square naturally increases when the measurement surpasses 200 and is therefore not considered an inferential rule. In these cases, instead of the chi-square value, different fit indexes are taken into account. The 4.342 CMIN/DF value shows excellent model compatibility. The RMSEA is 0.016 for the model, which is an excellent fit. The

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estimated model is also in adaquate fit with the proposed model, as determined by the values of CFI, TLI, NFI and IFI.

**4.6 Path Analysis**
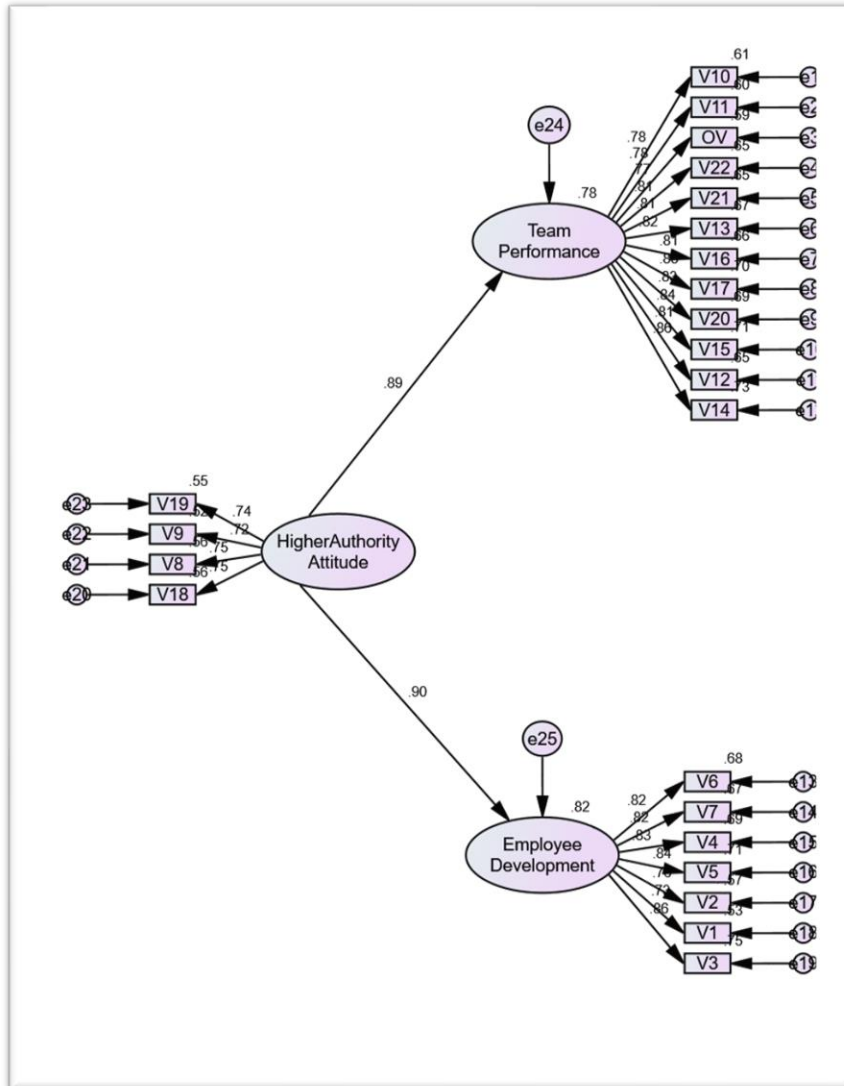


Researcher convert a measurement model into a structural model to find out the impact of one factor on other factor. Above figure illustrates how endogenous constructs have an impact. Above model gives information about impact of Higher Authority's Attitude on Team Performance and impact of Higher Authority's Attitude on Employee Development. Two hypothesis can be analysed from above path diagram.

Hypothesis 1:

Null Hypothesis $H_0$: There is no significant impact of Higher Authority's Attitude on Team Performance

Alternative Hypothesis $H_1$: There is significant impact of Higher Authority's Attitude on Team Performance

| Hypothesis | Regression weight | Beta value | R square | Significance | Result |
|---|---|---|---|---|---|
| 1 | Higher Authority's Attitude Team Performance | 0.80 | 0.78 | 0.000 | We reject the null hypothesis |
| Table 4.9 Hypothesis 1 | | | | | |

Hypothesis 2:

Null Hypothesis $H_0$: There is no significant impact of Higher Authority's Attitude on Employee Development

Alternative Hypothesis $H_1$: There is significant impact of Higher Authority's Attitude on Employee Development

| Hypothesis | Regression weight | Beta value | R square | Significance | Result |
|---|---|---|---|---|---|
| 2 | Higher Authority's Attitude → Employee Development | 0.90 | 0.82 | 0.000 | We reject the null hypothesis |
| Table 4.10 Hypothesis 2 | | | | | |

The structural model analysis can demonstrate the connection between the path relationship and the theoretical suggestion made in the study. The standardized beta weight of 0.80 and R square 0.78 was calculated which means that there is a positive and strong effect of Higher Authority's Attitude on Team Performance, hence there is significantly strong positive impact. The standardized beta weight 0.90 and R square 0.82 was calculated which means Employee Development is highly affected by the Higher Authority's Attitude. From this analysis we can say that there is a strong positive impact.

## 5. FINDINGS AND MANAGERIAL IMPLICATIONS

Given that this study finds that elements including team performance, higher-ups' attitudes, working patterns, and the workplace environment all significantly contribute to employee attrition, HR practitioners will find this study to be helpful. Employees in the HR domain can also benefit greatly from the demographic finding. In this study, the researcher employed confirmatory factor analysis (CFA), a very effective statistical approach that increases the validity and reliability of the results. This paper has provided significant literature to the already existing body that will be helpful to academics conducting additional research on attrition in any industry. Here it should be noted that as there are fewer studies about employee attrition in life insurance sector with reference to Gujarat state. Furthermore, there hasn't been much research done to look into the causes of employee attrition in life insurance companies with reference to Gujarat, but the researcher has discovered important factors that affect employee attrition, so this study can be seen as a valuable addition to the body of literature already available. This research will be useful to Life insurance companies and top level management, having an idea about reasons for attrition will help them frame better working environment and make decisions that will not adversely affect employees of the organization. Positive work culture can be created through variables like opportunities for career advancements, training, relationship with team-members and supervisors etc. Hence managers can focus on various affecting factors to retain the employees in the company. This study also indicates that team performance is a significant factor in employees' opinion, so company has to focus on employee retention in such a way that team members are satisfied with their individual contribution as well as team's success. Employee's training impacts working pattern and the work environment of an organization, which suggests training is a crucial factor for company's working style and culture. Superiors' behaviour significantly impacts team performance and employee development, hence motivating and encouraging behaviour of higher authority leads to fruitful results for the company.

## 6. CONCLUSION

Attrition is closely examined through this research and It has been concluded that there are more male employees leaving their life insurance company than females as there were 66.4% and 44.6% female. Through exploratory factor analysis concluded that 3 factors will be counted for overall perspective of former employees in measurement model - Team performance, employee development and higher authority attitude. In employee's opinion a non-favorable team performance, no employee development and negative attitude of higher authority are the major factors that lead to employee attrition. This study is different from the past research in such a way that this study has taken holistic approach in measurement of attrition intention and it finds the effect of Employee training on the working pattern and work environment. Likewise, Attitude of higher authority has impact on employee development and team performance.

## 7. FUTURE SCOPE OF THE STUDY

The study provides a basic framework for understanding employee perception and satisfaction. A similar study will be conducted in 2-3 years to monitor the attrition situation in organizations. It is advised that significant factors such as employee's intention, changing job structures such as work from home or hybrid job structure to be considered in additional research because these factors will have an impact on employee perception. Further research should expand the geographic area, age group, and sample size, as well as employ probability sampling procedures.

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