
Promotion and Employee Retention in the Ghanaian Life Insurance Subsector: Ascertaining Relationship and Effect

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Abstract:

Purpose: The study examines outcomes of promotions and how they relate to and affect the retention of employees in the insurance sector of Ghana. The four constructs of outcomes of promotions studied were rewards, training, commitment, and communication.

Design/Methodology/Approach: The study adopted a cross-sectional survey design of the positivist approach and the quantitative paradigm. A sample of 719 employees were drawn from a study population of 6412 employees in the insurance industry of Ghana. Data were collected with a self-administered questionnaire and data was analysed with mean, standard deviation, Pearson correlation coefficient, and standard multiple regression.

Findings: The study found that promotion practices in the insurance sector were based on educational qualifications, skills and competencies, and job performance. Furthermore, employee retention had a statistically positive and significant relationship with promotion outcomes communication, training, commitment, and rewards. The study also found that the independent variables of the study- communication, rewards, commitment, and training have a statistically significant effect on the retention of employees in the insurance sector of Ghana. Communication and rewards came out as the highest contributors to explaining the variance in employee retention.

Practical Implications: It was recommended that managers of insurance companies provide rewards as well as training to enhance communication and commitment, which will lead to the retention of employees in the sector.

Originality/Value:

Keywords: Rewards, training, commitment, communication, retention, promotion outcomes.

JEL Classification: M61, M53.

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1. Introduction

Employees are the fulcrum upon which organisations can rely for the attainment of their goals, especially in creating a competitive advantage over other organisations (Segbenya, Oppong, and Nyieku, 2022). Therefore, management of organisations uses several strategies to retain their valuable employees to continue to remain competitive, achieve organisational goals, and remain profitable. One of these strategies for retention of core employees is employee promotion (Zayed *et al.*, 2022).

Singh (2019) argues that promotion implies reallocation at a higher level within the organisation. Employees believe that promotion is desirable because it affects payroll, authority, responsibility and the ability to influence a broader organisational decision-making process. Promotion is associated with enhanced salary and status, more skills and responsibilities and serves as a visible sign of respect by the employer (Segbenya, Oppong, and Nyieku, 2022; Zayed *et al.*, 2022).

As a form of employee recognition, promotion serves as a significant and effective contribution to work and a key element of employee retention (Rijal, 2023). Promotion and career growth are an important aspect of the career and life of the employee and affect other aspects of work experience (Lee *et al.*, 2022; Prohimi, 2022). This is achieved if the employee feels physically and mentally comfortable in his current state and his responsibilities in the organisation.

When an organisation have an effective promotional system, employees are much more encouraged to continue to exert themselves vigorously in their line of duty to be able to qualify for promotion. In the perspective of management, Segbenya, Oppong and Nyieku, (2022) indicated that because promotion helps retain best employees and avoid huge turnover cost, promotional systems should be designed in a way that will enable management to spot talented and hardworking employees and the needed training given to them to qualify them to take up seniority roles in the organisation.

Lack of promotion or recognition leads to confusion, moderation, absence, constant complaints and high turnover (Chatzoudes and Chatzoglou, 2022). Lack of fair promotion system have been cited as one of the reasons for labour agitations in Sub-Saharan Africa (Salau, 2020; Segbenya, Oppong, and Nyieku, 2022). Subsequently, some employees who could not cope with the undue delay or unfair promotion system have quitted their organisation or industry for others leading to high labour turnover (Elsafty and Oraby, 2022).

If an employee has achieved results, but has not been rewarded by promotions or any other compensations, he/she may feel that his/her contribution is not recognise and may even lower his/her performance (Rijal, 2023; Rai *et al.*, 2018). A negative feeling affects the quantity and quality of work and is associated with absenteeism,

laziness, lack of cooperation with managers and turnovers because when devotees have difficulty carrying out their work, they naturally leave and seek other employment opportunities where they can achieve job satisfaction. It has been argued that a fair promotion system is a function of workers' satisfaction with their work and their willingness to remain in the organisation and work towards the objective of the organisation (Salau, 2020).

According to a study conducted by Johansdottir, Olaffson, and Davidsdottir on 719 CEOs in the insurance sector, 50-60 percent of the respondents indicated that there is an ongoing difficulty in retaining talent leading to high turnovers and loss of profit (Anim, 2021). The study found that most management in the insurance sector lacks strategies to retain the employees. They recommended that, management in the insurance sector should make it a matter of utmost urgency to make the attraction, retention and management of hardworking and talent employees a priority.

The contribution of the insurance sector to GDP in Ghana continues to be low due to high turnover (Anim, 2021). Retaining a knowledgeable workforce is vital for companies in today's fast-changing environment and the insurance sector, which is characterised by about 68 per cent turnover in Africa and Ghana (Salau, 2020; Segbenya, Oppong, and Nyieku, 2022).

In Ghana, the insurance sector falls short of the financial sector turnover average and still leads in employee turnover (Anim, 2021; ILO 2016). The insurance sector is a labour-intensive sector that needs staff with various skill levels to boost its value chain. The insurance sector's dependence on workers, characterised by high turnover, has an implication for the cost of employment for replacing lost talents (Anim, 2021).

Studies on retention in Ghana have largely focused on HR practices, motivation, salaries and how organisational culture affects employees' retention, and have focused on sectors such as educational, banking, mining, and health sectors (Segbenya, Oppong, and Nyieku, 2022; Anim, 2021).

Thus, there is a lacuna in the literature with regards to studies on promotion and retention in the insurance sector of Ghana. This study thus sought to fill the literature gap by focusing on the promotion system and employee retention in the insurance sector of Ghana, a developing country perspective. Thus, this study contributes to the literature on employee retention and promotion from the developing economy perspective. The three specific objectives guiding the study were:

1. Examine the current promotional practices in the insurance sector of Ghana.
2. Establish the relationship between outcomes of promotion and retention in the insurance sector of Ghana.
3. Assess the effects of the outcomes of promotions on employee retention in Ghana.

2. Literature Review

This section review literature on theoretical and empirical perspectives of promotion and retention.

2.1 March and Simon's Theory of Organisational Equilibrium

According to Segbenya, Oppong, and Nyieku (2022) one of the oldest theories of retention can be dated back to March and Simon's theory of organisational equilibrium propounded in 1958. Their theory of organisational balance emphasised the importance of balancing contributions and motivating employees and organisations. His model combined employee turnover decisions with job satisfaction and suggested that people who were more satisfied with their current job would indicate a greater desire to remain in their organisations.

The theory of March and Simon posits that while the organisation pays a special monetary incentive that corresponds to or exceeds the individual's contribution to the organisation; such individuals will remain a member of the organisation. Therefore, the individual and the organisation strive to maintain a balance or state of balance between the induced and the amount of work that the individual is prepared to provide. The interaction of the inputs and inducements are influenced by two motivational components such as the perceived desirability of leaving and the ease of leaving.

The theory suggested that both sides of the relationship must be satisfied or adjustments must be made until an equilibrium level of satisfaction is fully attained. Therefore, it is important that managers conduct periodic interviews with employees that will focus on the opinions of both parties about the employee's contribution and incentives provided by the organisation to this employee. Employees can also take the initiative.

2.2 Conceptual Review

Walker cited in Anim (2021) proposed seven factors that can increase employee retention: i) reward and appreciating the work done, ii) guarantee comprehensive work, iii) possibilities for promotion, iv) a pleasant environment in the organisation, v) positive interpersonal relationship with colleagues, vi) a healthy balance between professional and personal life, and (vii) open communication.

As already mentioned, this research focuses only on promotion and its significant impact on retention. Nevertheless, there are many human resources programs that support good retention, but we affirm that promotion is central because it stimulates a working environment that allows people to use their skills and knowledge effectively, given them a degree of autonomy and an opportunity to contribute their

ideas and allow them to see firsthand how their own contributions affect the welfare of the organisation.

According to Kwakye (2018) and Anim (2021) promotion means that an employee has advance to a higher position with more responsibility, greater status and better salaries. This is an upward movement of an employee in the hierarchy of the organisation, which requires greater authority, greater status and better working conditions (Noja *et al.*, 2021).

Management must always strive to create opportunities for training, skills development and professional development, which in turn creates a satisfying work environment for employees and, therefore, good retention (Anim, (2021; Aquino, Griffeth, Allen, Hom, 2017). Anytime there is a movement in an organisation that increases responsibility and apparently prestige, it is generally known as promotion. Career opportunities affect the behaviour of people in an organisation and encourage people to be more proactive in their ability to progress (Segbenya *et al.*, 2019).

Promotion is often seen as a reward and incentive to increase labour productivity and other forms of behaviour approved by the organisation. People will work harder if they feel it will lead to they are getting promoted. They have little motivation if they feel that the best job is reserved for foreigners or outsiders who are not in their organisation especially if they feel they played an instrumental role in the success and growth of the organisation (Anim, 2021; Segbenya *et al.*, 2022).

A promotional system allows organisations to combine the need for qualified personnel with the desire of employees to apply the acquired skills (Fazal-e-Hasan *et al.*, 2023; Segbenya and Anokye, 2022). There is a strong correlation between opportunities for promotion and high job satisfaction. An effective promotion system can increase organisational efficiency and employee morale (Fazal-e-Hasan *et al.*, 2023).

According to Anim (2021), the objective of a company's promotion process should be to allow management to acquire the best talents available in the company, to occupy higher positions and allow employees to develop their careers in the company according to the opportunities available and their own opportunities and abilities. Most people need great self-confidence and believe that what they are doing must be recognised by other interested parties (Ghani *et al.*, 2022; Ganesan, 2023).

Promotion is an employee development strategy that is also seen as a reward for good work and recognition of employee skills (Anim, 2021). This is important for employee retention because a clear succession plan motivates employees to maintain good performance and, in the long run, to achieve results (Anim, 2021)). Periodic feedback on employee performance will allow the supervisor to increase their productivity and obtain promotions.

This ensures that employees are interested in promoting the company (Ghani *et al.*, 2022; Ganesan, 2023; Norena-Chavez and Thalassinou, 2022). Employee promotion should also be based on factors such as education, efficiency and experience, and skill level so that employees who are promoted will know that they deserve the promotion and not because people are playing politics in promoting their favourite or part members (Segbenya *et al.*, 2023; Segbenya and Oppong, 2023).

Anim (2021) argues that a good promotion encourages employees to do their best because they know that good results will be rewarded. Findings from Segbenya *et al.* (2022) indicate that there exists a moderate and positive correlation between training and employee retention. This is evident from his statistical findings of $r = 0.35$ and a p -value of 0.004.

In cases where employees believe that promotion in the company is not justified and doubtful, means are used to support employees, such as favouritism, employees are likely to seek work in other companies that promote their employees based on performance and real results. Employers should also listen to the professional concerns and ideas of employees to increase their commitment and loyalty (Gomez-Mejia *et al.* cited in Anim, 2021).

Employee promotion has a positive impact on employee retention and commitment. Each employee should be considered as a possible promotion in the company. Employers must consider the actions and interests of different workers and offer training programs in different areas so that employees can move forward (Haddad, Khatib, and Ashaal, 2023; Hassan, 2022).

Training and development opportunities should be available to all employees so that willing employees can take advantage to increase their interests and value, be attracted to promotional opportunities and increase their productive results. This can increase employee morale and encourage them to be more interested in their work (Hassan, 2022). The promotion also allows employees to develop and acquire new skills. The hard-working, motivated and ethical employees, when encouraged by their rewards, help the employee understand that their actions will not go unnoticed (Hassan, 2022; Segbenya and Okorley, 2022).

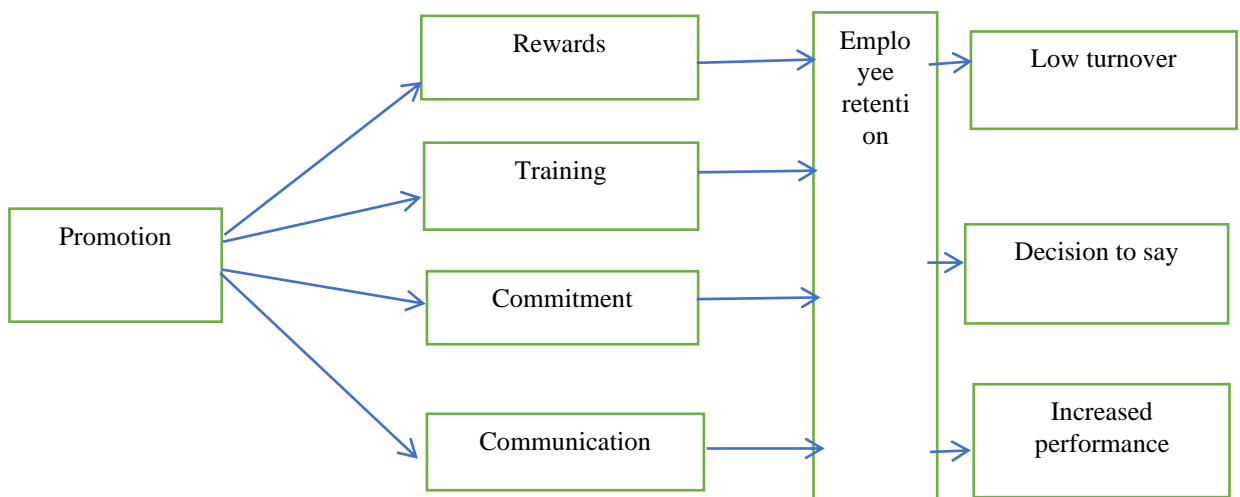
Promotion provides employees with a sense of satisfaction. A satisfied employee is more loyal to the company than an unsatisfied one (Anim, 2021; Segbenya and Minadzi, 2022). When evaluating the performance of a promoted employee, it is necessary to establish an effective communication process to identify where the employee who is not eligible for promotion is lacking and to provide the necessary assistance so that he/she can qualify for promotion in subsequent times.

Promotion is an important issue to place the right people in the right place and for managers and leaders to plan policies that motivate subordinates to develop. There are two main categories of forces that act to retain an employee, commitment and

coercion. Commitment arises when an employee is emotionally connected to their work, and coercion occurs when forces outside the employee encourage attachment or disengagement from the employer.

Quality managers help people stay involved; the bad guys push them to disengage (Segbenya *et al.*, 2022; Anim, 2021). From the review, it is clear that the four outcomes of promotion of interest to this study in terms of the effect on retention were rewards, commitment, communication and training. Based on the review, a conceptual framework adopted to guide this study is presented in Figure 1.

Figure 1. *Effect of Promotion Outcomes on Retention*



Source: *Own study.*

Figure 1 shows that people work well and positively when given a chance and the right stimuli. Although promotion comes with an increased salary, that is not the only thing that makes employees remain. They also need to be trained to acquire the needed verbal and written communication skills among others for their new positions to be committed for retention.

Enhancing the skills of promoted workers will lead to recognition, involvement, empowerment, supervision, good leadership and the possibility of individual growth and career development which comes with promotion.

People's behaviour and performance is determined when they receive a promotion. As illustrated in the figure above, when the promotion is carried out successfully, it saves the organisation from incurring the cost associated with labour turnover, it also leads to increased productivity and improved job performance.

3. Research Methodology

This study employed the descriptive cross-sectional design as its research design from a quantitative perspective. A sample of 719 out of 6412 employees in the insurance industry in Ghana. The Cochran formula was used as to draw the sample for the study. A self-administered questionnaire was the data collection instrument.

The instrument was divided into two main parts, with part one focused on the demographic characteristics of respondents and part two centred on the research questions guiding the study. The instrument was measured on four points Likert scale such as Strongly disagree”, “Disagree”, “Agree”, and “Strongly agree”. All variables obtained a Cronbach alpha above the .70 threshold set for this study based on a recommendation by Segbenya *et al.* (2019) as presented in Table 1.

All ethical considerations such as anonymity, confidentiality, participant consent, freedom to withdraw and no harm to the research subject among others, were ensured during the data collection. Data was analysed with descriptive statistics and inferential statistics such as Pearson correlation and standard multiple regression. Unlike earlier studies that looked at the factors that influenced promotion in Ghanaian workplaces, this study used the regression model to examine the outcome of promotion and how it influenced decision of retention among insurance workers in Ghana.

Table 1. *Reliability results for the variables of the study*

Variable	Crombach Alpha	No of items
Training and development	.760	5
Communication	.765	3
Rewards	.837	6
Commitment	.717	7
Retention	.760	5

Source: Field survey (2021).

4. Results and Discussion

The presentation of the results of the study is based on the demographic characteristics of respondents and results for the research objectives guiding the study. The presentation of the results will start with the biodata followed by the research objectives guiding the study.

The results for the demographic characteristics of the respondents are presented in Table 2. The results show that the majority of the respondents were males (65.0%), were 20-30 years (39.9%), had a university degree (53.4%), were in supervisory positions (33.2%), and had worked for 2-5 years in the insurance industry (33.2%).

Table 2. Demographic Information

Variables	Constructs	Frequency	Percent
Gender	Male	467	65.0
	Female	252	35.0
	Total	719	100.0
Age	20 – 30	287	39.9
	31-45	258	35.9
	46-60	114	15.9
	Above 61	60	8.3
	Total	719	100.0
Educational level	Masters Level	719	16.7
	Bachelor degree	384	53.4
	College/Institute diploma/certificate	215	29.9
	Total	719	100.0
Job category	Management	102	14.2
	Supervisory	239	33.2
	Clerical and Secretarial	78	10.8
	Financial services	126	17.5
	Support Staff	174	24.2
	Total	719	100.0
Work experience	Less than 1 year	222	30.9
	2 – 5 years	239	33.2
	6 – 10 years	132	18.4
	11 – 15years	90	12.5
	16– 20 years	36	5.0
	Total	719	100.0

Source: Field survey (2021).

Before the analysis for the entire research objectives were carried out, a preliminary descriptive results were obtained and presented in Table 3. The results suggest that all the variables were perceived very high since their mean values were all above the 3.0 threshold guiding this study. The measurement of the common variance and standard deviation values all attest to the fact the variables were perceived very high and there was little disparity in the opinion of respondents on the variables of the study.

Table 3. Descriptive Preliminary analysis for the variables of the study

Descriptive Statistics							
	N	Range	Minimu m	Maximu m	Mean	Std. Deviation	Varian ce
Commitment	719	1.00	4.00	5.00	4.6943	.31687	.100
Rewards	719	2.50	3.00	5.00	4.5601	.45933	.211
Retention	719	2.13	3.00	5.00	4.5517	.38231	.146
Communication	719	1.00	4.00	5.00	4.5483	.28023	.079
Training	719	2.40	3.00	5.00	4.5051	.45002	.203

Note: Scale: 2.0- 2.9=low, 3.0-3.9= High, 4.0-4.9= very high.

Source: Field survey (2021).

4.1 Promotional Practices in the Ghanaian Insurance Industry

The results for the first objective on promotional practices in the insurance sector can be seen in Table 4. The results show that all the five items used to measure employee promotion practices were being upheld in the insurance sector of Ghana since their mean values were rated high among respondents ($M > 3.00$), which stood for agreement.

The result suggests that promotion in the Ghanaian insurance sector was based on the skills and knowledge of workers ($M = 3.46$, $SD = 0.660$); Educational qualification ($M = 3.26$, $SD = 0.692$); performance of the employees ($M = 3.32$, $SD = 0.698$); written and operational promotion policy ($M = 3.23$, $SD = 1.051$); and based on periodic appraisal ($M = 3.26$, $SD = 0.728$).

Table 4. *Promotion practices*

Promotion Practices	N	Mean	Std. Deviation
Promotion is carried out based on the skills and knowledge of the employee.	719	3.46	0.660
Promotion is undertaken based on the performance of the employees	719	3.32	0.698
Promotion is based on educational qualification	719	3.26	0.692
Employees are promoted based on appraisal	719	3.26	0.728
The organisation has a written and operational promotion policy	719	3.23	1.051
Overall	719	3.306	

Note: Scale: 1=Strongly Disagree, 2= Disagree, 3= Agree 4= Strongly Agree.

Source: Field survey (2021).

4.2 Establishing the Relationship Outcomes of Promotion on Employee Retention

The relationship between outcomes of promotion and employee retention in the Ghanaian insurance sector is analysed using the Pearson Correlation coefficient. Meanwhile, before the main analysis, a preliminary analysis was conducted to ensure the normality of the data. Thus, the presence of multicollinearity, which could influence the output of the latent variables, was also checked, and the results are presented in Table 5.

Fidel and Tabachnick cited in Segbenya *et al.* (2019) criterion of a tolerance value not less than 0.1 and Anim (2021) criterion of VIF (Variance Inflated Factor) Values not greater than 3.30 were used. The results in the Table 3 suggest that all the Tolerance values were above the minimum threshold of 0.1, and the VIF values were below the 3.30 maximum threshold suggesting that there was no presence of multicollinearity among the independent variables. Thus the data could be used for inferential analysis.

Table 5. Multicollinearity results

Variables of the Study	Collinearity Statistics	
	Tolerance	VIF
1. Rewards	.574	1.741
2. Training	.681	1.467
3. Communication	.816	1.225
4. Commitment	.582	1.718

Source: Field survey (2021).

A first-level inferential analysis using Pearson Correlation Coefficient was first carried out to establish a relationship between the dependent and independent variables and the results are presented in Table 6. The results show that there was a positive, moderate and significant relationship between outcome of promotion and retention of employees.

That is retention had a positive, moderate, and significant relationship with training at ($r=463^{**}$, $p=.000$); with rewards at ($r=491^{**}$, $P=.000$); and commitment at ($r=320^{**}$, $p=.000$). Additionally, employee retention was also found to have had a positive, significant, and strong relationship with communication at ($r=.676^{**}$, $p=.000$).

Table 6. Correlation Results showing the relationship between the variables of the study

	Variables of the Study	Retention	Training	Communication	New Rewards	Commitment
Retention	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	719				
Training	Pearson Correlation	.463**	1			
	Sig. (2-tailed)	.000				
	N	719	719			
Communication	Pearson Correlation	.676**	.384*	1		
	Sig. (2-tailed)	.000	.000			
	N	719	719	719		
Rewards	Pearson Correlation	.491**	.448*	.338**	1	
			*			

Commitment	Sig. (2-tailed)	.000	.000	.000		
	N	719	719	719	719	
	Pearson Correlation	.320**	.468*	.231*	.607**	1
			*			
	Sig. (2-tailed)	.000	.000	.011	.000	
	N	719	719	719	719	719

Source: Field survey (2021).

4.3 The Effect of the Outcome of Promotion on Employee Retention

The main analysis to determine the effect of promotion on employee retention in the Ghanaian Insurance sector was done using multiple standard regression. Outcome of promotion is represented by independent variables such as training, reward, commitment and communication.

The results of the multiple regression are presented in Table 7. The results show that employee retention was statistically, positively and significantly influenced/affected by promotion outcomes such as commitment at (B=.234; t= 4.564; p= .000); Rewards at (B=.405, t=9.645, p= .000); communication at (B=.457, t=13.850, p= .000), Training at (B=.158, t=2.084, p= .039).

All the latent variables of the study, however, explain about 91 per cent of the variance in employee retention, suggesting that promotion outcomes are very important precursors of employee retention in the insurance industry. The results also mean that about a nine per cent variance in employee retention was not explained by the variables in the model. Communication followed by rewards were the highest individual contributors to explaining the variance in employee retention since the two variables recorded the highest standardised beta values.

5. Discussion of Results

The findings of this study for the first objective of the study with an overall mean of 3.306, suggest that employees in the insurance sector of Ghana perceived promotional practices to be fair. That is, employees were promoted based on skills/competence, performance, educational qualification, and performance appraisal. The results mean that, for individuals in the sector to be promoted to the next level of their career ladder, they will need the requisite academic qualification to be promoted.

Apart from the academic qualifications, the employees were also required to display average to exceptional performance on the job using their competence and skills. Additionally, employees to be promoted also needed to pass or be rated high for

their performance appraisal- to determine their level of performance towards an assigned target. The results is in tandem of the findings of Segbenya et al (2022) who found that educational qualification, performance, and competence/skills are essential for promotion in the service sector.

Table 7. *Effect of elements of promotion outcome on retention in the insurance sector*

	Unstandardized Coefficients		Standardized Coefficients			R ²	Adjusted R ²		Confidence Interval	
	B	Std. Error	Beta	t	Sig.				Lower Bound	Upper Bound
(Constant)	.855	.167		5.109	.000					
Commitment	.341	.075	.234	4.564	.000				.081	.352
Rewards	.386	.040	.405	9.645	.000				.007	.261
Training	.134	.064	.158	2.084	.039	0.912	0.909	296.7	.544	.917
Communication	.498	.036	.457	13.85	.000				-.268	.173
a. Dependent Variable: RETENTION										

Source: Field survey (2021).

The findings for the second objective of the study that established that there was a positive and statistically significant relationship between outcomes of promotion and retention in the insurance sector of Ghana need further explanation. The results mean that any percentage increase sought by employers in terms of retaining their workers will depend on the same percentage investment or increase in promotion and its outcomes such as communication, rewards, training, and commitment.

The results mean that promotion on the job (upward ladder movement with higher responsibilities) accompanied by higher compensation is very important for retaining employees in the insurance sector. Thus, additional responsibilities without pay rise could increase job autonomy was not enough to promote employees in the sector. The findings corroborate the findings of Segbenya *et al.* (2019) that promotions without pay rises (Horizontal job enlargement) are not a very strong precursor of employee retention.

Furthermore, the promotion of workers in the sector also requires that employees have more responsibilities for communication. This is because of the additional or increase in the responsibilities that are associated with a promotion. Thus, promoted employees will need to enhance their written and verbal communication, especially in reaching out to their stakeholders-employers/superiors, customers, co-workers, and subordinates, among others.

Thus, retention of promoted employees in the insurance sector in Ghana depends on the communication skills required at their new levels. Thus, the next important issue

to enhance communication and other relevant skills for promoted employees was identified to be training and development for these workers. Performance at the new position and ability to meet new targets calls for enhancing the skills and competencies required for such positions.

Thus, employers' ability to retain promoted employees will depend on training to enhance their communication skills among others. Therefore, the results corroborate that of Aquino, Griffeth, Allen, and Hom (2017) that management's ability to create opportunities for training, skills development, and professional development creates a satisfying work environment and serves as a good retention strategy.

Anim (2021) argued that promoted employees need the training to be able to deliver at their new position and be retained. Closely related to communication, rewards, and training was commitment. Thus, promoted employees become committed to their organisation. That is, increased rewards, communication, and, most importantly, training for their new positions could be responsible for such commitment.

The findings of this study for the third objective that all the latent variables predicted the exogenous variable of the study means that commitment, rewards, training, and communication skills for promoted employees also significantly affect retention of workers. Thus, Segbenya *et al.* (2022) findings that training significantly affects employee retention were upheld by the findings of this study. In terms of the effect of rewards, communication and commitment on retention as found by this study, similar findings were reported by Ghani *et al.* (2022) and Ganesan (2023), who identified these factors as good precursors for retention among workers.

5.1 Theoretical Implication

The findings of this study has several theoretical implications for March and Simon's theory of organisational equilibrium that guided this study. The two perspectives of the theory- employers and employees perspectives in ensuring organisational equilibrium and retention, were very much supported by the findings of this study. The responsibility of employees for promotion and retention among employees in the insurance sector was found to be education, high performance and skills and competencies.

Thus, employers will only promote and be willing to retain workers who have these three essential requirements. Employers' part of the bargain found by this study was ensuring fairly and timely promotion with associated rewards and training, which will further lead to commitment and enhanced skills for better performance and retention of workers.

Thus, as much as employers would want to retain employees in the sector, such employees also need to demonstrate compelling competencies, stelling performance,

and requisite academic qualifications. Both workers and employers need to perform their part of the bargain to ensure organisational equilibrium. Thus, organisations will suffer disequilibrium in terms of turnover or underperformance if either party (employers or employees) fails to execute their perspective.

5.2 Practical Implications

The findings of this study equally have several practical implications for managers in the insurance sector. The first practical implication is that human resource (HR) managers need not just retain workers just because of membership. Rather, valuable employees with the requisite skills, experience, and ability to meet targets will be promoted and retained.

This will call for HR managers to ensure a robust performance appraisal system is put in place to be able to track and evaluate the accurate performance of workers and subsequently promote the qualified ones. HR managers will also need to support employee learning and further studies with study leaves since academic qualification is an essential component of promotion policies in the sector.

Another practical implication of the findings of the study is that the promotion of workers comes with additional responsibilities for these workers. Promoted employees need support from their employers and HR managers to be able to perform in their new roles. Thus, HR managers will need to provide training for these workers in their new roles to enhance their skills and competencies and understand the demand of the new roles.

Thus, as employees get promoted, HR managers will also need to support them in developing their communication skills among other skills. The last practical implication of the findings of this study is that promotion comes with increased remuneration, suggesting that HR managers need to make provision for pay rises before considering employees for promotion.

6. Conclusion and Recommendations

This study examines promotion outcomes and retention of employees in the insurance sector of Ghana. It can be concluded that promotion practices in the insurance sector were based on educational qualifications, skills and competencies, and job performance. Employee retention had a statistically positive and significant relationship with promotion outcomes- communication, training, commitment, and rewards.

It can also be concluded that the independent variables of the study- communication, rewards, commitment, and training have a statistically significant effect on retention of employees in the insurance sector of Ghana. Communication and rewards come out as the highest contributors to explaining the variance in employee retention.

All the independent variables of the study were found to have explained about 91 percent of the variance in employee retention.

These conclusions call for specific actions to be taken by managers and human resource managers of insurance companies to ensure employee retention in the sector. Thus, it is therefore recommended that HR managers institute a robust performance appraisal system to enhance the assessment of employees' performance and provide study leaves to support employees to acquire qualifications that help meet their requirements for promotion.

It also recommended that managers and especially HR managers should provide training for promoted workers in the insurance industry to enhance their competence in delivering their mandate in their new position. The training could be on-the-job or off-the-job or both and should be based on a thorough needs analysis of promoted staff.

The training programme for promoted staff should also consider touching on enhancing verbal and written communication skills required of the promoted employees in the organisation. This will help to ensure that promoted employees are not found wanting in their new roles. It is also recommended that fairly and timely promotion of staff should be pursued in the industry so that employees can be retained.

Furthermore, HR managers should always assess the financial reward implication of the promotion of staff ahead of the promotion year or period. This is needed to help managers to prepare ahead for the associated remunerations of promoted employees in the sector. The advance determination will also ensure that rewards accompanying promotion are not delayed but are effected timely to ensure that newly promoted staff are retained in the industry.

HR managers are also required to enhance employee commitment among promoted staff in the insurance industry to ensure the retention of employees. This is because commitment after promotion was found to have an influence on the retention of employees in the Ghanaian industry.

6.1 Limitations and Suggestions for Further Studies

This study was limited to promotion outcomes relating to communication, commitment, rewards, and training and their influence on the retention of employees in the insurance industry. Any other equally important outcomes were not investigated. Thus, further studies could consider dealing with some other promotion outcomes and could also extend their studies to other sectors/industries in the country.

The 91 per cent variance in retention explained by the four constructs of outcomes of promotion suggest that there were other variables not included in this study that explain about nine per cent of the variance in retention that further studies could pursue.

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