



NATIONAL INSURANCE COMPANY OFFICERS' ASSOCIATION
(Affiliated to National Confederation of General Insurance Officers' Associations)
(Registration No.17360)

Chairman: N C Jha (8335080164)

Dy Chairman: B K Vijaya Kumar (8884499608)

President: Manas Kanti Sarkar (8335080386)

W President: Sameer Khandelwal (8370009333)

Gen Secretary: Anshu Sekhar (7704900442)

Org Secretary: Vedant Aggarwal (7874457760)

MISSION NICOA : PROFITABLE NIC

Ref- NICOA/CMD/Mar-3

Date- 13th Mar 2025

Smt. Rajeshwari Singh Muni
Chairman cum Managing Director
National Insurance Co. Ltd.
Head Office, Kolkata

Subject: Urgent Need to Establish Cadre Strength Norms Across All Levels and Business Expansion Plan

Respected Madam,

The National Insurance Company Officers' Association (NICOA) wishes to bring to your attention a pressing concern regarding the absence of fixed cadre strength norms across various hierarchical levels in our organization. The lack of structured manpower planning has led to multiple challenges, including disproportionate cadre distribution, inefficiencies in daily operations, and adverse impacts on promotional vacancies, thereby affecting both employee morale and organizational growth.

On this subject, we had a detailed discussion with the General Manager (P) on 21.02.2025, wherein we specifically highlighted these issues and requested her to initiate a comprehensive study to ensure a prudent and well-informed decision. Madam had agreed to our request, and we trust that the necessary steps will be taken to address the matter appropriately.

As highlighted in the recent PSGICs Operating Model Transformation report, the restructuring exercise has focused on optimizing operational efficiency through the regionalization of core processes and specialized function-based manpower allocation. However, it is imperative that cadre strength norms be formally defined and implemented to align with this transformation.

Key Issues and Recommendations

Disproportion in Cadre Distribution:

The absence of well-defined cadre strength structures has resulted in disparities between different scales of officers. This disproportion affects succession planning and disrupts workflow management at various operational levels. A balanced HR Pyramid is essential to meet market challenges effectively.

Impact on Promotional Vacancies:

This year, the promotional vacancies were inadequate to meet organizational needs and did not align with the HR Pyramid. The lack of structured norms risks creating stagnation in career progression, as promotional opportunities remain uncertain. A structured framework will ensure fair and transparent promotional avenues.

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Operational Efficiency & Leadership Gaps:

Critical hubs such as OD, TP, Underwriting, Accounts, OEM, Health and General Claim Hubs are not currently headed by Scale IV officers in most of the cases. Instead, Scale I and II officers lead these functional units in few cases, causing delays in decision-making and negatively impacting Turnaround Time (TAT). To ensure effective and time-bound service, all hubs must be headed by a Scale IV officer.

Need for Uniformity in Organizational Growth:

In the recent promotions of DGMs and GMs, recommendations by Ernst & Young were considered after factoring in the Executive Director (ED) post. A similar structured approach should be adopted while determining cadre strength norms across all levels.

Business Expansion Plan and Recruitment Needs:

With increasing market competition and business potential, NICOA must strengthen its presence by expanding into high-growth areas, such as Tier III, IV and V cities.

- The current workforce is overburdened, and new recruitment drives must be conducted at the Scale I level and Class 3 to ensure seamless operations and future leadership development.

Creation of a Specific Cadre for Marketing Professionals in Scale I:

- The industry has undergone rapid transformation, and marketing is a key driver for business growth.
- We propose creating a dedicated Marketing Cadre at Scale I to streamline business acquisition efforts and enhance the company's market outreach.
- These officers should receive specialized training in insurance sales, digital marketing, and customer engagement to improve business retention and new acquisitions.

Current Organizational Structure:

- **Total Number of HUBs:** 330 (OD, TP, Underwriting, Accounts, OEM, Health, General Claim Hub, etc.)

- **Regional Offices (RO):** 34
- **Corporate Business Offices (CBO):** 4
- **Head Office (HO):** 1
- **Business Offices (BO):** 707

- **Business Centre (BC):** 116



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Past Studies and Recommendations:

Previous studies on manpower distribution (up to 2010-11) have suggested structured cadre strength norms. As per BPR (Consultant) recommendations:

Basis for ascertaining Cadre Strength in Different Cadres (upto 2010-11) :-								
-1	-2	-3	-4	-5	-6	-7	-8	-9
Cadre	Current %age to total Officers	As on 1.1.2008	As per (Consultant) {Recommended %age to officers}	per BPR (total)	Required Cadre Strength	Estimated desired strength (2008-09)	Estimated desired strength (2009-10)	Estimated desired strength (2010-11)
Scale VII		5	5% of total Officers	say 0.20% =	11	7	9	11
Scale VI	0.50%	21		say 0.70% =	42	28	35	42
Scale V	2.00%	85		say 3.20% =	190	120	155	190
Scale IV	5.90%	251	30% of total Officers	say 10% =	594	365	480	594
Scale III	14.20%	603		say 20% =	1189	798	994	1189
Scale II	31.10%	1320	65% of total Officers	say 30% =	1784	1475	1629	1784
Scale I	46.20%	1965		say 36% =	2139	2023	2081	2139
TOTAL	99.90%	4250			5949	4816	5383	5949
Estimated Strength on the basis of the Revised Organizational Structure and roles suggested by PwC								

Current and Required Manpower Analysis:

Based on the best practices of any corporate entity for the manpower requirement and also considering the Zone of Consideration in PSGICs, the above table highlights the workforce stress at various levels, especially in Scale I, II, III, and IV, where urgent recruitment is needed. It also emphasizes the need to align the HR Pyramid with business growth.

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Cadre	Current Strength	Estimate d desired strength	Total	% to Total Manpower	Remarks	Shortage
Scale VII	6	6	222	3%		0
Scale VI	37	36			6 times of Scale VII	-1
Scale V	151	180			5 times of Scale VI	29
Scale IV	452	630	1890	30%	3.5 times of Scale V	178
Scale III	1028	1260			2 times of Scale IV	232
Scale II	1501	1890	4253	67%	1.5 times of Scale III	389
Scale I	1258	2363			1.25 times of Scale II	1105
Total	4433	6365				1932

The revised organizational structure and role allocation suggested by PwC indicated an estimated desired cadre strength of 5949 officers to meet operational demands efficiently. However, the current strength is significantly below this recommended benchmark.

Conclusion

The lack of a structured manpower framework has created inefficiencies that will only worsen with time. NICL must urgently define cadre strength norms to ensure operational efficiency, fair career growth, and business expansion. We request an urgent dialogue with the management to discuss this matter further and collaboratively work towards a sustainable manpower structure aligned with the company's long-term goals.

We look forward to your prompt attention and action on this crucial issue.

Comradely Yours,

Anshu Shekhar
General Secretary



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