FACTORS AFFECTING EMPLOYEE MOTIVATION IN INSURANCE COMPANIES IN KENYA: A CASE STUDY OF JUBILEE INSURANCE COMPANY LTD.

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This is a research project submitted in partial fulfillment of the award of a diploma in Public Relations, Department of Extra-Mural Studies of University of Nairobi.

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DECLARATION

This is my original work that has not been presented in any other university for an award of any academic certificate.

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This research project has been submitted for examination with my authority as a university supervisor.

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ABSTRACT

This study was undertaken to investigate the factors affecting employee motivation in insurance industry with reference to the Jubilee Insurance Head Office. Chapter one provides an overview of the background that would enable an in depth analysis of the study phenomena. It also highlights the main objectives that further interrogate the underlying assumptions with a view to addressing the gaps.

The specific objectives of the study are; to investigate employee motivation methods employed by Jubilee Insurance, to find out the feelings of Jubilee Insurance employees towards those motivational methods, to find out which methods should be recommended as the most effective in motivating, to determine the relationship on motivation and Job performance of Jubilee Insurance employees and finally to establish the relationship between employee retention and motivational practices.

In chapter two, the researcher elaborates more about the study based on fact. The factors affecting employee motivation have been given an in-depth analysis and different literature reviewed.

Chapter three describes the procedures that were followed in conducting the study. This study adopted a case study design since it involves an in-depth collection and analysis of data to determine the characteristics of a unit or an organization. The primary purpose of the case study was to determine factors affecting employee motivation. The target population included 102 employees in head office from the top management, middle level management to subordinates in
the institution. The researcher used stratified sampling technique to select a sample from each strata in 5 department. The sample size included 40 employees, that is 8 respondents from each of the five departments. The researcher used both primary and secondary data. She used Primary data collected using self administered questionnaires with both open and close ended questions. Primary data was collected through questionnaires which were administered on a ‘drop and pick up later’ basis.

Chapter four discusses the implications of the findings and provides an important linkage to other sections of the study such as objectives and existing literature. The researcher gives an analogy of how data was analyzed, presented, interpreted and a discussion of the findings. The major findings of this research are; the management mostly uses salary increment as their preferred motivational method, majority of the respondents have a positive perception towards the motivational methods used and that there exists a relationship between employee retention and motivation practices of employees of Jubilee Insurance.

Chapter five gives the summary, conclusion and recommendations of the research findings where by a summary, conclusion and recommendations of the study are briefly discussed. This chapter summarizes the whole study by picking out the emerging prominent issues. The study findings indicated that the majority of respondents had a positive perception towards the motivational methods. Basing on the analysis of the study, the findings also revealed that the majority of the total respondents were of the opinion that there is a relationship between motivation and performance of employees of Jubilee Insurance. In consideration of the findings, the researcher concluded that the employees of Jubilee Insurance are not well motivated owing to
the fact that we still have quite a number of employees who leave the company. The researcher
recommended that the management should try to diversify the motivational methods, that the
management should not only use salary increment as their preferred motivational method but
they should also employ other methods like entertainment allowance.