

## Employee Motivational Tools and Growth of Insurance Firms in Rivers State

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### **Abstract**

*The study examined the relationship between employee motivational tools and growth of insurance firms in Rivers State. The objective of the study was to examine the relationship between dimensions of employee motivational tools (career growth, exciting work environment and soliciting worker's opinion) and measures of growth such as expansion, staff strength and financial growth of insurance firms in Rivers State. The study adopted the cross-sectional survey research design using a population twenty (20) accessible insurance firms operating in Rivers State. The entire population of 20 insurance companies was used. Five (5) top managers were randomly selected as respondents across the 20 insurance companies which gave rise to a total of 100 respondents. Questionnaire was used as instrument for data collection. The instrument was validated by two experts in Measurement and Evaluation. The reliability of the instrument was ascertained using Cronbach Alpha. Out of 100 copies of the questionnaire administered, the researcher was able to retrieve ninety (90) copies. Spearman Rank Order Correlation was used to test the hypotheses at 0.05 level of significance. It was found that there is a significant positive relationship between dimensions of employee motivational tools and measures of growth of insurance firms in Rivers State. It was concluded that It is pertinent for every firm specifically insurance firms to ensure that strategies are employed to attract qualified workforce and retain them for optimal performance which will in turn lead to organizational growth. Consequently, the study recommends that management of insurance firms should ensure their employees are exposed to relevant contacts in their career line; employees of insurance firms should ensure they are well coordinated to enable management ask for their opinion in designing daily, weekly or monthly task as well as decision making.*

**Keywords:** *Employee Motivational Tools, Career Growth, Exciting Work Environment, Soliciting Work's Opinion, Expansion, Staff Strength, Financial Growth and Growth*

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### **Background to the Study**

Attaining a sustainable growth has been the striving force of every organization. This is because organizations only remain in business if they could be resilience in the midst of disrupts. These resiliencies could strongly be practiced if there is a reasonable level of sustainable growth. Thus, growth is, in fact, used as one indicator of effectiveness for businesses and is a fundamental

concern of many practicing managers (Davidsson *et al.*, 2017). Conceptually, growth is the realistic attainable height that an enterprise or firm could maintain without running into complications. Companies have to grow at least a bit every year in order to accommodate the increased expenses that develop over time. Growth depicts a stage a company reaches when it can consider expansion and may look for additional options to generate more revenue. Growth is often a function of industry growth trends, business lifecycle and the owners' desire for equity value creation (Pettigrew *et al.*, 2017). Nevertheless, organization who could sustain growth is capable of attaining great performance. Within the context of this study, growth is measured in terms of expansion, staff strength and financial growth.

Expansion is usually a stage where the organization reaches the point for seeking out for additional options to generate more profit. Thus, it is used in this study as a process in which organization becomes greater in size, amount and number. To this end, it implies the creation of additional branches according to need. Organization expansion also brings increased opportunities for staff members who were a part of the organization in its early days (Lambert, 2018; Francis, et al, 2017; & Andrew, et al, 2018). The second measure of growth as used in this study is staff strength. It is operationally, defined as the adequate manpower that carry out the various operations of firms. It includes the employees' communication skills, technological proficiency, work ethic, problem-solving skills, and much more (Roy in Peter, 2019). For example, in insurance firms, it is advisable to keep high number of employees in surplus. This is because the insurance firm get new work procedure at any point of time, and they must have sufficient manpower available to start working on that. Financial growth as the last measure of growth represents financial enlargement of the organization which is a function of the dexterity of the administrators. Financial growth determines whether a business stays in business or exit (Staw & Epstein, 2014).

Motivated employees are committed employees. Committed employees are those who are willing to identify with organizational goals pursuing them and ensuring adequate attainment. Thus, it is necessary for organizations such as insurance firms to employ adequate employee motivational tools to boost morale of their workers (Umar, 2019). However, employee motivational tools are those factors, facilities or supports in which an organization adopted in other to ensure improvement of their employees' job commitment and performance. Employee motivational tools is one off the crucial aspect of any successful organization. These tools are driving force that propel employees towards working hard to achieve set target which in turn contributes to overall organizational success (Jones & George, 2018). Employers understands that they need to provide a work environment that creates motivation in people but many employers fail to understand the significance of motivation in accomplishing their mission and vision (Umar, 2019). Thus, employee motivational tool is characterized in this study through career growth, exciting work environment and soliciting worker's opinion.

One of the employee motivational tool insurance firms in Rivers State such as Prime Track, Afrinvest, Cowry Security, Equator Capital Assets Management, Regency Alliance, SBG Insurance Brokers, Royal Exchanging Assurance Plc, Custodian & Allied Insurance Plc, ARM Life, Mansard Insurance, Mutual Benefit Assurance, Industrial & General Insurance Etc. could practice is career growth. Greenhaus, *et al.* (2018) stated that a career is best described as "the

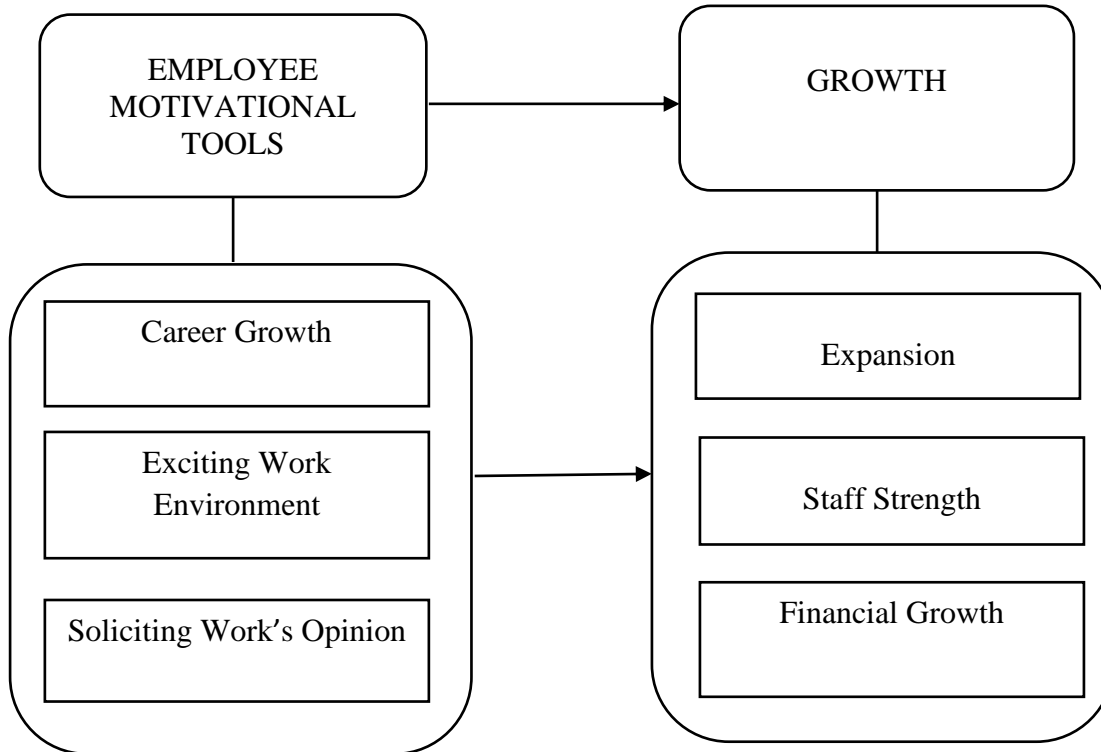
pattern of work-related experiences that span the course of one's life. This definition includes both objective events, such as jobs, and subjective views of work, such as the person's attitudes, values, and expectations. To this end, this study defined career growth as the process an individual may undergo to evolve their occupational status. Thus, it deals making decisions for long term learning. Career support and growth is a major tool for attracting, motivating and retaining good quality employees in organization (Purcell, 2013; Linh, 2017). Exciting work environment as the second dimension represents a hilarious workplace that can trigger the enjoyable and lighthearted feelings of employees. Toxic work environment gives unpleasant experiences and at the same time, de-actualize employees' behavior. This environment reinforces low self-actualizing behaviours and it leads to the development of negative traits of the employees' behavior. In toxic work environment, responsible and sensible employee can change into irrational and irresponsible employee as a survival strategy. Soliciting worker's opinion as the last dimension of this study refers to a managerial practice of allowing employees participate in decision making in their work-related issues. Since employees are the one in charge in executing task, it is pertinent for organizations to always solicit or ask for their opinion on the best way to execute these assigned tasks with ease. This will make them have sense of belonging regarding the fact that they are valued and their ideas equally counts (Nmom, 2015; Pat, 2017; Attipoe *et al.*, 2021). This background necessitated this study.

### **Statement of Problem**

One of the major factors facing most organization is achieving a sustainable growth, insurance firms are not left out. It appears most insurance firms suffer stagnant business operation which is greatly affecting their expansion and financial growth (Francis *et al.*, 2017; Jason *et al.*, 2015). Lack of business expansion and financial instability are twin evil of every organization (Davidsson *et al.*, 2017). It equally seems that these firms also find it challenges in retaining quality and talented employees. These issues have raised the question of the level of motivational tools they employ to boast their workers morale. We do not know the level and the employee motivational tools utilized by these insurance firms if any.

Another issue necessitating this study appears to be dearth of empirical on employee motivational tools and how they influence performance, competitiveness, sustainability, productivity, growth etc. For instance, Ajalie (2017) examined the effect of employee motivation on organizational productivity: A study of May & Baker Plc, Ota, Ogun State, Nigeria; Linh (2017) examined the impact of employees' motivation on organizational effectiveness; Gifty *et al.* (2021) theoretically studied employee motivation and its effects on employee productivity/ performance; Awoke (2015) examine the relationship between work environment and organizational performance of Callus Miller Communications Limited in Port Harcourt. However, none of the aforementioned studies examined the relationship between employee motivational tools and growth of insurance firms specifically in Rivers State. They do not dimensionalized employee motivational tools in terms of career growth, exciting work environment and soliciting worker's opinion. None of the studies equally measures growth through expansion, staff strength and financial growth as used in this study. This knowledge gap prompted this study.

## Conceptual Framework



**Fig. 1.1:** Conceptual Framework of Employee Motivational Tools and Growth of Insurance Firms in River State.

**Source:** Umar (2019); Deafu (2020); Gifty, *et al.* (2021); Attipoe, *et al.* (2021); Kohun (2018); Brenner (2018).

### Aim and Objectives of the Study

The aim of the study was to examine the relationship between employee motivational tools and growth of Insurance Firms in Rivers State. The objectives of the study were to:

1. determine the relationship between career growth and expansion of insurance firms in Rivers State.
2. ascertain the relationship between exciting work environment and staff strength of insurance firms in Rivers State.
3. examine the relationship between soliciting worker's opinion and financial growth of insurance firms in River State.

## Research Hypotheses

Based on the above objectives, the researcher formulated the below research hypotheses:

- Ho<sub>1</sub>: There is no significant relationship between career growth and expansion of insurance firms in Rivers State.
- Ho<sub>2</sub>: There is no significant relationship between exciting work environment and staff strength of insurance firms in Rivers State.
- Ho<sub>3</sub>: There is no significant relationship between soliciting worker's opinion and financial growth of insurance firms in River State.

## Theoretical Framework

The study adopted the Hierarchy of Needs Model or Theory. Hierarchy of Needs Theory was propounded by Abraham Maslow between 1940-50s with the following assumption:

- i. Employees move up a need hierarchy as they satisfy each of them.
- ii. Employees are motivated by unsatisfied needs until they are fulfilled.
- iii. Employers should provide a work environment that encourages and enables employees to fulfill their own unique potential (self-actualization).
- iv. As each of these needs is significantly satisfied, it drives and forces the next need to emerge and people move up a needs hierarchy as they satisfy each of them.

The justification for this theory as one of the cardinal Model of this study is predicated on the fact that the theory identified social needs as a higher order need that cannot be ignored. Abraham Maslow outlined five stages in hierarchy of needs such as physiological needs, safety need, social needs, self-esteem and self-actualization. A situation whereby management put plans in place for its workers to be able to satisfy his or her social needs (career growth, exciting work environment and soliciting worker's opinion), the worker will experience great level of work-life balance as well as impacting in their organizational growth.

## Methodology

The study adopted the explanatory cross-sectional survey research design, the population of the study consisted of Eighty-Two (82) insurance firms operating in Rivers State. Due to accessibility and manageability, only twenty (20) functional insurance firms were studied. Random sampling was adopting in selecting 5 managers as respondents across the twenty (20) insurance firms which resulted to a total of 100 respondents. The reliability of the instrument was ascertained using Cronbach Alpha which yielded a cumulative value of 0.823. The validation was supervised by two experts in measurement and evaluation and a total of one hundred (100) copies of the validated questionnaire were distributed to the targeted audience. The researcher was able to retrieve ninety (90) copies of the entire validated questionnaire distributed and were used for the data analysis. Pearson Product Moment Correlation Coefficient was used to test hypotheses.

## Results

### Employee Motivational Tools and Growth

Ho<sub>1</sub>: There is no significant relationship between career growth and expansion of insurance firms in Rivers State.

**Table 1: Correlations between Career Growth and Expansion**

		Career Growth	Expansion
Spearman's rho	Career Growth		
	Correlation Coefficient	1.000	.709**
	Sig. (2-tailed)	.	.000
	N	90	90
	Expansion		
	Correlation Coefficient	.709**	1.000
	Sig. (2-tailed)	.000	.
	N	90	90

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2024

The table above shows that a calculated r value is 0.709. Since the calculated r value 0.709 is higher than the critical r value 0.05, the null hypothesis (Ho<sub>1</sub>) which states that there is no significant relationship between career growth and expansion of insurance firms in Rivers State was rejected while the alternate (Ha<sub>1</sub>) was accepted. This implies that there is a significant positive relationship between career growth and expansion of insurance firms in Rivers State.

Ho<sub>2</sub>: There is no significant relationship between exciting work environment and staff strength of insurance firms in Rivers State.

**Table 2: Correlations between Exciting Work Environment and Staff Strength**

		Exciting Work Environment	Staff Strength
Spearman's rho	Exciting Work Environment		
	Correlation Coefficient	1.000	.826**
	Sig. (2-tailed)	.	.000
	N	90	90
	Staff Strength		
	Correlation Coefficient	.826**	1.000
	Sig. (2-tailed)	.000	.
	N	90	90

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output, 2024

Table 2 above shows that the calculated r value is 0.826. Since the calculated r value 0.826 is higher than the critical r value 0.05, the null hypothesis ( $H_{02}$ ) which states that there is no significant relationship between exciting work environment and staff strength of insurance firms in Rivers State was rejected while the alternate ( $H_{a2}$ ) was accepted. This implies that there is a significant positive relationship between exciting work environment and staff strength of insurance firms in Rivers State.

$H_{03}$ : There is no significant relationship between soliciting worker's opinion and financial growth of insurance firms in River State.

**Table 3: Correlations between Soliciting Worker's Opinion and Financial Growth**

		Soliciting Worker's Opinion	Financial Growth
Spearman's rho	Soliciting Worker's Opinion	Correlation Coefficient	1.000
		Sig. (2-tailed)	.678**
		N	.000
			90
	Financial Growth	Correlation Coefficient	.678**
		Sig. (2-tailed)	1.000
		.000	
		90	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output

Table 3 above shows that the calculated r value is 0.9811. Since the calculated r value 0.9811 is higher than the critical r value 0.05, the null hypothesis ( $H_{03}$ ) which states that there is no significant relationship between soliciting worker's opinion and financial growth of insurance firms in River State was rejected while the alternate ( $H_{a3}$ ) was accepted. This implies that there is a significant positive relationship between soliciting worker's opinion and financial growth of insurance firms in River State.

## Discussion of Findings

### Employee Motivational Tools and Growth

The test of hypothesis one revealed that there is a significant positive relationship between career growth and expansion of insurance firms in Rivers State. This implies that organizational willingness to assist their employees to grow career wise, will improve the performance of such employee in the organization as well as effecting in the overall growth of the organization as well through expansion. Career growth holds out the possibility of growing critical skills within the organization, which are often not available on the external labour market of improved deployment of people in jobs where their talents are well used as well as improved ability to attract good people and possibly retain them and of improved flexibility in the workforce and therefore the ability to



respond to business change (Navern, *et al.*, 2015). In line with the above, Purcell, (2013) found that paying attention to the career growth of individuals in organizations will be vital not only for skill expansion but also to help motivate superior performance at work by giving people a clear sense of direction and purpose. This will mean that career professionals will need to think in new ways about how they, organize and provide career maintenance, work effectively with partners from other professional groups, use informal career support mechanisms and giving others career support more effectively. Similarly, Saleem and Anim (2013) findings revealed that Career support and growth is a major tool for attracting, motivating and retaining good quality employees in organization. Thus, providing career opportunities is one of the key practices which influence organizational performance and growth. To this end, it is obvious that the more career growth is encouraged, the more organizations achieves business expansion.

The test of hypothesis two showed that there is a significant positive relationship between exciting work environment and staff strength of insurance firms in Rivers State. This implies that consequent creation/provision of exciting work environment by employers, brings a corresponding improvement of staff strength. This is because individual needs to be happy as well as achieving work-life balance. This could only manifest if organization ensure that their workplace is fun. It could manifest through provision of workplace social amenities such as recreational facilities, social programs, cafeteria etc. In consonance with the finding above, Deafu (2020) found that the ability to share knowledge throughout organizations depends on how the work environment is designed to enable organizations to utilize work environment as if it were an asset helps organizations to improve effectiveness and allow employees to benefit from collective knowledge. Toxic work environment gives unpleasant experiences and at the same time, de-actualize employees' behavior. This environment reinforces low self-actualizing behaviours and it leads to the development of negative traits of the employees' behavior. In toxic work environment, responsible and sensible employee can change into irrational and irresponsible employee as a survival strategy.

The test of hypothesis three revealed that there is a significant positive relationship between soliciting worker's opinion and financial growth of insurance firms in River State. This opined that managerial ability to seek workers' opinion in terms of making work related decision, brings about a corresponding improvement in their financial growth which is one of the indicators of organizational growth. Thus, one of the things that keep employee of an organization is when they are fully informed that they have a voice. This is because, most organization do not see employees as people who could make meaningful contributions in making decisions and executing tasks. Supportively, Attipoe *et al.* (2021) found that since employees are the one in charge in executing task, it is pertinent for organizations to always solicit or ask for their opinion on the best way to execute these assigned tasks with ease. This will make them have sense of belonging regarding the fact that they are valued and their ideas equally counts. The worst thing you will have is a workforce that thinks management does not listen to ideas and they do not know what is going on or does care to make improvement. The process of involving more people in the innovative process and asking them for ideas doesn't have to be hard. Therefore, organization who solicits worker's opinion stands to achieve collaboration as well as financial growth.



## Conclusion

Based on the analyses and discussion of findings, the study concluded that there is a significant positive relationship between career growth and expansion of insurance firms in Rivers State; there is a significant positive relationship between exciting work environment and staff strength of insurance firms in Rivers State; there is a significant positive relationship between soliciting worker's opinion and financial growth of insurance firms in River State. It is pertinent for every firm specifically insurance firms to ensure that strategies are employed to attract qualified workforce and retain them for optimal performance which will in turn lead to organizational growth. Thus, insurance companies who fail to support the growth of employee's career, create exciting work environment as well as soliciting worker's opinion in terms of designing tasks, may fall short of attaining their intended growth.

## Recommendations

Based on the results and conclusion, the following recommendations were made:

1. Management of insurance firms should ensure their employees are exposed to relevant contacts in their career line.
2. Management of insurance firms should ensure that their workplace is fun through creation of recreational facilities such as staff club, cafeteria, gym, table tennis sports etc.
3. Employees of insurance firms should ensure they are well coordinated to enable management ask for their opinion in designing daily, weekly or monthly task as well as decision making.

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