CHAPTER EIGHT

WORK STRESS, WORK SATISFACTION AND COPING
AMONG LIFE INSURANCE AGENTS

Chan Kwok-Bun

The life insurance industry began in England as early as 1756, yet agents as an occupation to sell insurance directly to the public did not appear until 1840, and mostly in the United States (Kessler, 1985, p. 14; Leigh-Bennett, 1936, p. 59). The industry in the United States expanded considerably in the late nineteenth century due to rapid economic growth, urbanisation and popular education; one saw keen competition among companies and agents for the client dollar. Some agents resorted to unfair and sometimes illegal sales tactics that resulted in further public hostility, rejection and distrust of life insurance agents. Such public stigmatisation was recorded in the United States as early as 1870. Zelizer (1983, p. 146) wrote, ‘Illegitimate practices were abolished, codes of ethics were published, professional associations organised and agents better trained. Yet the stigma endured.’

Since its spread to Singapore in 1908 (Neo, 1996, p. 37), the life insurance industry has relied on agents to ‘negotiate the cultural resistance to discussing the proposition of death and its implications, especially among the Chinese’ (Lee, 1994, p. 6; Leong, 1985, p. 178; Neo, 1996, p. 37). Han (1979, p. 44) wrote that ‘everyone needs life assurance, but very few people do anything on their own to buy it’. The agent was thus invented to deal with the public’s rejection of life insurance as a concept and as a commodity. In doing this work, agents were given a share of the profit: commissions (Chua, 1971, p. 42; Neo, 1996, p. 38). Hundreds of workers were lured into the life insurance industry by the attractive prospect of self-employment and its promise of work autonomy and potentially high monetary rewards—a sort of flight away from the wage-earning class.

To say that the work of a life insurance agent is stressful is perhaps an understatement. The fact was well documented in a 1990 survey of six groups of 2,589 workers in Singapore, life insurance
agents included (see Chapter 10). The survey found two major sources of work stress. One source was performance pressure. The professional workers may have internalised a strong need for job achievement and maintenance of professional standards, which are values often held high by many formal organisations as well as the government. The stress of performance pressure may also be a result of Singapore’s economic growth. As Hing (1991, 1992) suggests in Chapter 3, globalisation of the Singapore economy has driven workers to strive for personal and company success—which may bring considerable stress to the workers. Another important source of work stress was work-family conflicts—a finding consistent with those of recent overseas studies (Coverman, 1989; Lai, 1995; Simon, 1992; Thoits, 1986).

This essay attempts to identify and analyse stressors associated with the work of life insurance agents, as well as coping strategies adopted by the life insurance industry in general and the agents in particular. The study on which this essay is based analysed transcripts of in-depth interviews conducted in 1990 with 15 life insurance agents and subsequently in 1998–1999 with 15 agents and informants. Each interview lasted between one and a half and two hours. The respondents ranged from 23 to 42 years in age; 17 men, 13 women. Only five of the 30 respondents were university graduates or diploma holders; the rest were graduates of secondary schools, except for three who had completed ‘0’ or ‘A’ Level. Slightly more than half (18) were married.

Drafts of this chapter were given to five other life insurance agents (one retired) to read. One agent provided the researchers with extensive written comments; each of the other four was interviewed twice for feedback on the essay’s various drafts. This research strategy, though laborious and time-consuming, posed critical and reflective questions that required the analysts to periodically confront their qualitative data in the form of ‘reality-testing’—indeed a useful step in an interpretive study like ours. As a methodological device, this triangulation of respondents/informants, researchers and ‘critics’, when intentionally built into the research process, forces the researcher(s) to be doubly reflective. A step is thus institutionalised that requires the researcher to come to terms with biases or blind spots about which others within the triangle are in a legitimate position to ‘complain’.

There are two ways to define stress. One denotes external demands which require the individual to readjust his or her usual behaviour patterns (Holmes and Rahe 1967). In this chapter, these demands