

# HUMAN RESOURCES MANAGEMENT PRACTICES AND EMPLOYEE ENGAGEMENT OF INSURANCE FIRMS IN SOUTH-SOUTH NIGERIA

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| Article History  | Abstract   |
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| <b>Original Research Article</b>   | <p><i>This study investigated the correlation between human resource management (HRM) practices and employee engagement among insurance companies in South-South Nigeria. The study specifically examined the impact of recruiting and selection, training and development, remuneration and reward systems, performance management, and employee participation on employee engagement. The research utilised a descriptive survey design, focusing on 300 employees from chosen insurance companies, yielding 280 valid replies. Data were examined via descriptive statistics and regression analysis. Research indicates that HRM practices significantly enhance employee engagement, with training and development, as well as employee participation, identified as the most potent factors. Recruitment and selection, salary and rewards, and performance management are key contributors; nonetheless, enhancements are necessary in benefits satisfaction, appraisal transparency, and decision-making clarity. The research concludes that strategically executed HRM strategies improve employee competence, motivation, and commitment, hence enhancing engagement and organisational performance. It advises insurance companies to emphasise ongoing training, transparent hiring and evaluation procedures, competitive remuneration, and participatory decision-making to enhance employee engagement and overall productivity.</i></p> <p><b>Keywords:</b> Human Resource Management, Employee Engagement, Insurance Firms, Training, Compensation, Participation.</p> |
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## Introduction

HRM is becoming a key factor in organisational efficiency in modern institutions. Organisations across sectors realise that human resource management is crucial to achieving strategic goals and maintaining competitive advantage. Employees are an organization's greatest asset since they develop, implement, and sustain activities. Thus, companies that invest in good HR management have increased productivity, innovation, and employee commitment.

Human resource management practices are the methods companies use to recruit, train, inspire, and retain employees (Sharma, 2023). These techniques improve employee performance and match goals with organisational goals. HRM includes recruiting and selection, training and development, performance management, compensation and reward systems, and employee decision-making. Effective

implementation of these principles boosts employee happiness, organisational commitment, and engagement.

Over the past two decades, organisational behaviour and human resource management literature has focused on employee engagement. Employee engagement is the emotional, cognitive, and behavioural commitment people show to their work and company (Ngozi & Edwinah, 2022). Engaged workers are passionate about their jobs and willing to work more to meet company goals. High motivation, dedication, and loyalty boost organisational productivity and performance.

In modern organisations, employee engagement is crucial. Engaged personnel have lower attrition, more customer satisfaction, higher productivity, and better organisational performance (Alabi et al., 2024). High staff turnover, absenteeism, low morale, and low productivity are common

in low-engagement organisations. Thus, experts and practitioners increasingly emphasise human resource management approaches in employee engagement.

In insurance and other service businesses, employee engagement is vital. Employee-client relations are crucial to insurance companies. Insurance employees handle customer service, policy marketing, claims management, and financial advise. These duties' efficiency affects client satisfaction and the company's reputation. Thus, employee involvement in insurance firms impacts organisational success.

Insurance is vital to any nation's economy. Financial protection against risks and uncertainties promotes economic stability and prosperity. Insurance firms help people and businesses manage financial risks from accidents, health issues, property damage, and other unforeseen catastrophes (Majka, 2024). Nigeria's financial services economy relies on the insurance sector to manage risk for individuals, corporations, and government organisations.

Insurance in Nigeria has struggled throughout the years despite its importance. These issues include low insurance penetration, public distrust, poor insurance awareness, and weak operational structures in some organisations. In addition, many insurance firms suffer with staff motivation, productivity, and retention. These issues often result from poor human resource management that ignores employee needs.

Oil and gas, commercial organisations, and financial institutions make the South-South region of Nigeria important economically. This region's insurance companies serve individuals, corporations, and governments. Insurance companies in the region, like many service-oriented businesses, struggle with employee unhappiness, career growth, and reward systems. Issues may lower employee engagement and organisational performance.

Human resource management methods that foster employee commitment and productivity can solve these problems. Effective recruiting and selection processes attract skilled candidates with the skills and attitudes needed for organisational success. Training and development programmes assist employees learn new skills and perform better (Sadewa & Ridwan, 2024). Organisational compensation and reward schemes motivate employees. Employees that feel adequately compensated are more committed and engaged (Zawawi et al., 2024). Performance management systems with clear expectations, regular feedback, and development chances boost employee motivation and organisational performance (Bristol-Alagbariya et al., 2022).

Employee participation in decision-making is another essential HR strategy. Employees feel more connected to the company when they can share ideas and vote (Chakraborty et al., 2024). Ownership frequently leads to better involvement and commitment to organisational goals.

Many studies have explored the relationship between human resource management techniques and employee engagement in various sectors, but few have concentrated on Nigeria's insurance industry, particularly in the South-South. Most research have focused on banks, factories, and government agencies. Consequently, little is known about how HRM strategies affect employee engagement in insurance organisations in this region.

Insurance companies require particular human resource methods to meet employees' professional and psychological needs. Insurance agents must accomplish sales goals, manage consumer expectations, and preserve professional ethics in competitive circumstances (Elomari, 2024). These pressures can cause stress, burnout, and low employee engagement without good HRM.

Improved insurance firm performance in South-South Nigeria requires understanding the relationship between human resource management strategies and employee engagement. Organisations can improve employee motivation, commitment, and productivity by studying how HRM practices affect employee attitudes and behaviours (Ahmad et al., 2024).

This study may also help leaders and policymakers create HR policies that boost employee satisfaction and performance. Improved HRM may also boost Nigeria's insurance industry's legitimacy and effectiveness.

Thus, this study examines how human resource management methods affect employee engagement in South-South Nigerian insurance organisations. The study covers HRM activities such recruiting and selection, training and development, remuneration systems, performance management, and employee participation in organisational decision-making. The study investigates these characteristics to provide empirical data for academic discourse and insurance human resource management improvements.

Despite the recognized importance of human resource management practices in enhancing employee engagement, insurance firms in South-South Nigeria continue to face persistent challenges that hinder optimal workforce productivity and organizational performance. Many firms report high employee turnover, low job satisfaction, and insufficient motivation among staff. These issues often result in poor customer service, missed sales targets, and overall reduced organizational efficiency.

Several factors contribute to these challenges. First, recruitment and selection processes in some insurance firms are inadequately structured, leading to the employment of individuals who may lack the necessary skills, experience, or motivation for specific roles (Chataut, 2022). Misalignment between employee competencies and job requirements can result in frustration and disengagement.

Second, training and development programs, where they exist, are often limited in scope, poorly coordinated, or fail to address the evolving professional needs of employees (Gutterman, 2023). This lack of capacity-building opportunities prevents staff from improving their performance and achieving career growth, contributing to disengagement.

Third, compensation and reward systems in some firms are perceived as inadequate or unfair. Employees who feel underpaid, undervalued, or neglected in terms of recognition may experience lower motivation and reduced commitment to organizational objectives (Kumari).

Fourth, performance management systems in many firms are often ineffective. Performance appraisals may be irregular, subjective, or disconnected from actual employee contributions, leading to dissatisfaction and reduced engagement (Uraon & Kumarasamy, 2024).

Finally, employee participation in decision-making processes is often limited. Employees who are excluded from contributing ideas or providing input in organizational decisions are less likely to feel a sense of ownership, which diminishes their engagement (Atiku et al., 2024).

The combination of these challenges indicates a gap in the practical implementation of HRM practices, which directly impacts employee engagement levels. While several studies have explored HRM and engagement in other sectors of Nigeria's economy, there is limited empirical research focusing specifically on the insurance industry in the South-South region. Without such insights, organizations are ill-equipped to design effective strategies that foster employee engagement, improve performance, and strengthen the overall capacity of the insurance sector in the region.

This study therefore seeks to address this knowledge gap by empirically examining how HRM practices recruitment and selection, training and development, compensation and reward systems, performance management, and employee participation affect employee engagement within insurance firms in South-South Nigeria.

The primary objective of this study is to examine the relationship between human resource management practices and employee engagement in insurance firms operating in South-South Nigeria.

The specific objectives of the study are: To determine the effect of recruitment and selection practices on employee engagement in insurance firms. To assess the influence of training and development programs on employee engagement in insurance firms. To examine the impact of compensation and reward systems on employee engagement in insurance firms. To evaluate the relationship between performance management practices and employee engagement in insurance firms. To investigate the role of employee participation in decision-making on employee engagement in insurance firms. To achieve the above objectives, the study will address the following research questions: What is the effect of recruitment and selection practices on employee engagement in insurance firms? How do training and development programs influence employee engagement in insurance firms? What is the impact of compensation and reward systems on employee engagement in insurance firms? How do performance management practices relate to employee engagement in insurance firms? What role does employee participation in decision-making play in enhancing employee engagement in insurance firms?

The following null hypotheses will guide the study: H01: Recruitment and selection practices have no significant effect on employee engagement in insurance firms. H02: Training and development programs have no significant effect on employee engagement in insurance firms. H03: Compensation and reward systems do not significantly influence employee engagement in insurance firms. H04: Performance management practices have no significant relationship with employee engagement in insurance firms. H05: Employee participation in decision-making does not significantly affect employee engagement in insurance firms.

This study is significant for several reasons: Insights from the study will assist HR managers and organizational leaders in designing effective HR policies and practices that enhance employee engagement, reduce turnover, and improve productivity. Understanding the link between HRM practices and engagement may empower employees to demand better working conditions, training opportunities, and participation in organizational decisions. Findings may inform regulatory bodies, such as the National Insurance Commission (NAICOM), about industry-wide HRM gaps and guide interventions to improve labor practices in the insurance sector. The study adds to the body of knowledge on HRM practices and employee engagement in the Nigerian context, particularly within the insurance sector, where research is limited.

The study will focus on insurance firms operating in the South-South geopolitical zone of Nigeria, including Rivers, Delta, Bayelsa, Edo, Akwa Ibom, and Cross River States.

The research will examine five key HRM practices: recruitment and selection, training and development, compensation and reward systems, performance management, and employee participation in decision-making. Employee engagement, measured through emotional, cognitive, and behavioral commitment, will serve as the dependent variable.

## Literature Review

HRM practices include rules, strategies, and systems that help organisations manage personnel and meet goals (Kareska, 2023). Armstrong (2020) states that HRM methods recruit, develop, motivate, and retain personnel to boost performance and productivity (Shrestha & Prajapati, 2023). Insurance companies need HRM practices because employees perform services, interact with clients, and ensure organisational success.

Identifying personnel needs, attracting eligible people, and selecting the best candidates are recruitment and selection (Sousa et al., 2023). Effective recruitment ensures that organisations choose people with the skills, expertise, and drive to achieve their goals (Dessler, 2019). Because employees must manage customer relationships, understand complex insurance products, and fulfil performance goals, insurance firms must choose skilled staff. Recruitment misalignment can lower productivity, job satisfaction, and engagement.

Training and development programs teach workers how to do current jobs and prepare them for future ones (Gutterman, 2023). Training promotes job performance and confidence, while development activities offer professional growth. Engagement, turnover, and organisational outcomes improve when companies invest in staff development, according to Noe (2021). Employee competency and engagement in insurance firms depend on ongoing training on new products, regulatory compliance, and customer service.

Employees receive financial and non-financial compensation for their job (Huda et al., 2024). Rewards include pay, bonuses, recognition, and benefits. The right remuneration system can boost employee motivation, satisfaction, and engagement (Milkovich, Newman, & Gerhart, 2018). To keep employees motivated and productive in competitive insurance firms, fair and transparent reward schemes are needed.

Employee goals, progress, evaluation, and feedback for improvement are part of performance management (Faozen & Sandy, 2024). Performance management aligns individual and organisational goals, stimulates people, and encourages participation (Aguinis, 2019). Regular assessments, constructive criticism, and goal setting help

insurance organisations maintain accountability, improve skills, and boost performance.

Employee involvement is how much workers participate in decision-making and organisational activities (Ullrich et al., 2023). Participation increases ownership, commitment, and discretionary effort (Cotton, 2020). Employee participation in strategy, operational planning, and problem-solving in insurance organisations can boost engagement and reduce alienation.

Employee engagement includes emotional, cognitive, and behavioural commitment to their organisation (Huang et al., 2022). Kahn (1990) defines engagement as the simultaneous investment of personal energy in job duties, resulting in dedication, vigour, and task absorption. This shows employees' emotional connection to the company. Staff that feel valued, supported, and recognised are more loyal and committed to company goals. Cognitive engagement is employees' focus, attention, and mental effort at work (Huang et al., 2022). Motivated workers innovate, think critically, and solve challenges. Behavioural engagement measures employees' propensity to go beyond job duties (Abdou et al., 2023). Engaged workers work hard, support team goals, and are productive.

Productivity, customer satisfaction, retention, and profitability are intimately linked to employee engagement. High involvement improves client interactions, claims processing, and business targets in insurance organisations (Wiktorsson, 2024).

## Relationship Between HRM Practices and Employee Engagement

The correlation between HRM practices and employee engagement is well-documented in the literature. Well-designed and executed HRM procedures foster an atmosphere that promotes employees' emotional, cognitive, and behavioural commitment to their work (Saks, 2006). For instance, equitable recruitment and open selection procedures guarantee that employees feel appreciated from the beginning, fostering trust and engagement (Raza et al., 2023). Training and development opportunities indicate a commitment to employee progress, so augmenting loyalty and motivation. Compensation and reward systems reinforce preferred behaviours, whereas performance management guarantees clarity, acknowledgement, and ongoing enhancement. Employee participation enables staff to influence organisational decisions, enhancing their sense of connection and engagement.

## Theoretical Framework

This study is anchored on two major theories relevant to understanding the relationship between HRM practices and employee engagement:

## Social Exchange Theory by (1964)

The Social Exchange Theory (Blau, 1964) posits that social behavior is a result of an exchange process in which individuals seek to maximize benefits and minimize costs in relationships (Wallenburg & Handfield, 2022). In the organizational context, employees reciprocate favorable treatment from the organization with positive attitudes and behaviors, including engagement. For instance, when employees perceive fair HRM practices such as equitable pay, training opportunities, and recognition they are likely to reciprocate with increased commitment, loyalty, and discretionary effort. While widely accepted, critics argue that the theory may oversimplify the complexity of human motivation by assuming that all behavior is driven by reciprocity. Nonetheless, the theory remains a robust framework for explaining employee engagement as a response to HRM practices. In insurance firms, implementing fair HRM practices can enhance engagement because employees perceive organizational support and reciprocate through higher involvement, effort, and loyalty.

Several studies provide empirical evidence linking HRM practices to employee engagement, both globally and within Nigeria:

Ahmad, et al., (2021) found that HRM practices, including training, performance management, and rewards, positively influence employee engagement in service industries. Similarly, Sajjad, (2025). emphasized that engagement is a direct outcome of HR policies that promote recognition, growth, and fairness.

Studies in South Africa and Kenya indicate that HRM practices significantly affect employee engagement, particularly in banking and service sectors (Kamau, et al., 2021). Effective training, equitable rewards, and participatory management contribute to higher engagement levels.

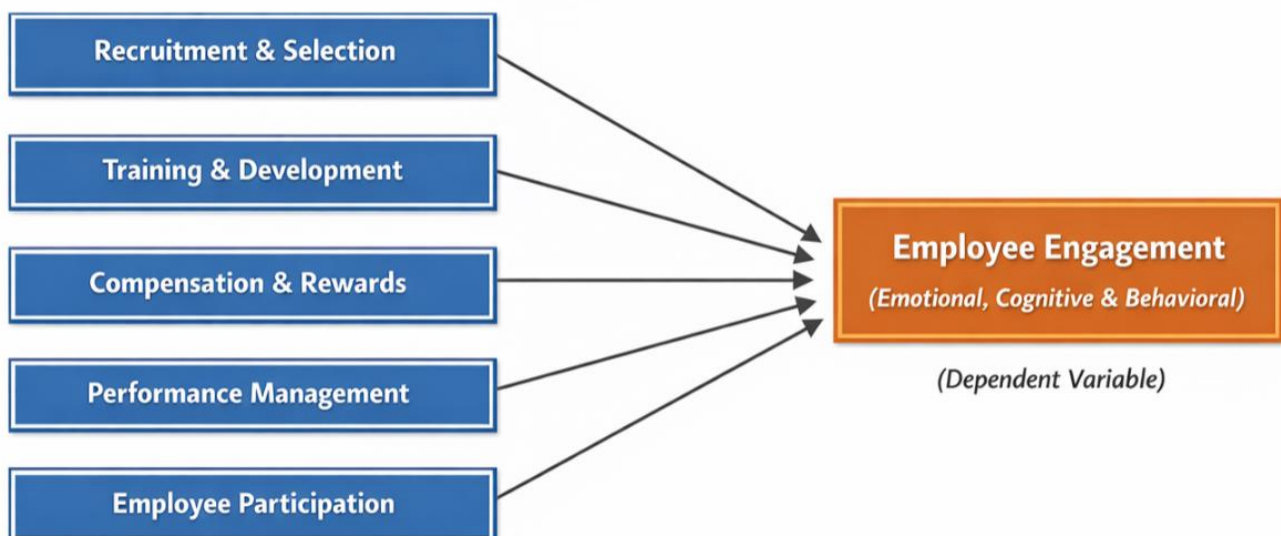
Research by Isimoya, et al., (2020) in Nigerian banking firms found that recruitment, training, and performance appraisal positively influence engagement. However, limited studies focus specifically on the insurance sector, highlighting a gap in empirical evidence.

Notwithstanding evidence from other industries, the distinctive operational and customer-centric characteristics of insurance companies require specialised research. It is necessary to examine the impact of HRM practices on employee engagement within the insurance sector in South-South Nigeria.

The research delineates HRM practices as independent variables and employee engagement as the dependent variable. The paradigm posits that recruiting and selection, training and development, remuneration and rewards, performance management, and employee participation directly affect employee engagement. Factors such as organisational culture, leadership, and work environment may also influence outcomes.

### Diagram (conceptual model):

#### HUMAN RESOURCE MANAGEMENT PRACTICES (Independent Variables)



The conceptual framework illustrates the direct link between HRM practices and employee engagement, supporting the hypotheses that structured and effective HRM practices enhance engagement levels among insurance firm employees.

## Methodology

A descriptive survey research design is suitable for studying insurance firms' human resource management strategies and employee engagement. Descriptive surveys let researchers collect data from respondents to analyse trends, patterns, and correlations (Creswell, 2014). The survey approach is ideal since it gives a snapshot of HRM practices and employee engagement in South-South Nigeria's insurance business and allows for generalisation to the population under consideration.

This research is done in Nigeria's South-South geopolitical zone, which includes Rivers, Delta, Bayelsa, Edo, Akwa Ibom, and Cross River States. This region is economically important, with several financial institutions, including insurance companies that serve individuals, businesses, and governments. This location was chosen for its concentration of insurance enterprises, diversified

workforce, and HRM significance to insurance service delivery.

All licensed insurance firm personnel in South-South Nigeria are targeted. Because HRM policies touch all personnel and employee engagement is a fundamental organisational concern, the population includes claims, underwriting, sales, finance, customer service, and administration employees. NAICOM and industry databases estimate that the selected enterprises have 1,200 employees.

To represent employees from different departments and administrative levels, the study uses stratified random sampling. Stratification improves representation and lowers sampling bias.

To determine the sample size, the study uses **Taro Yamane's formula** for sample size calculation:

$$n = \frac{N}{1 + N(e)^2}$$

Where:

- $n$  = sample size
- $N$  = population size (1,200 employees)
- $e$  = margin of error (0.05)

$$n = \frac{1200}{1 + 1200(0.05)^2} = \frac{1200}{1 + 1200(0.0025)} = \frac{1200}{1 + 3} = \frac{1200}{4} = 300$$

Thus, a sample of 300 employees will be drawn from the population.

A structured questionnaire provides main data for the investigation. Academic journal, industrial report, and official publishing data contextualise and theoretically support the study. Primary data is preferred since it provides firsthand insights into employee engagement and HRM views.

Main data gathering tool is a structured questionnaire. The questionnaire has two parts: Section A: Respondent demographics (age, gender, education, experience, job level) Section B measures HRM practices and employee engagement on a 5-point Likert scale (1 = Strongly Disagree, 5 = Strongly Agree). Questions cover recruitment and selection, training and development, salary and rewards, performance management, employee participation, and engagement.

Three human resource management and organisational behaviour specialists review the questionnaire for content validity. Their feedback assures the instrument measures the variables and meets study objectives. Experts revise items before final administration. The questionnaire is pre-tested with 30 insurance personnel not in the main study. The Cronbach Alpha coefficient measures internal consistency. A reliability coefficient of 0.70 or higher is acceptable (Nunnally, 1978). Pre-tests assure consistent and trustworthy instrument outputs.

In selected insurance firms, the researcher distributes questionnaires directly. To maximise response rates, instructions and follow-ups are offered. For timeliness and accuracy, questionnaires are collected within two weeks of delivery.

Data is analysed using descriptive and inferential statistics

in SPSS 25. Mean, standard deviation, and percentages describe respondents' demographics and HRM and employee engagement views. The association between HRM practices (independent factors) and employee engagement (dependent variable) is tested using regression analysis. Pearson correlation measures link strength and direction. The significance criterion for hypotheses is 5%.

## Results and Discussion

### Demographic Characteristics of Respondents

A total of 300 questionnaires were administered to employees of insurance firms in South-South Nigeria. 280 valid responses were returned, representing a response rate of 93%. The respondents' demographic characteristics are summarized in Table 4.1.

**Table 4.1: Demographic Characteristics of Respondents**

| <i>Demographic Variable</i> | <i>Category</i> | <i>Frequency (f)</i> | <i>Percentage (%)</i> |
|-----------------------------|-----------------|----------------------|-----------------------|
| <i>Gender</i>               | Male            | 160                  | 57.1                  |
|                             | Female          | 120                  | 42.9                  |
| <i>Age (years)</i>          | 20–29           | 80                   | 28.6                  |
|                             | 30–39           | 120                  | 42.9                  |
|                             | 40–49           | 60                   | 21.4                  |
|                             | 50+             | 20                   | 7.1                   |
|                             |                 |                      |                       |
| <i>Education Level</i>      | Diploma         | 40                   | 14.3                  |
|                             | Bachelor        | 160                  | 57.1                  |
|                             | Master          | 70                   | 25.0                  |
|                             | PhD             | 10                   | 3.6                   |
| <i>Work Experience</i>      | 1–5 yrs         | 90                   | 32.1                  |
|                             | 6–10 yrs        | 100                  | 35.7                  |
|                             | 11–15 yrs       | 60                   | 21.4                  |
|                             | 16+ yrs         | 30                   | 10.8                  |

#### Analysis and Comments:

1. The workforce is slightly male-dominated, with 57.1% male respondents.
2. Most employees are in the 30–39 age range, suggesting a young and dynamic workforce.
3. The majority of employees hold a Bachelor's degree, indicating a relatively educated population.
4. Experience distribution shows that most employees have between 6–10 years of work experience, suggesting familiarity with organizational practices.

These characteristics provide context for understanding responses to HRM practices and engagement levels.

**Research Question 1: What is the effect of recruitment and selection practices on employee engagement in insurance firms?**

**Table 4.2: Responses on Recruitment and Selection Practices and Employee Engagement**

| <i>Statement</i>  | <i>Strongly Disagree</i> | <i>Disagree</i> | <i>Neutral</i> | <i>Agree</i> | <i>Strongly Agree</i> | <i>Mean</i> | <i>SD</i> |
|---|--------------------------|-----------------|----------------|--------------|-----------------------|-------------|-----------|
| <i>Recruitment processes attract competent staff.</i>           | 10                       | 20              | 30             | 150          | 70                    | 4.00        | 0.91      |
| <i>Selection procedures are transparent and fair.</i>           | 15                       | 25              | 40             | 130          | 70                    | 3.91        | 0.97      |
| <i>Employees feel recruitment aligns with job requirements.</i> | 12                       | 28              | 35             | 140          | 65                    | 3.95        | 0.94      |
| <i>Recruitment improves employee engagement levels.</i>         | 20                       | 30              | 45             | 130          | 55                    | 3.76        | 0.98      |

#### Analysis and Comments:

1. The mean scores range from 3.76 to 4.00, indicating general agreement that recruitment and selection practices positively affect engagement.

- The highest agreement (Mean = 4.00) is for attracting competent staff, showing employees perceive recruitment effectiveness.
- Lower mean (3.76) on recruitment improving engagement suggests that while recruitment is fair, its direct impact on engagement is slightly less visible.

Effective recruitment and selection practices ensure the right people occupy the right positions, which fosters engagement through better role fit and competence alignment.

**Research Question 2: How do training and development programs influence employee engagement?**

**Table 4.3: Responses on Training and Development Programs**

| <i>Statement</i>  | <i>Strongly Disagree</i> | <i>Disagree</i> | <i>Neutral</i> | <i>Agree</i> | <i>Strongly Agree</i> | <i>Mean</i> | <i>SD</i> |
|---|--------------------------|-----------------|----------------|--------------|-----------------------|-------------|-----------|
| <i>The organization provides adequate training opportunities.</i> | 12                       | 25              | 33             | 140          | 70                    | 3.96        | 0.94      |
| <i>Training enhances my ability to perform tasks effectively.</i> | 10                       | 20              | 30             | 150          | 70                    | 4.00        | 0.91      |
| <i>Development programs prepare me for career growth.</i>         | 15                       | 30              | 35             | 130          | 70                    | 3.88        | 0.98      |
| <i>Participation in training motivates higher engagement.</i>     | 20                       | 25              | 40             | 130          | 65                    | 3.82        | 0.97      |
| <i>Training programs meet my professional needs.</i>              | 18                       | 28              | 37             | 135          | 62                    | 3.84        | 0.95      |

**Analysis and Comments:**

- Training and development are positively perceived, with mean scores above 3.8 for all items.
- Employees agree that training enhances ability and performance (Mean = 4.00).
- Career growth and motivation are slightly lower but still favorable, showing training is linked to engagement but may require customization for maximum impact.

Training and development programs provide employees with skills and opportunities to grow, which increases their emotional and cognitive commitment to the organization.

**Research Question 3: What is the impact of compensation and reward systems on employee engagement?**

**Table 4.4: Responses on Compensation and Rewards**

| <i>Statement</i>   | <i>Strongly Disagree</i> | <i>Disagree</i> | <i>Neutral</i> | <i>Agree</i> | <i>Strongly Agree</i> | <i>Mean</i> | <i>SD</i> |
|--|--------------------------|-----------------|----------------|--------------|-----------------------|-------------|-----------|
| <i>Compensation is fair and competitive.</i>                     | 18                       | 32              | 40             | 130          | 60                    | 3.74        | 0.99      |
| <i>Reward systems recognize employee contributions.</i>          | 15                       | 28              | 38             | 140          | 59                    | 3.83        | 0.95      |
| <i>Compensation motivates higher performance and engagement.</i> | 20                       | 30              | 35             | 135          | 60                    | 3.81        | 0.96      |
| <i>Benefits and allowances meet employees' expectations.</i>     | 22                       | 35              | 40             | 130          | 53                    | 3.70        | 1.00      |

**Analysis and Comments:**

- Mean scores range from 3.70 to 3.83, showing moderate agreement that compensation and rewards influence engagement.
- The lowest score is related to benefits meeting expectations, suggesting gaps in satisfaction with allowances.

- Employees recognize the motivational role of fair compensation but indicate room for improvement in reward structures.

While compensation and rewards positively influence engagement, insurance firms should evaluate the competitiveness of their packages to maximize employee commitment.

**Research Question 4: How do performance management practices relate to employee engagement?**

**Table 4.5: Responses on Performance Management Practices**

| <i>Statement</i>  | <i>Strongly Disagree</i> | <i>Disagree</i> | <i>Neutral</i> | <i>Agree</i> | <i>Strongly Agree</i> | <i>Mean</i> | <i>SD</i> |
|---|--------------------------|-----------------|----------------|--------------|-----------------------|-------------|-----------|
| <i>Performance appraisals are conducted regularly.</i>        | 12                       | 28              | 45             | 140          | 55                    | 3.81        | 0.96      |
| <i>Feedback from supervisors enhances my engagement.</i>      | 10                       | 25              | 35             | 150          | 60                    | 3.92        | 0.92      |
| <i>Goals and expectations are clearly communicated.</i>       | 15                       | 30              | 40             | 135          | 60                    | 3.83        | 0.95      |
| <i>Performance management motivates me to perform better.</i> | 18                       | 32              | 38             | 135          | 57                    | 3.78        | 0.97      |

**Analysis and Comments:**

- Mean scores indicate moderate to strong agreement that performance management affects engagement.
- Feedback from supervisors shows the highest impact (Mean = 3.92), emphasizing the importance of constructive evaluation.
- Regular appraisal and goal clarity are slightly lower but positive, suggesting implementation inconsistencies.

Effective performance management, including goal setting and feedback, strengthens employee engagement by providing clarity, recognition, and motivation.

**Research Question 5: What role does employee participation in decision-making play in engagement?**

**Table 4.6: Responses on Employee Participation in Decision-Making**

| <i>Statement</i>   | <i>Strongly Disagree</i> | <i>Disagree</i> | <i>Neutral</i> | <i>Agree</i> | <i>Strongly Agree</i> | <i>Mean</i> | <i>SD</i> |
|--|--------------------------|-----------------|----------------|--------------|-----------------------|-------------|-----------|
| <i>Employees are encouraged to contribute ideas.</i>       | 10                       | 20              | 35             | 145          | 70                    | 4.00        | 0.90      |
| <i>Participation in decisions increases my commitment.</i> | 12                       | 25              | 38             | 140          | 65                    | 3.91        | 0.94      |
| <i>Management values employees' opinions.</i>              | 15                       | 28              | 40             | 135          | 62                    | 3.85        | 0.95      |
| <i>Decision-making processes are transparent.</i>          | 18                       | 30              | 45             | 130          | 57                    | 3.77        | 0.98      |

**Analysis and Comments:**

- Mean scores range from 3.77 to 4.00, indicating that employees agree participation positively affects engagement.
- Employees feel their input is valued and that participation fosters commitment, highlighting the importance of inclusive management.
- Slightly lower mean for transparency suggests opportunities to improve clarity in decision processes.

Employee participation enhances engagement by fostering a sense of ownership and belonging within the organization.

## Findings and Discussion

From the analysis of the five research questions, several key findings emerge:

1. Employees perceive recruitment as fair and aligned with job requirements, which fosters engagement (Entekhabi, 2024). Proper selection ensures role fit and motivates employees to perform effectively.
2. Insurance firms that provide continuous learning experience higher commitment levels among staff (Hasyim & Bakri, 2024).
3. Compensation positively influences engagement, though gaps exist in benefits and allowances. Fair and competitive pay, along with recognition systems, strengthens motivation and loyalty (Adesina & Egbuta, 2025).
4. Constructive feedback, goal clarity, and appraisal frequency are associated with higher engagement. Performance management practices encourage accountability, recognition, and skill improvement (Bristol-Alagbariya et al., 2022).
5. Participation in decision-making enhances employees' sense of ownership, belonging, and engagement (Ogu, 2024). Transparent and inclusive processes further reinforce commitment.

## Discussion

All things considered, the results show that HRM practices have an overall impact on employee engagement. Employee participation and training and development showed the biggest effects, indicating that improving skills and participating in organisational procedures are very useful in promoting engagement (Hosen et al., 2024). Although there are some holes that need to be filled, such as benefits satisfaction and transparency, compensation and performance management also make a good contribution. Although fundamental, recruitment and selection have an indirect impact on engagement by guaranteeing appropriate position alignment and competence fit.

Because employees respond favourably to HRM practices with increased engagement, the results validate the Social Exchange Theory. Additionally, they support the AMO Theory by demonstrating that for employees to show engagement, they need opportunity (participation), incentive (rewards), and ability (training).

## Conclusion

Human resource management techniques and employee engagement in South-South Nigerian insurance enterprises were examined. The study found that HRM activities like

recruiting and selection, training and development, salary and reward systems, performance management, and employee decision-making boost employee engagement. These practices appear to boost employees' competence, motivation, and commitment to organisational goals, supporting Social Exchange Theory and the AMO model.

Employee participation in decision-making and training and development drove engagement. Training and inclusive decision-making processes boost confidence, ownership, and emotional commitment. Compensation and performance management methods also boost engagement, but benefits satisfaction, transparency in decision-making, and consistent performance appraisal systems must be addressed.

The study concludes that insurance employee engagement depends on HR management methods. Companies that proactively establish and maintain excellent HRM strategies tend to have motivated, committed, and high-performing employees. The findings show that insurance companies must regularly assess and improve their HR strategies to retain employees and boost performance and competitiveness in a tough economy.

## Recommendations

Based on the findings of the study and the research questions addressed, the following recommendations are proposed to enhance employee engagement in insurance firms in South-South Nigeria.

1. Insurance firms should strengthen their recruitment and selection processes by ensuring that they are structured, transparent, and merit-based.
2. Insurance firms should invest consistently in training and development initiatives to enhance the knowledge, competencies, and professional skills of their employees.
3. Insurance firms should regularly review their compensation structures to ensure fairness, competitiveness, and alignment with industry standards. Adequate remuneration plays a significant role in motivating employees and reinforcing positive work behaviors.
4. Insurance firms should establish effective and transparent performance management systems that emphasize regular performance appraisals, constructive feedback, and clear communication of organizational goals.
5. Insurance firms should encourage greater employee participation in decision-making processes within the organization.

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