UNIVERSITY OF CAPE COAST

DEMOGRAPHIC FACTORS AND THE CHOICE OF INSURANCE POLICIES

AMONG THE STAFF OF CAPE COAST TECHNICAL UNIVERSITY

BY

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DECLARATION

Candidate's Declaration

I hereby declare that this research work is the result of my own original work and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature ……………………….. Date …………………….

 Name: Sheikh Sumaila Suleman

Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature ……………………….. Date ………………………….

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ABSTRACT

This study looked into the demographic factors and the choice of insurance policies among the staff of Cape Coast Technical University. The research design adopted for this study was descriptive survey approach and explorative in nature. It was found appropriate to use this method because it enabled the researcher to explore the situation on the ground of demographic factors and the choice of insurance policies. One hundred and ninety-nine respondents were sampled using stratified sampling technique for the study. Opinions of the respondents were sought through the use of questionnaire based on the research questions formulated to guide the study. The outcome of the study revealed that, there is no influence of gender on the choice of insurance policies. However, when it comes to the influence of the other demographic variables like the age, monthly income and marital status, it was shown to have a positive influence on the choice of insurance policies. The disturbing issue was insurance subscription reducing when people are entering into late adulthood. What this means is that, if other investment other than insurance investment fails them, there will not be any source of financial security for them. Also only the rich or high income earners subscribing to insurance policies is not the best, as only some class of people can assess the benefit from insurance. With a lot of married and unmarried subscribing to insurance is a good mark for the society as a whole. In view of this, it is recommended that educating people on the importance of insurance policies is vital in increasing their participation and prompt payment of benefit.

ACKNOWLEDGEMENTS

DEDICATION

To my wife and daughter.

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CHAPTER ONE

INTRODUCTION

According to the business dictionary, insurance is risk-transfer mechanism that ensures full or partial financial compensation for the loss or damage caused by event(s) beyond the control of the insured party. According to Schwarzc (2011), Under an insurance contract, a party (the insurer) indemnifies the other party (the insured) against a specified amount of loss, occurring from specified eventualities within a specified period, provided a fee called premium is paid. The insurance policy is generally an integrated contract, meaning that it includes all forms associated with the agreement between the insured and insurer (Stempel, 2007). In some cases, however, supplementary writings such as letters sent after the final agreement can make the insurance policy a non-integrated contract (Shugrue, 2017).

One insurance textbook states that generally "courts consider all prior negotiations or agreements ... every contractual term in the policy at the time of delivery, as well as those written afterward as policy riders and endorsements ... with both parties' consent, are part of the written policy" (Mowbray,1961). The textbook also states that the policy must refer to all papers which are part of the policy. According to Anderson, (2013) Oral agreements are subject to the parol evidence rule, and may not be considered part of the policy if the contract appears to be whole. Advertising materials and circulars are typically not part of a policy. Oral contracts pending the issuance of a written policy can occur.

Background to the Study

Life is full of risks and uncertainties since we are social human beings, and we have certain responsibilities too to minimize these risks. In instances where people are not prepared financially, particularly for the emergencies, they suffer double agony. The poor generally, but particularly those in developing countries, are ordinarily vulnerable to emergencies and disasters. An age-old method of sharing of risk through economic cooperation led to the development of the concept of insurance. A recent study shows that only about 2.6 percent of the African population living under US$2 per day are currently covered (Matul, McCord, Phily & Harms, 2010) Nevertheless, insurance is generally seen and promoted as an important financial service for low-income people in developing countries offering (at least partial) protection in the event of serious shocks, such as death, illness or natural catastrophes, given the absence of accessibility and functioning conventional insurance markets and public social security systems (Churchill,2006)

Various scholars and experts such as Anderson, Stanzler, Masters, (2013) and Wollner (1999) as well as Porter (2007) in the field of insurance over the years attempted various definitions in different contexts to explain the meaning of the term. According to Dorfman (2008) insurance is a financial arrangement that redistribute the cost of unexpected losses. Insurance is thus a risk-sharing arrangement (Leppert, Degens & Ouedraogo, 2012). It is a legal contract between two parties whereby one party called the insurer undertakes to pay a fixed amount of money on the happening of a particular event, which may be certain or uncertain. The other party called the insured pays in exchange a fix sum known as premium. The insurer and the insured are also

known as assure, or underwriter, and assured respectively. The document, which embodies the contract, is called the policy. The function of insurance in its various forms is to protect against the heavy financial impact to anticipated misfortune by spreading the loss among many who are expected to the risk of similar nature (Leppert et al, 2012)

Insurance was introduced in Ghana in the 20th century to manage risk. Some of the early companies were Royal Exchange Assurance Company, Northern Assurance Company Limited, New India Assurance Company Limited and Gresham Fire and Accident Assurance Society Limited (NIC, 2006). For a very long time in the history of the insurance industry in Ghana, the word "insurance" to most people has been synonymous with motor insurance, because insurance generally had been popularized by the Act of Parliament (Third Party Act of 1958) which makes third party motor insurance compulsory for all vehicles playing the roads within the boundaries of Ghana. This has been strictly enforced by the Police over the years. In Ghana, access to insurance is low: 4:1 percent (excluding public health insurance) in 2010 (Finmark, 2011).

Life insurance, the branch of insurance that deals with lives and its emergencies was not a popular class of insurance on the Ghanaian insurance markets some years back. The introduction of the new Insurance Act 724 in 2006 which replaced the old Insurance Law, of 1989 P.N.D.C Law had strengthened the operation of life insurance in the country (N.I.C News Letters, 2006). According to Brown and Kim (1993) life insurance is a contract in which the insurer, in consideration of certain premium, either in a lump sum or by other payments, agrees to pay to the assured, or to the person

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for whose benefit the happening of a specified event contingent on the human life or at the expiry of certain period. The monthly premiums for a life insurance are generally based upon the age health and occupation information of the applicant, in addition to the total benefits to be paid to him for his policy. For life insurance the risk ensured against is death. Depending on the contract, other events such as terminal illness or critical illness may also sometimes included in the premium: however, in some countries the predominant form simply specific exclusions are often written into the contract to limit the liability of the insurer; common examples are claims relating to suicide, fraud, war, riot and civil commotion.

As stated by Pal, Bolda and Garg (2007), life insurance enjoys maximum scope because life is the most important property of the society or an individual. Each and every person requires insurance, thus life insurance provides protection to the family at the premature death or gives adequate amount at the old when earning capacities are reduced. The insurance is not only a protection but a sort of investment because a certain sum is returnable to the insured at death or the expiry of a period. Any person above 18 years of age and who is eligible to enter into a valid contract.

In the Ghanaian society, there are a number of people who are not patronizing the services of life insurance policy due to the perception the hold due to number of factors. Customer perception as a concept is of universal concern for al economies of the world. In the context of a booming Ghana economy and unprecedented growth being witnessed by Insurance industry - especially life insurance, it would be interesting to examine this concept in depth.

Statement of the Problem

Insurance business is essentially a cooperative endeavor. Under any insurance arrangement, a large number of persons agree to share a loss which a few of them are likely to incur in future. Such sharing has the advantage that the individual share of loss is relatively small. When the sharing is done amongst a large number of persons, the individual share remains fairly steady from year to year. Such association of persons for sharing anticipated losses may be brought about voluntarily by all participants or may be organized by a few individuals or an insurance company.

As Hofstede (1995) stated, the major function of insurance policies is to protect against financial loss of superannuation. Insurance policy is therefore developed on the economic component of human life. Any event affecting an individual's earning capacity has an impact on the individual's human life value. This event may be premature death, incapacity, retirement or unemployment (Black & Skipper, 2000).

Insurance business leaders need to give customer satisfaction strategic importance to increase the life insurance growth rate (Akotey & Adjasi, 2015; Kobylanski & Pawlowska, 2012). Although, the life insurance business in Ghana seems to outperform nonlife business, at a sustainable growth rate of 35% in 2008 to 44% in 2011 (compared to nonlife business growth of rate of 31% in 2008 to 32% in 2011), the penetration rate of life insurance is still below 1% (Alhassan & Fiador, 2014). The general business problem was that the life insurance industry in Ghana is not growing at the anticipated growth rate after the passing of the Insurance Act 724 in 2006 (National Insurance Commission [NIC], 2012). The specific business problem was some life

insurance company leaders lack customer satisfaction strategies that can grow and sustain

While microcredit and, to a lesser extent, micro savings have been studied quite extensively, insurance policies have so far received only limited attention in the academic rigour as cited by Ibok (2012). Many scholars such as Grossman, 1972; Kroniek and Gilman, 1999; Long and Marquis; and Pauly and Herring (2011) have well explored and documented the influence of demographical characteristics on insurance patronage. Most of the studies that have been done can be found in the developed countries as suggested by Kular et al, (2008), that much of the research has been conducted in the US. This has created knowledge gap in this field in most developing countries like Ghana. Sak, (2006) also confirms that there is inadequate quality literature on this phenomenon in Ghana. In view of this, there is the need to conduct a comparative study on insurance policies so as to know whether demographic factors have influence on the choice of insurance policies. It is against this background that this study is conducted.

Objectives of the Study

The main objective of the study was to examine demographic factors and choice of insurance policies among the staff of Cape Coast Technical University.

More specifically, the objectives of the research were:

1. To examine the influence of gender on the choice of insurance policies.

2. To investigate the influence of age on the choice of insurance policies.

3. To examine the influence of income on the choice of insurance policies.

4. To examine the influence of marital status on the choice of insurance policies.

Research Questions

The study sought to answer the following questions to achieve the main objectives of the study.

1. Does age influence the choice of insurance policies?

2. How does gender influence the choice of insurance policies?

3. How does income influence the choice of insurance policies?

4. What influence does marital status have on the choice of insurance policies?

Hypothesis

H_1: There is significant difference between age group and the choice of insurance policies

H_2: There is significant difference between gender and the choice of insurance policies

H_3: There is significant difference between income and the choice of insurance policies

H_4: There is significant difference between marital status and the choice of insurance policies.

Significance of the Study

The study will specifically offer a better insight into the demographic factors and choice of insurance policies among the staff of Cape Coast Technical University. This set of knowledge will be important to insurance policy makers and government to increase their understanding of what people want in insurance policies. This in tend will help them to try to lure customers

by good service and flexible products. Thus insurance marketing is an aggregate function directed at providing service to satisfy customers financial needs and wants more effectively and effectively than the competitors keeping in view the original objective of insurance (Shanker, 2002) . It also provides a guide as to how to motivate people to purchase insurance policies. These are ultimately expected to lead to improve in the participation of insurance policies in Ghana.

Delimitation of the Study

The study will be conducted in the Cape Coast Technical University. The study seeks to address the issue of demographic factors and the choice of insurance policies. Both academic and non-academic staff were used for the study.

Limitation of the Study

An important limitation of the study is related to the selection of suitable respondents that represents the entire population of Cape Coast Technical University. Another limitation is that the quantitative nature of the research may not allow respondents to express themselves in detail. Thus while this method provides answers to the problems of the study that are relatively more objective, respondents had to answer questions by choosing the options that had been provided. In this case they have no room to air their views in greater depth. Again, there was a problem of time constraints in the data collection for a much longer period of survey. Another constraint faced was respondents' unwillingness to volunteer information that was sought. Generally, apathy was the major problem since some of the respondents failed

to answer the questionnaire. Finally, while the study examined the demographic factors and the choice of insurance policies, the study involved only a very limited sample of respondent. As a result the conclusion that could be drawn from the study results cannot be generalized.

Organization of the Study

In addition to Chapter One, the rest of the study is organized into four chapters. As follows: Chapter Two provides a review of related literature on the theories, supporting and opposing views of other authors on relevant issues of the research questions, it looks at the concepts and empirical evidence underlying the study. Chapter Three discusses the methodology of the study. It also describes the study area, the research design, the study population and the sample size. Sampling procedures, instruments for data collection, methods for data analysis are also described and pilot-testing, and ethical considerations are discussed in this chapter. Chapter Four of this study presents the findings and discussions of the study. It also discusses all the research questions of the study. The final chapter, Chapter Five focuses on summary, conclusions and recommendations drawn from the study based on the findings and conclusions of the study. Suggestions for further studies are also highlighted in this chapter.

CHAPTER TWO

LIERATURE REVIEW

Introduction

The review of literature which forms the substance of this chapter had been purposely restricted to cover those papers which are relevant to the various facets of this study. The chapter begins with a discussion of the theoretical framework on insurance. The next section discusses history and evolution of insurance in Ghana, the demographic variables in relation to insurance and the concept of insurance policy and how demographic variables influence them.

Theoretical Framework on Insurance

Several economic theories are available to expatiate on the choices of households. The current study however is built on the expected utility (EU) theory due to its suitability in explaining the demand of households for micro insurance policies. The expected utility (EU) theory assumes that people are risk averse and make choices between taking a risk that has different implications on wealth and hence its preference over other related theories like the state-dependent theory, the consumer theory and the endowment effect theory.

The consumer theory for instance perceives that consumers who are fully well-versed optimize their utility as a function of purchasing numerous goods, considering comparative prices, level of income and choices. Per the study of Begg, Fischer and Rudigar (2002), "variation in income and prices affect the degree of purchase of goods by rational consumers." The researchers further retorted that "micro health insurance schemes are anticipated to be an

ordinary good with a positive income elasticity of demand, suggesting that households have lower probability of purchasing micro insurance, considering a lesser premium".

The researcher also indicated that "increase in price of an alternate for insurance such as user fees is anticipated to increase the micro insurance purchase, as is a dwindling in micro insurance price". In the opinion of the investigators, purchasers" response to the premium alterations relies on their socio-economic position since the rich, specifically, are expected to be unresponsive to premium alterations, on condition that they are further receiving worthy health-care they anticipate at that excessive premium. Grounded on these lapses, the current study relies on the expected utility theory.

Expected Utility (EU) Model

Considering the expected utility model, micro insurance demand is a choice between an indeterminate risk that happens with likelihood when unsubscribed, and a defined loss like paying a price (Manning & Marquis, 1996). The model perceives that households are not risk lovers and so pick among carrying a risk that has varying effect on income. Given the period of micro insurance selection, purchasers are unclear whether about their health status, and of the associated monetary effects.

Micro insurance decreases this undefined risk. Further expatiating this, Hsiao, Klimidis, Minas and Tan (2006) reported that "the rural residents desire to subscribe or not subscribe to community-based health insurance scheme (CBHI) is a discrete choice procedure in line with explanatory choice theory" and that the household's decision of purchasing a CBHI in rural China was

reliant on the evaluation of the expected utility of purchasing health micro insurance against not purchasing. Notwithstanding these disparagements, expected utility is usually employed in theories of decision making with regard safeguarding against risk (Marquis & Holmer, 1996).

Concept of Insurance

There is no single definition of the term insurance. Various writers and experts in the field of insurance over the years attempted various definition different contexts to explain the meaning of the term. Financially, Dorfman (2008) defined insurance as a financial arrangement that redistributes the cost of unexpected losses. Thus insurance involves the transfer of loss exposures (or uncertainty of loss) to an insurance pool and the redistribution of the cost of losses among the members of the pool. Loss as in insurance term is defined by Pal, Bolda and Garg (2007) as unintentional decline in or disappearance of value arising from a contingency. An insurance system redistributes the cost of losses by collection premium payment from every participant (insured) in the system. In exchange for the premium payment, the insurer promises to pay the insured's claims in the event of a covered losses (Dorfman, 2008).

Insurance companies bear risk in return for a fee called premium. In order words insurance companies are risk bearers and accept or underwrite the risk in return for an insurance premium. Accordingly, the term insurance may be defined as a co-operative mechanism to spread the loss caused by a particular risk over a number of persons who are exposed to it and who agree to ensure themselves against that risk (Pal et a.., 2007). In legal term, Marples (2008) cited the definition of insurance in the Merriam-Webster Dictionary as coverage by contract whereby one party undertakes to indemnity or guarantee

another against loss by a specified contingency or peril. Pal et al. (2007) further argue along Marples' line that insurance is that which a sum of money as premium is paid by the insured in consideration of the insurer's bearing the risk of paying a large sum upon a given contingency.

History of Insurance in Ghana

Insurance was introduced into Ghana in the late 19th Century by the British merchants who were bound by the British merchant shipping laws. The law basically states that all goods being shipped into the colonies should be carried by ships owned by British citizens by implication; the goods being carried by ships owned by its citizens were insured by insurance companies in the United Kingdom. Consequently, there was a need for these insurance companies in the United Kingdom to have agents in Ghana where the goods were sent. Thus insurance transactions were done through the foreign trading companies in Ghana acting as chief as chief agents of insurance companies in the United Kingdom and other foreign countries. Ghanaian insurance industry at the time comprised mainly insurers; sellers of insurance, insured; purchase and intermediaries; agents of insurance companies who acted between the insurers and the insured and under the Act of British Parliament, legible to accept proposal and sign and issue insurance cover on behalf of the insurance companies in the United Kingdom. There were no insurance broking, claim adjusting and reinsurance forms at the time.

All insurance companies in Ghana from the period up to 1961 were British and subjected to the United Kingdom Board of Traded regulations. The main insurance centres during this period were Accra, Secondi/Takoradi and Kumasi. One obvious reason that accounted for this was that Ghana was still a

British colony until 1957. Because all insurance transactions were done in the United Kingdom and elsewhere, there were no local insurance legislations in Ghana. For instance, premium rates for various life insurance policies in Ghana were based on those of United Kingdom because there were no local statistics and tables on premium rates in Ghana at the time. It could therefore, not be said in the actual sense of the term, that there was an insurance market in Ghana at the time.

In terms of technical expertise of insurance, expatriate staff handled technical aspects of insurance while few Ghanaians handled day-to-day aspects of insurance. Agents appointed by insurance companies were given very little training to enable them sell life assurance to Europeans and few elite Africans. A lot of general accident insurance policies were not known at this time. Towards Ghana's independence, local insurance companies began to emerge. The first among them was Gold Coast Insurance Company which was formed in 1955. General Insurance Company and Cooperative Insurance Society were later formed in 1957 and 1958 respectively. Government of Ghana purchased Gold Coast Insurance Company and took over Cooperative Insurance Society and merged them together to form State Insurance Cooperation (SIC) which was incorporated in February 1962. This was a strategic development to enable SIC complete favourable with foreign insurance companies. Most of the insurance businesses of Government owned organizations were handled by SIC; as a result, it grew by leaps and bounds.

The period between 1962 and 1970 saw remarkable changes in Ghanaian insurance industry. A lot of rules and regulations were introduced and Acts were passed into laws in the market apart from life policies. Policies

such as workmen compensation, marine insurance, aviation insurance, accident insurance such as motor, burglary, personal accident, employers' liability, goods-in-transit etc were also introduced into the market. Most of the laws were enacted to favour and protect the local insurance companies and created opportunities for more insurance companies to spring up. Insurance centres in Ghana spread to other regional capitals such as Koforidua Ho Sunyani, Tamale, Bolgatanga etc. The insurance centres later spread to district capitals and beyond. Insurance Brokers were also part of this expansion. Reinsurers were also introduced into the markets. The new insurance Act created the office of the commissioner of insurance to regulate the operations of the insurance in Ghana.

Banc assurance was also later introduced into the insurance market in Ghana. Under this agreement, the bank as a corporate agent will use its branch network tom sell the insurance policies of an insurance company. Currently, there are two of such cases. The companies involved are Enterprise Life and Standard Chartered Bank which was approved in 2007. Number of agents has also increased. Seven hundred new agents were agents were license in 2008, bringing the total number of agents officially registered with the NIC to 1,200 in 2009, although it is estimated that there are about 4,000 agents selling insurance policies in the insurance markets in Ghana. The era also saw innovative policies sprung up. Policies such as family income protection plan, education endowment policy and funeral insurance policy. Currently, the industry is experiencing influx of companies from foreign countries and this has brought keen completion to the industry.

Concept of Insurance Policies

Insurance policy is a contract under which the insurer (Insurance Company) in consideration of a premium paid undertakes to pay a fixed sum of money on the death of the insured or the expiry of a specified of time whichever is earlier. In case of life insurance, the payment for insurance policy is certain. The event insured against is sure to happen only the time of its happening is not known. The subject matter of insurance is life of human being. Insurance policies provides risk coverage to the life and the properties of a person. Insurance policies offers protection against loss of income and compensate the titleholder of the policy.

Contribution of Insurance Policies in Ghana

Insurance was introduced in the country in the 20th century to manage risk. Some of the early companies were Royal Exchange Assurance Company, Northern Assurance Company Limited, New India Assurance Company Limited and Gresham Fire and Accident Assurance Society Limited (NIC, 2006). Insurance policies, which is normally a contract between an insurance company and an individual or an organization, provides protection against untimely death of an individual or group in an organization as well as the properties of the individual the group or organisation. The Life Officers Association (LOA) was born as a wing of the Ghana Insurers' Association (GIA In 1998), out of a real need for a concerted effort to undertake a nationwide education on benefits of life insurance to the public with the view of creating awareness of the need of having life insurance policy.

For a very long time in the history of the Insurance Industry in Ghana, the word "insurance" to most people has been synonymous with motor

insurance, because insurance generally had been popularized by an Act of Parliament "Third Party Act of 1958" makes third party motor insurance compulsory for all vehicle plying the roads within the boundaries of Ghana. This has been strictly enforced by the Police over the years. Insurance policies, deal with lives and properties and its exigencies, is not a very popular class of insurance on the Ghanaian insurance market some years back until when the new Insurance Act 724 in 2006 which replaced the old Insurance Law, of 1989 PNDC law 227 seemed to had strengthened the operation of l insurance policies in the country. This is to encourage investors to put in the necessary resources needed to grow the life sector and effectively play its expected role in the nation's development (NIC Newsletter July-Sept, 2006)

Benefits that accrued from insurance industry to the nation, organizations and individuals include the use of insurance policies as collated security for bank loans overdrafts, and mortgage as well as provision for retirement. (NIC Newsletter July-Sept, 2006). Besides, the services rendered by the industry, add to the national income and makes indirect contribution by supporting the activities of the manufacturing sector, increase output and employment opportunities Chartered Insurance Institute of Business and Economics Course Book, (2003). The long-time nature of life insurance industry is also an effective tool for the mobilization of funds. It is conducive for capital mobilization and serves as an alternative to provident fund and superannuation, as well as potential substitute for public pension schemes (N.I.C News Letter July-Sept, 2006).

Types of Insurance Policies

Insurance policies can be grouped into the following categories

Personal/group accident policy

Namasivayam, Rajendran, & Esuaran (2007) opined that personal accident policy provides compensation for those insured against death or injury arising from accidental, violent, external and visible means. A capital sum is payable for death, with lesser sums for loss of limbs or eyesight. A weekly benefit for a specified maximum period is payable for temporary total disablement in addition to medical expenses necessarily incurred as a result of the accident. This policy unlike the employers liability policy operates for 24 hours a day, 7 days a week and has a worldwide cover. The policy is also available for a group

Assets all risk policy

According to Jha (2000) this is a special policy usually designed for corporate clients who want a complete insurance package to cover a wide range of risks. This policy will cover accidental loss or damage to the client's property or assets arising from a very broad spectrum of causes. The cover is restricted only by the specific exclusions written in the policy. It can be designed to cover fire, lightning, flood, theft, malicious damage, earthquake, riots and strikes, burst pipe, impact, and many others

Motor insurance policy

A study according to McCord (2009) asserted that motor insurance we have the following covers:

Third party only, third party fire & theft, and comprehensive.

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Third party only: The policy indemnifies you and any permitted driver in respect of your legal liability to third parties for death and bodily injury as well as claims for damage to other persons' property. The minimum limit for third party property damage at present is Gh¢2000, however this can be increased at your request. Bodily injury is unlimited.

Third party, fire and theft: In addition to the third party cover described above, this policy covers your vehicle against the risks of fire and theft.

Comprehensive: The comprehensive policy will cover all of the risks described above, in addition to accidental damage to your vehicle. What is more, you now have the option of getting your comprehensive motor claim paid in three days. Just sign up.

Fire insurance policy

According to the star life assurance policies manual (2015) the standard fire policy covers you against loss by fire, lightning and explosion (arising out of domestic use of gas or a boiler)

This standard cover can be extended to indemnify you against loss or damage to your property caused by any of the following perils;

Earthquake, Windstorm, Flood, Explosion, Riot, Strike, Civil commotion, Bursting or overflowing of water tanks, pressured equipment or pipes, Malicious damage, Impact by road vehicles, animals or aircraft and other aerial devices or articles dropped there from.

Home insurance

The policy manual star life assurance (2015) has packaged policy specially designed for your home. It covers a myriad of perils including fire, lightning, explosion, earthquake, riot and strike, burglary (including armed robbery), civil commotion, impact, tornado or windstorm, flood, malicious acts, burst pipe, theft and many more. Besides all the above, it provides cover for the cost of alternative accommodation or rent, when your home is rendered uninhabitable as a result of the occurrence of an insured peril.

It also pays for your legal liabilities to domestic staff or third parties, in addition to a personal accident cover for yourself and other dependents.

This is truly a packed policy to ensure that your property and dependents are well covered

Life time needs plan

The lifetime needs plan is designed to provide the member with the means of contributing to an investment fund which can meet the member's life needs such as child education, retirement etc. And in addition also provide a life cover which becomes payable to the beneficiary in the event of the demise of the life assured (Hofstede, 1995).

According to Hofstede (1995) there are three options available for the member to choose from. This has varying compositions of both the life cover and the investment element.

A) Funeral cover benefit – which provides burial cover for the life assured, spouse and children only which has a six month waiting period restriction, and;

B) Cash bonus – which is purely investment, a structured, disciplined way to save, at good returns.

C) Lump sum payment - the policy holder has the opportunity of making a lump sum payment into the investment account of the policy whenever he or she wishes to do so.

Funeral finance plan

The policies manual of my life insurance (2018) the plan aims to provide immediate cash pay-out to the policyholder to cover funeral expenses of loved ones.

Our Ghanaian family values which is based on the principle of caring and respect for humanity is evident in our social lives and this underscores the need for a decent and dignified burial of our loved ones.

The plan will only pay the lump sum if you or any member you have insured dies during the period of cover.

There is therefore no surrender or maturity value.

Family Income Protection Plan

The policies manual of my life insurance (2018) the family income protection plan aims to give you a regular benefit if you suffer illness or accidental injury leading to incapacity and a loss of earnings. Your benefit can replace some of your lost earnings, or if you do not work, it can meet additional expenditure. The policy pays a lump sum equal to the sum assured in the event that the policyholder dies or becomes permanently disabled

The plan will pay a lump sum payment of the sum assured if you suffer any of the insured invents. (critical illness, total permanent disability or death)

In the event of the policyholder being diagnosed with a critical illness, a percentage of the sum assured, is paid. This is an accelerated benefit, and the benefit paid on death is reduced by any critical illness benefits already paid.

In the event of the policyholder becoming permanently disabled, the full sum assured. This is also an accelerated benefit (Dorfman, 2008).

In the event of the death of the policyholder, the full sum assured as specified in the schedule is paid. This is reduced by any previous amounts paid under the critical illness or permanent disability benefits. (NIC News Letter, 2012).

Empirical Studies of Demographical Characteristics and their influence on Insurance Polices

According to Nwankwo (2011), the need for insurance and protection from risk arose from the need to provide for security needs both from natural and manmade disasters, trading uncertainty for some level of reasonable certainty has been a basic human drive. After the boom of the insurance industry in the late 1990's more studies have been done on the influence and effects of demographical characteristics on insurance patronage. Many contemporary scholars seem interested in demographical variables in order to rule out the long established effects of demographical on various measures of well-being and lifestyle outcomes. Generally, socioeconomic status is unobserved and hence proxy measures are required. Common concepts considered in searching for proxy measures include income, consumption, wealth, education and employment. However, the relative importance of these

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and other concepts in terms of capturing socio-economic status can change substantially through time and across populations of societies.

Demographic variables are the quantifiable statistics of a given population which include biological data of people such as age, income, gender/ sex, marital status, employment, religion among others. Many scholars such as Grossman, 1972; Kroniek and Gilman, 1999; Long and Marquis; 2002; and Pauly and Herring (2001) have well explored and documented the evidence of the influence of demographical characteristics on insurance patronage. For instance Propper, 2000; Temple, 2002 have found occupation, sex, and family size to be robust predictors of health insurance consumption. Again, Browne and Kim (1993) found a positive relationship between life insurance consumption and the level of income.

In Africa, many people are burdened with financial challenges and have no or limited access to insurance or government assistance. According to a study conducted in 2010 by Ackah and Owusu (2012) in Ghana, access to insurance is low: 4.1% which excludes public health insurance. They further stress demographical that low patronage of insurance in Ghana is attributed to several demographical factors which usually pose challenges to insurance system, the most obvious being that a majority of economically active people work in the informal sector. Ibok (2012), explored the relationship between demographical variables and the joint contribution of these variables in determining health care insurance consumption in a developing economy like Nigeria and found that socioeconomic factors such as age, sex, income, access to health insurance information, education, age, marital status, sex, family size, occupation, except religion had positive coefficients suggesting that

health insurance patronage is a function of consumer's demographical characteristics. For this study, demographical characteristics will serve as the independent variables to be tested in determining their influences on the dependent variable which is insurance patronage. These variables have been elaborated below.

Based on this, the majority of the reviewed literatures is in the context of middle income or developed countries. Based on the conceptual framework of the current study, the volume of literature on the demand for insurance policies have been reviewed under four major categorical factors including socio demographic factors, economic factors, socio-cultural factors, and structural/institutional factors. The included factors were reliant on the results of the research of Eling, Pradhan and Schmit (2013) that reviewed studies on the factors affecting the demand for insurance picked out twelve critical elements influencing insurance purchase including gender, age, risk exposure, quality of service, informal risk sharing, financial literacy, religion, trust and peer effects, non-performance risk, risk aversion, wealth and price. This study focus on the socio demographic factors

Income Status and the Choice of Insurance Policy

According to Guha-Khasnobis and Ahuja (2004), the harsh economic conditions of poor people and households causes enormous risks and impede their efforts from breaking the vicious cycle of poverty and therefore, there must be measures to empower the poor to deal with risk effectively (Holzmann & Jorgensen, 2000). Indeed, risks have significant influence in the lives of poor persons, Akotey, Osei and Gemegah (2011). Insurance is

considered as one of the financial risk management strategies that can help the poor to deal with risk effectively. Poor people are more risk-averse and consider themselves more exposed to risk than others and are found to be less likely to participate in insurance. This is because a person's consumption and human capital typically increase along with income, creating a demand for insurance in order to safeguard the income potential of the insured. Low-income households are regarded as persons who are unable to afford regular insurance premiums.

For others, the poor is uninsurable because of the various risks they face, some of which are mass covariant risks (Guha-Khasnobis & Ahuja, 2004). More recently, Giesbert, Steiner and Bendig (2011) noted that household savings often serve an insurance purpose and it is plausible that savings and loans are particularly strongly used as substitutes for insurance when no insurance market exists. However, the examples of India have shown that the poor have the capacity to make small periodic contributions as premiums to insure them against risks. In addition, they are insurable because the risks they face are idiosyncratic and predictable and that there are cost-effective methods of providing insurance to those people with little income.

Considering the household's income level, life insurance subscription might rise, as human resource rise with a greater level of wealth, i.e. generates a greater need for death coverage to reserve wealth and the purchasing ability of family heads and dependents. Browne and Kim (1993), Truett and Truett (1990), Lewis (1989), and Outreville (1996) reported that life insurance purchase is positively associated with income employing each families

information both in developing and developed nations setting. Outside life insurance (Giné et al., 2008) and particularly health insurance (Jütting, 2003; Pauly, 2004; Bhat & Jain, 2006; Dror et al., 2007), households in developing countries are relatively likely to purchase insurance when income increases

Gender and the Choice of Insurance Policy

Kirigia et al. (2005) found out through a research on insurance ownership among women in South Africa that there exist a positive direct relationship between health insurance consumption and the various demographical characteristics of South African women. Again, in Ghana, majority of women unlike their men is more risk averse because of their homely and motherly duties; they therefore have high tendency of subscribing to insurance packages (Giesbert et al., 2011).

Risk behaviour of females has been confusing to academicians a longer span of research period. The greater, though surely not wholly, studies on the subject seems to indicate lesser risk acceptance among females than their male counterparts, even yet the reason is vague either hypothetically or practically (Cohen & Einav, 2007). The study of the authors reviewed showed positive association between gender and the purchase of micro insurance schemes. Giesbert (2010) in a research reported positive influence of micro life insurance on gender.

Furthermore, the study of Schneider and Diop (2001) also revealed positive relationship between micro health insurance and the gender of the household. In a Ghanaian context, Nketiah (2009) suggested that access to health insurance is vital particularly to women in the fertility age; as they are

obliged to meet their health requirements and those of their offspring. The study further hypothesized that this sort of intuition is embodied in the Millennium Development Goals 4 and 5 that resound round the health of kids and women. The study in this context contends that responsibility for micro insurance for women has the capability of decrease in the mortality of kids and women

Education and the Choice of Insurance Policy

With regard to this variable, Ibok (2012) observed that education increase people's ability to understand the benefits of risk management and even long term savings as a pre-cautionary measure and therefore increases their risk aversion. Thus, education is undoubtedly, an important determinant of the consumption of health insurance (Bloom, 2004; Blumberg and Nichols, 2002; Juetting, 2003; Trujillo, 2003).

A higher level of education in a population is positively correlated with the demand for any type of insurance product. This is because education may increase people's ability to understand the benefits of risk management and the propensity to patronize insurance policies. Akotey et al. (2011) lamented that the lack of knowledge on insurance policies and policies, and to an extent misunderstanding of the concept of insurance accounts for the low uptake of insurance among the low-income population in Ghana. However, they argued that formal education is not a significant determinant; rather one's level of insurance knowledge has a positive and significant impact on micro-insurance demand.

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Education should have an expanding impact on the time of dependency, which may build the interest for mortality scope. A greater level of education is thought to be emphatically associated with the purchase of insurance policies, as it may raise the capacity of households to comprehend the advantages of risk administration and savings, however increase individual's risk aversion attitude (Beck & Webb, 2002). A regularly distinguished obstacle in offering insurance to poor family units in underdeveloped nations is an absence of comprehension of insurance policies and the distinctions in their psychological capacity to see such items (McCord 2001).

Further, more taught family units will probably take up protection (Chankova et al., 2008; Giné et al., 2008). Consequently, it is perceived that relatively formally educated family heads have greater probability of to comprehend such a product more easily, and be more likely to participate in that kind of micro insurance product relative to lesser formally educated.

In the instance of health micro insurance, the destitute might rarely comprehend the notion completely, nonetheless the medical information of the less educated is also rare, and it is challenging for them to understand what is and is not covered under the policy (Chankova et al., 2008; Ito & Kono, 2010). Bendig et al. (2010), Giesbert et al. (2011) and Bendig and Arun (2011) in their study also found positive relationship between choice for insurance policies and their educational level.

Age and the Choice of Insurance Policy

According to Ibok (2006) age has been identified as a statistically significant variable and has positive predictions on insurance patronage. Although it has been established that insurance consumption cuts across every age, older individuals are generally more knowledgeable in insurance and their literacy and attitude towards insurance is much higher than younger individuals.

The findings of the insurance studies reviewed to present with regard to age have been vague (Eling et al., 2013). Certain research reveal positive relationship between age and insurance purchase (Cao and Zhang, 2011; Chen et al., 2013); some also reveals negative relationship (Gine et al., 2008) or provide insignificant result (Cole et al., 2013). For the samples from Ghana, consistently a positive influence of age and negative for age squared is found which is interpreted as life-cycle effect in the purchase of life insurance (Bendig et al., 2011; Giesbert, 2010; Giesbert et al., 2011). In Sri Lanka, age is negatively related to the demand for life insurance policies (Bendig & Arun, 2011). The studies of Chankova et al. (2008) and Ito and Kono (2010) found positive relationship between choice of insurance policies and age.

Marital Status and the Choice of Insurance policy

Scholars like Trujillo (2003), Liu and Chen (2002); Cameron And McCollum (1995) are of the opinion that married couples are more likely to buy insurance coverage of any kind, and those gainfully employed also take insurance coverage more than the unemployed (Butler, 1999; Sawage and Wright,1999).

Akotey et al. (2011) also found marital status to have a positive and significant impact on the demand for micro insurance. They noted that married couple will various micro-insurance services such as life insurance, to secure their family's future so that in the event of death, the family can have some financial assistance in the form of the insurance claim to depend upon.

Conceptual Framework for the Study

The current study grounded on the expected utility theory. Based on this theory, a household unit demands an insurance product/policy when the expected utility for insurance is greater than the utility of uninsurers. Households are assumed to make insurance demand decisions based on the objective of utility maximization (Adesina & Seidi, 1995; Adesina, 1996). A household therefore would subscribe or demand a given insurance product/policy if the utility obtained from the product exceeds that of not subscribing or demanding the policies. The factors considered by this study to determine the basket of the expected utility of the households making the subscription or the demand choice of socio-demographic factors include age , gender, education and income.

The literature review so far indicates that demographic factors such as age, gender/sex, marital status, income status, have significant influence on the choice of insurance policies.

On the basis of this, the developed conceptual framework is graphically shown   in the figure below.

Independent Variables

Dependent Variable
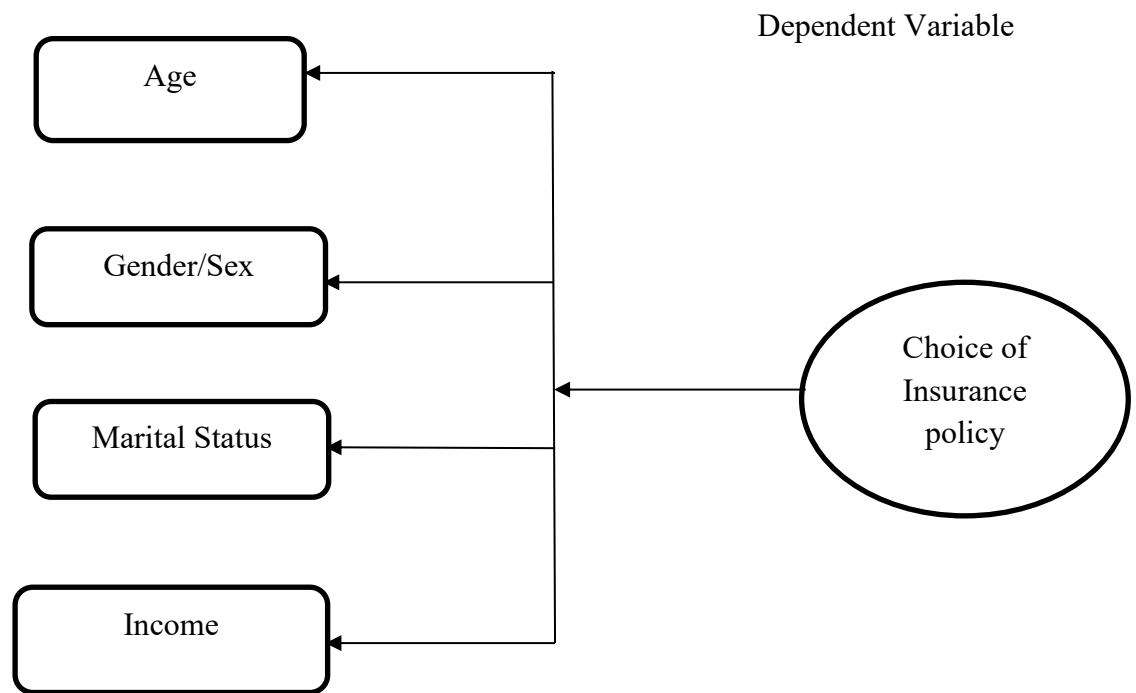
Figure 1: Conceptual Framework

Source: Marquis and Holmer (1996)

From the figure 1 above it could be noted that choice of Insurance Policies is dependent on the demographic factors. In view of this, independent variables are age, marital status, income and gender/sex.

Chapter Summary

Adept conclusions can be made from the literature as well as the theoretical and empirical studies of insurance policies. A critical look at the studies reveals that they were conducted mostly in the Western countries, although there is a scarceness of existing empirical studies about insurance policies, the studies presented here showed that most research in this area is influenced by McCord (2001) findings. Another interesting point that should be noted is the fact that even though the studies reviewed here were conducted using different research methods or varied samples in terms of demographics,

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size and type of organization, or even locations, similar results about the positive outcomes of insurance policies are revealed.

Based on the fact that demographic factors can influence the choice of insurance policies, the Expected Utility (EU) Theory can be used in explaining the phenomenon of insurance policies.

CHAPTER THREE

RESEARCH METHODS

Introduction

The methods used for a particular study is very crucial for the success of that study. Therefore, the methodology is one of the important Chapters of any research being it academic or business-oriented research. The purpose of this Chapter is to explain the methodology used in investigating the issue of demographic factors and the choice of insurance policies among the staff of Cape Coast Technical University. The Chapter describes the research approach, research design, study area, population, sample and sampling techniques, data collection instruments, data collection procedure, pilot-testing of instruments, and data collection and data analysis procedures.

Research Design

A research design expresses the mutual efforts of the major parts of the research project in the solution of research question. Creswell (2008) indicates that in conducting a research, the researcher needs to think about the philosophical worldviews, the strategy of enquiry related to the worldviews and the methods and procedures of the research. The study was based on the Correlational Research. The research design appropriate for conducting this research is correlational research design. A correlational research design determines whether or not two variables are correlated (Kanner, Coyne, Schaefer, & Lazarus, 1981). This means the design aims to assess whether an increase or decrease in one variable corresponds to an increase or decrease in the other variable. This design is chosen because the study seeks to determine the nature, conditions, practices, attitudes and opinions on the issue of

demographic factors and the choice of insurance policies among the staff of Cape Coast Technical University. Since it is a survey, detailed description of existing phenomena with the intent of employing data to justify current conditions and practices and to make intelligent plans for improving them are employed. According to Pelham, Carvallo, & Jones (2005) Correlational research design is a type of non-experimental research method, in which a researcher measures two variables, understands and assess the statistical relationship between them with no influence from any extraneous variable. According to Peterson, Seligman, & Vaillant (1988)

The advantage of this design to this study is that it allowed the researcher to measures two variables and assesses the statistical relationship (i.e., the relationship between demographic factors and choice of insurance policies among the people of Cape Coast Technical University) between them with little or no effort to control extraneous variables, There are essentially two reasons that researchers interested in statistical relationships between variables would choose to conduct a correlational study rather than an experiment. The first is that they do not believe that the statistical relationship is a causal one. For example, a researcher might evaluate the validity of a brief extraversion test by administering it to a large group of participants along with a longer extraversion test that has already been shown to be valid. This researcher might then check to see whether participants' scores on the brief test are strongly correlated with their scores on the longer one. Neither test score is thought to cause the other, so there is no independent variable to manipulate.

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According Kraut & Johnston (1979), once correlation is known it can be used to make predictions. When we know a score on one measure we can make a more accurate prediction of another measure that is highly related to it. The stronger the relationship between/among variables the more accurate the prediction.

Study Population

The population in research means the entire group of persons that have the characteristics that interest the researcher. According to Agyedu et al. (1999), population of a study refers to a complete set of individuals (subjects), objects or events having common observable characteristics in which the researcher is interested. In the view of Rubin and Babbie (1989), the population of for a study is the theoretically specified aggregation of study element. They identified the "study element" as the unit of individual or object about which information is collected and that provides the basis of analysis. It was further emphasized that; population constitutes the target of a study and must be clearly defined and identified.

In this study the target population of the study is the staff of Cape Coast Technical University. Currently, the Cape Coast Technical University has three (3) school and thirteen (13) academic departments with a student population of 3192 as at May 2018 pursuing various programs in Engineering, Business Management Studies and Applied Science and Arts. The University started a two-year top-up B-tech degree program in Building Technology during the 2007/08 academic year and currently running nine (8) two-year top-up B-tech degree programmes in most of the departments. Plans are far advanced to commence a Master of Science degree program.

The Cape Coast Technical University has the staff strength of 391. This is made up of 281 non-teaching staff and 110 teaching staff. The population of the study will target the employees of the Cape Coast Technical University.

Sample and Sampling Procedure

The sample size is an important feature of any empirical study in which the goal is to make inferences about a population from a sample. Fink (2001) explains sample to be a portion or subset of a group. It is representative of the population of important characteristics such as age, gender, marital status, etc. are distributed similarly in both groups. Maxwell (2005) describe sampling as an essential part of research. To sample entails making a selection of a part from larger whole. The choice of sample size is as important as is the choice of sampling scheme because it also determines the extent to which the researcher can make statistical and/or analytic generalizations (Onwuegbuzie, & Collins, 2007).

A sample size of one hundred and ninety-nine (199) respondents will be used for the study. The sample size was determined using Yamane's (1967) simplified formula corrected to proportion to determine the sample size for the study. Cape Coast Technical University has three hundred and ninety-one (391) employees. Staff members are grouped into two main categories namely, Academic and Non-Academic Staff. Results from the different groups are expected to vary from each other. Consequently, the stratified sampling technique would be employed. The stratified sampling method will be used to select participants for the study. The stratified sampling technique is a way of selecting respondents which determines selection of members of a population

that will be studied. Using this method, every "nth" member is selected from the total population for inclusion in the sample population. The respondents will be selected from an initial group of non-academic staff and then the mean will be repeated in the other group of academic staff to select respondents. The sample was selected by stratified randomized sampling proportional to the volume of respondents. This technique is more resourceful because it improves accuracy of outcomes.

The sample size for the study is outlined below;

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

Whereby, N: - Total population, n: - Sample size, e: - significance level in percentage of error that is allowed is (0.05)

thus;

$$n = \frac{391}{1+391(0.05)^2}$$

$$= \quad 196.70$$

Proportional difference of the sample size is shown below;

$$\frac{197}{391} \text{ X } 100$$

$$= \quad 51\%$$

Table 1: Sample size drawn from both non-academic staff and academic staff

Employee Category	Population	Sample Size
Non-Academic	281	143
Academic	110	56
Total	391	199

Source: Field Work, Suleman (2018)

Sources of Data

The research would employ primary source of data. The primary sources of data would be acquired from the study's investigation through the administration of questionnaires. Nevertheless, desk based research will serve as a secondary source of data which will involve exploring research materials such as journals and publications as well as computer research based on the web-based methods for online sources of information and literature materials from various libraries to draw on the ideas from the literature of past studies. The questionnaires distributed to study population in order to get their opinions on the issue of demographic factors and the choice of insurance policies among the staffs of Cape Coast Technical University.

Data Collection Instrument

The research instrument used for the study was questionnaire. The used of questionnaire promises a wider coverage since the researcher can respondents more easily than other methods; it is stable, consistent and uniform, without variation and it can be completed at a faster rate as compared to the others. Structured interview questionnaire was adopted for this study. The interview questionnaire method was used because the study analyzed the

effect of entrepreneurship knowledge. From a review of related literature, structured interview questionnaire guide was developed to collect data for the study (Spector, 2008). (Sarantakos, 2005; Neuman, 2007) posited that the rationale for using interview questionnaire guide is the quickest way for collecting data, its reliability and validity when it is well structured. All items were generated from the research questions.

Pre-testing

The questionnaire was pretested to ensure clarity and information validity prior to them being administered (Strauss & Corbin, 2007). The objective of the pilot study was mainly to pre-test the questionnaire on a representative sample and to use the feedback from the pilot study to refine the questionnaire for the main research. The questionnaire was pretested on 10 respondents drawn from both academic and non-academic staffs.

In choosing the two categories of staffs for pretesting, the researcher used convenience sampling which means that any employee available at that particular time was ask to answer the questionnaire. After pretesting, the questionnaires were found to be appropriate as there was no need to revise any of the questions.

Data Collection Procedure

The data were collected by means of questionnaire administered within a five (5) days period by the researcher himself. The school for the study was visited within the period of the study to administer the questionnaire. A time lapse of six days was allowed to enable the respondents to complete the questionnaire. Thereafter, the researcher went round to

retrieve the completed questionnaire. To ensure effective distribution, maximum responses and effective collection of the questionnaire, it was hand – delivered to respondents. The questionnaires were administered with the help of a colleague who had been coached by the researcher in order to enable him finish the exercise on time.

Data Analysis

The quantitative data collected was organized in accordance with the research questions. The data was processed and analysed using computer software called statistical package for social science (SPSS) version 21. The responses received from the respondents were initially tabulated according to five scales (options) contained in the questionnaire. These scales were Strongly Agree (SA), Agree (A), Strongly Disagree (SD), Disagree (D) and Neutral (N).

As per scoring given above, the entire data of one hundred and ninety-seven (197) questionnaires was tabulated in an Excel Spread Sheet and later fed into SPSS for calculation of results. The results produced by the SPSS tool were then tabulated and interpreted. For convenience of statistical analysis and keeping in view the significance of relevant responses, the options of Strongly Agree (SA) and Agree (A) and Strongly Disagree (SD) and Disagree (D) and N (Neutral).

Quantitative data analysis makes use of descriptive statistics including measures of central tendency (averages, mean, median and mode) and measures of variability about the average (range and standard deviation) (Cohen, et al., 2007). Means and standard deviations, ANOVA as well as chi-square and p- value were used to test on the relationship between the variables

of the study. This was then represented in the form of tables for interpretation and discussion.

Validity and Reliability of Instruments

Reliability

Reliability refers to extent to which a measurement instrument is able to yield consistent results each time it is applied under similar conditions. It is the constituent of a measurement device that causes it to yield similar outcome or results for similar inputs. Statistically, reliability is defined as the percentage of the inconsistency in the responses to the survey that is the result of differences in the respondents. This implies that responses to a reliable survey will vary because respondents have different opinions, not because the questionnaire items are confusing or ambiguous.

Reliability could be estimated mathematically or through pre-testing of the instruments. In this study, since the questionnaire items were adopted from previous studies by Cooper and Schindler (2006) but tailored to the insurance service context, it was prudent to conduct a pilot test to refine the instrument. As a result, the questionnaire items were pilot tested to remove confusing words and to improve upon the clarity of the questions items to strengthen its reliability. Again, statistically, the Cronbach's alpha could also be used to assess the reliability of an instrument. A reliability values of 6.0 to 0.70 and above are considered by many researchers as acceptable (Cooper & Schindler, 2006; Malhotra & Birks, 2006).

A summary of the reliability statistics of the data indicates that the three overall satisfaction measures produced a composite alpha of 0.87, each of the service quality dimensions has reliability co-efficient 7.0 and above,

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except price which was 0.68, which is even adequately reliable. The composite reliability alpha for all items excluding the respondents' background data is 0.971 which is very good for statistical analysis.

Validity

Validity refers to the degree to which a statistical instrument measures what it is intended to measure. It emphasizes the accuracy of a measurement instrument (Cooper and Schindler, 2006). There are two types of validity, namely: internal or external.

External validity: This refers to the extent to which the findings and results of a study could be generalized to other particular research settings and other sample. In this work, to ensure external validity, the findings and results will be generalised to the Ghanaian settings, and to other developing country context, and specifically to the insurance service.

In this study the following kinds of internal validity will be ensured:

Face validity: Face validity refers to the extent to which a logical relationship exists between the variables and the proposed measure in the study. Face validity does not provide enough proof of validity since it is highly subjective.

Content validity: This refers to the extent to which a research instrument adequate and representative coverage of the constructs being studied. It is usually achieved by seeking opinion of other investigators or experts. For this study, the questionnaire for this study was given to two marketing lecturers to review its content validity.

Criterion validity: This refers to the extent to which a measurement instrument strongly correlates with some other criterion or standard that is believed to accurately measure the variable under consideration. If the

instrument is measured some other similar instrument that has been developed and tested to be valid, then such comparison is termed con-current validity. Thus in this study, the questionnaire developed was compared with other similar validated service quality instruments developed by Parasuraman et al., (1988) and Gronroos, (1984) that have been developed and used in several studies. This was to ensure that the items in the questionnaire favourably compares with the validated ones.

Construct validity: This refers to the extent to which a measurement instrument is grounded in theory. In order words, the instrument must have existing conceptual or theoretical bases in the literature. In this work, this construct validity was ensured by deriving the determinants of customer satisfaction and the dimensions of service quality from existing literature.

Convergent and discriminant validity: Straub *et al*. (2004) maintain that the two main aspects of *Construct Validity*, being, *convergent Validity* and *discriminant validity*, can be deduced from the Factor analysis, specifically, Confirmatory Factor Analysis (CFA) results.

Factor Validity: Factor validity is construct validity technique used in assessing the quality of questionnaire and it is obtained by means of factors analysis. The main measures used to test the validity of an instrument in factor analysis include:

Ethical Considerations

Bless and Higson Smith (2000), state the main rules of data collection as: a) voluntary participation b) the right to privacy c) Freedom and d) Anonymity e) Confidentiality. All these ethical rules have been met in this research study. The study ensured that informed consent of the participants in

the study was obtained. Participant's privacy, confidentiality and anonymity were guaranteed through the researchers' permission letter, consent form and covering letter provided. As indicated by Punch (2000), all social research involve consent, access and associated ethical issues, since it is based on data from people about people. There are five human rights that require protection in research: "the right to self-determination, the right to privacy, the right to anonymity and confidentiality, the right to fair treatment, and the right to protection from discomfort and harm" (Burns & Grove, 2009, p. 189). The appropriate action would be taken to protect the human rights of the participants in this study.

As participants voluntarily agreed to participate in this study, the participants were asked to read and sign a consent form that addressed human rights protection. The study ensured the research subjects' right to self-determination by informing the subjects about the proposed study and allowing them to choose to participate in the study or not. A research is expected to be free from any biases and it must be scientifically sound and reported honestly, thoroughly and completely (Malhotra & Birks, 2007).

Participants were informed about the purpose of the research and what objective it sought to achieve. They were encouraged to feel free and express their views as objectively as possible and that they have the liberty to choose whether to participate or not. They also had the option to withdraw their consent at any time and without any form of adverse consequences. Anonymity and confidentially were guaranteed and the researcher did not cause harm or mental stress to those who choose to participate. This research

and its associated methodology adhere to all of these ethical considerations. An organizational entry protocol was observed before the data were collected.

Chapter Summary

The purpose of this chapter was to describe the methods used in achieving the aim of this study. So far it has been noted that for data collection and analysis, a quantitative method which involves structured questionnaire has been used. There has also been significant background information regarding the study context of Cape Coast Technical University including the way the data were collected and analysed. Ethical consideration of the study has also been revealed. Written permission letter also had to be presented to all the Heads involved for approval before the commencement of the data collection. Those who took part in the survey were also assured of anonymity and confidentiality.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

This chapter deals with the analyses and discussions of data obtained from respondents in the study. It begins with an analysis of the demographic characteristics of respondents and then follows with the analysis of responses to the research question. Descriptive statistics such as frequencies, and percentages were used and further test such chi-square were used to analyse the data and draw conclusions on the research objectives.

The data for these analyses were obtained through the administration of questionnaires. In line with the main research goal, this chapter reflects on the core research objectives as outlined in chapter One. The first section discusses the demographic background of the respondents, however the second section discusses the research objectives which include:

1. To examine the influence of gender on the choice of insurance policies.

2. To examine the influence of age on the choice of insurance policies.

3. To examine the influence of income on the choice of insurance policies.

4. To examine the influence of marital status on the choice of insurance policies.

Response Rate

Data was collected from both the academic and non-academic staffs drawn from Cape Coast Technical University. The population size was three hundred and ninety one (391) employees and the sample size was determined using Yamane's (1967) simplified formula corrected to proportion to determine the sample size for the study. This means that a total of one hundred

and ninety-nine (199) questionnaires were issued from which 190 were filled and returned which represents a response rate of 95.48%. This response rate was considered satisfactory on the basis of the assertion made by Mugenda and Mugenda (2008) that a response rate of 50% is satisfactory enough for analysis. The success rate in this study could be attributed to the self-administration of the questionnaires applied by the researcher from which the intended respondents were pre–notified on the actual date before the data collection. The researcher also made a lot of efforts to make many follow-up calls to clarify queries with the intention to boost the high response rate. The response rate is represented in table 2 below.

Table 2: Response Rate

Questionnaire	Count	Percentage (%)
Returned	190	95.48
Non Returned	9	4.52
Total	199	100

Source: Field Work, Suleman (2018)

Demographic Description of Respondents

The demographic variables of respondents were taken to aid in the analysis of results. The discussion of demographic characteristics of the sampled population pertained to category, gender, age, academic qualification, monthly income, staff status, marital status and years of working experience with Cape Coast Technical University. The research used the gender of the respondents to crosstab the other demographic characteristics.

Table 3: Gender Distribution of Respondents

Gender	Frequency	Percentage
Male	113	59.5
Female	77	40.5
Total	**190**	**100.0**

Source: Field Work, Suleman (2018)

Table 4: Other Demographic Distribution of Respondents

		Male		Female		Total	
		Freq.	%	Freq.	%	Freq.	%
Age Group	21-30	18	15.9	15	19.5	33	17.4
	31-40	40	35.4	30	39.0	70	36.8
	41-50	33	29.2	23	29.9	56	29.5
	51-60	22	19.5	9	11.7	31	16.3
	Total	**113**	**100.0**	**77**	**100.0**	**190**	**100.0**
Academic	Basic	12	10.6	5	6.5	17	8.9
Qualification	Secondary	13	11.5	10	13.0	23	2.1
	Tertiary	48	42.5	36	46.8	84	44.2
	Masters	40	35.4	26	33.8	66	34.7
	PhD	0	0.0	0	0.0	0	0.0
	Other	0	0.0	0	0.0	0	0.0
	Total	**113**	**100.0**	**77**	**100.0**	**190**	**100.0**
Monthly	Below 500	10	8.8	8	10.4	18	9.5
Income	500-1000	27	23.9	18	23.4	45	23.7
Status	1001-2000	43	38.1	27	35.1	70	36.8
	Above 2000	33	29.2	24	31.2	57	30.0
	Total	**113**	**100.0**	**77**	**100.0**	**190**	**100.0**
Staff Status	Junior Staff	31	27.4	20	26.0	51	26.8
	Senior Staff	48	42.5	37	48.1	85	44.7
	Senior Member	34	30.1	20	26.0	54	28.4
	Total	**113**	**100.0**	**77**	**100.0**	**190**	**100.0**

Source: Field Work, Suleman (2018)

Table 5: Marital Status Distribution of Respondents

Gender	Male Freq.	%	Female Freq. %	
Married	25	22.1	40	51.9
Single	80	70.8	28	36.4
Separated	6	5.3	8	10.4
Divorced	2	1.8	1	1.3
Total	**113**	**100**	**77**	**100**

Source: Field Work, Suleman (2018)

Gender of Respondents

Sex is a determining factor in many hiring decision making considerations. Table 3 shows the gender distribution of respondents. Out of the 190 respondents who answered the questionnaires, 113 respondents representing 59.5% were males and 77 respondents representing 40.5% were females. This implies that Cape Coast Technical University Staff are male dominated. This might be explained by the fact that the gender gap widens at both secondary and post-secondary levels of education with females constituting only 33% at the secondary and post-secondary institutions (Ghana Statistical Service, 2002). It could therefore be argued that fewer females get to the tertiary education level hence few qualify for appointment for a job in the university.

Age of Respondents

Table 4 represents the distribution of respondents by age. Most of the respondents (83.7%) were in their active working age, with majority (36.8%) of them between the age group of 31 and 40 years. The reason is that, Cape

Coast Technical University gives more consideration to those in the active working age during its recruitment. This may be due to the fact that, older employees are less creative, less productive, slower mentally, likely to be burned-out, resistant to new technologies, absent due to illness, poor at working with younger supervisors and reluctant to travel and more expensive to employ than early- or mid-career employees. This implies that majority of the respondents were in the Youthful category (54.2%). That is, the dynamic, enterprising, risk taking and working class age. They have the potential to advance their career individually and consequently support themselves, the company and the economy at large. The future of Cape Coast Technical University lies in this age and this is may be why Cape Coast Technical University strategically targets such group.

Academic Qualification

Academic qualification is an important consideration in hiring in the universities. The respondents had different educational levels namely; basic, secondary, degree, masters, PhD and others as shown in the Table 4 The values in Table 4.2b indicate that out of the 190 respondents, 17 representing 8.9% have basic education as their highest level of education. 23 representing 12.1% have secondary education. 84 respondents representing 44.2% have tertiary education, whilst, 66 respondents representing 34.7% have masters as their highest level of education. This implies that majority of Cape Coast Technical University Staff have tertiary education. This may be due to the fact that most of the jobs at the Technical University involve mental applications as opposed to fewer jobs involving manual skills.

Monthly Income Status

The monthly income is an important factor in any organization. The respondents had different monthly income status. The values in Table 4 indicate that, out of the 190 respondents, 18 representing 9.5% go home every month with income below GHS 500. 45 representing 23.7% go home every month with income between GHS500-GHS1000, 70 representing 36.8% go home every month with income between GHS1001-GHS2000, whilst, 57 respondents representing 30.0% go home every month with income above GHS2000. This implies that majority of Cape Coast Technical University Staff go home every month with income between GHS1001-GHS2000.

Staff Status

The staff status is an important factor in the universities. The respondents had different status. The values in Table 4 give an indication that, out of the 190 respondents, 51 representing 26.8% were of junior staff category. 85 representing 44.7% were senior staff category, whilst, 54 respondents representing 28.4% were senior member category. This implies that majority of Cape Coast Technical University Staff were of the senior staff category.

Marital Status

From Table 5 indicates marital status of the respondents. It was revealed that, out of the 190 respondents, 24 respondents representing 22.1% were males who were married. 40 respondents representing 51.9 were females who were married. 80 respondents representing 70.8% were males who were single and 28 respondents representing 36.4 % were females who were single.6 respondents representing 5.3% were males who were separated. 8

respondents representing 10.4 % were females who one way or the other separated. Finally, 2 respondents representing 1.8% were males who were divorced and 1 respondent representing 1.3% was female who was divorced.

Analysis of Main finding

Objective 1: Influence of Gender on the Choice of Insurance Policies

In line with the first objective, which was about the influence of gender on the choice of Insurance Policies, respondent were asked questions regarding the forms of insurance policies subscribed with respect to their age group. In response to this, various answers were obtained and analysed and the results were presented in Table 6.

With respect to forms of insurance policies subscribed by respondent with relation to gender, the results revealed that out of the total of 153 respondents, 51 respondents representing 33.3% have subscribed to funeral policy. Out of the 51 respondents, 29 (56.9%) of them were males and 22 representing 43.1% were females. The difference between them is indicated by the result of the chi- square of 0.197 and p-value of 0.657. From the result of the chi- square p - value, it was revealed that there is no difference between male and female and the choice of funeral policy.

A total of 52 respondents representing 34.0 % have subscribed to Property Insurance. Out of the 52 respondents, 27 (51.9%) were males and 25 respondents (48%) were females. The chi-square of 1.693 and p-value of 0.193 indicated the difference. But from the values produced by the chi square p value, it indicated that there is no significance difference between males and females and the choice of Property Insurance.

Again, 61 respondents representing 39.9 % have subscribed to Life Time Needs Plan. Out of the total of 61 respondents, 38 (62.3%) were male and 23 (37.7%) were females. the difference among them is indicated by the chi square value of 0.297 and p – value of 0.586. even though there is difference, they are not that significance difference to the choice of Life Time Needs Plan with regards to male and female.

With education policy, out of the 54 respondents representing 35.3% that have subscribed to it, 37 (68.5%) were males and 17 (31.5%) were females. The chi- square of 2.561 and p- value of 0.110 show there is slight relationship between gender and the choice education policy with respect.

It was revealed that 47 (30.7%) respondents have subscribed to Accident policy. out of the 47 respondents, 29 (61.7%) were males and 18 (38.3%) were females. the difference between them is displayed by the chi – square and p-value. the chi- square value of 0.129 and p value of 0.720 indicates that there is no difference in the choice of Accident Policy with respect to gender.

The motor insurance policy was subscribed by 95 respondent representing 62.1%. Out of the 95 respondents, 68 (71.6%) were males and 27 (28.4%). The chi square value of 0.683 and p- value of 0.485 indicates there is no difference between gender in the choice of Motor Insurance. The percentage result indicated that there is difference, this is due to fact that majority of Cape Coast Technical University males have cars.

Out of the total of 153 respondents, 45 respondent representing 29.4 % have subscribed to Family Income Protection Plan. Out of the 45, 24 (53.3%) respondents were males and 21(46.7 %) were females. the difference is

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indicated by the chi square p-value. The p- value of 0.337 indicates that there is no significant difference between male and female and the choice of Life Time Protection Plan.

The chi-square values and p-values indicated that there is no difference in the insurance policies and gender of the respondents. This means that choice of insurance policies does not depend on gender. Even though majority of Cape Coast Technical University staffs were males and have subscribed to Motor insurance due to the fact that most of the staff especially male of Cape Coast Technical University have cars

Table 6: Forms of Insurance Policies Subscribed with respect to Gender

	Male	Female	Total	%	Chi-Sq.	p-value
Funeral	29	22	51	33.3	.197	.657
Property	27	25	52	34.0	1.693	.193
Life time needs plan	38	23	61	39.9	.297	.586
Education	37	17	54	35.3	2.561	.110
Accident	29	18	47	30.7	.129	.720
Motor	68	27	95	62.1	.693	.485
Family income protection	24	21	45	29.4	.922	.337

Source: Field Work, Suleman (2018)

Objective 2: Influence of Age on the Choice of Insurance

The second objective was to find out the influence of age on the choice of Insurance policies. In view of this, respondents were asked whether they

have subscribed to one or two forms of insurance policies. They were then asked to select as many insurance policies they have subscribed to as possible. The responses were analysed and the results were presented in Table 7 in the next page.

From the table, the results revealed that a total of 153 respondent have subscribed to one or two insurance policies. Out of the 153, a total of 51 respondents representing 33.3% have subscribed to funeral policy. Out of the 51 respondents 6 (11.8%) respondent were between the age of 21-30 years. 15 (29.4%) respondents were between the ages of 31-40 years. 18 (35.3%) were between the ages of 41-50 years. 12 respondents representing 23.5 % were between the ages of 51-60 years. The difference as to whether a particular age like a funeral policy is indicated by the chi square – and p-value. The chi-square of 5.330 and p- value of 0.149 indicated a moderate difference in the in terms of age and the choice of funeral policy.

A total of 52 respondents representing 34.0 % have subscribed to Property Insurance. Out of the 52 respondent, 6 (11.5%) respondent were between the ages of 21-30 years, 18 (34.6%) respondent were between the ages of 31-40 years.18 (34.6%) respondent were between the age group of 41-50 years. 10(19.2%) respondents were between the age group of 51-60 years. the chi square value of 2.512 and p- value of 0.473 indicates there is no difference between the age group and the choice of Property Insurance.

Again, 61 respondent representing 39.9 % have subscribed to Life Time Needs Plan. Out of the total of 61 respondents, 11(18%) respondents were between the ages of 21-30 years. 19 (31.1%) respondent were between the ages of 31-40 years. 20 respondents representing 32.8% were between the

ages of 41-50 years. 11(18%) respondents were between the ages of 51-60 years. The difference in them is displayed by the chi-square p-values, the p-value of 0.727 reveals that there is no difference between age group and the choice of Life Time Needs Insurance policy.

With education policy, out of the 54 respondents representing 35.3% that have subscribed to it, 12(22.2%) respondents were between the ages of 21-30 years.16 (29.6%) respondents were between the ages of 31-40 years.20 (37%) respondents were between the ages of 41-50 years. 6(11.1%) respondent were between the ages of 51-60 years. The difference among them was produced by the chi –square value of 4.805 and p- value of 0.187. The p-value indicated a slight difference. That age group has some positive relationship with the choice of Education Policy.

It was revealed that 47 (30.7%) respondent have subscribed to Accident policy. Out of the 47 respondents, 8(17%) respondents were between the ages of 21-30 years. 18(38.3%) respondents were between the ages of 31-40years. 16(34%) were between the ages of 41-50years. Finally, 5(10.6%) respondents were between the ages of 51-60 years. Their difference is indicated by the chi-square p-values 0.633. The p- values indicated that there was no difference between age group and the choice of Accident Insurance Policy.

The Motor Insurance Policy was subscribed by 95 respondent representing 62.1%. Out of the 95 respondents, 6(6.3%) respondents were between the ages of 21-30 years. 26(27.4%) were between the ages of 31-40 years. 45(47.4%) were between the ages of 41-50 years. 18(18.9%) respondents were between the ages of 51-60 years. The chi square of 5.148

and p- value of 0.161 indicated a moderate difference interims of age group and the choice of Motor Insurance Policy.

Finally, with the Family Income Protection Plan, 45 respondent representing 29.4 % have subscribed to it. Out of the 45, 4(8.8%) were between the ages of 21-30 years .18(40%) respondents were between the age range of 31-40 years. 11(24.4%) were between the ages of 41-50 years. 12(26.7%) respondents were in the age range of 51-60 years. The difference is produced by the values of the chi – square and p- values. The p- value of 0.073 indicated a clear and significant difference interms of age group and the choice of Family Income Protection Plan policy. The chi-square values and p-values indicated that there is difference in the insurance policies and age of the respondents.

The chi-square values and p-values indicated a positive relationship in the insurance policies and age group of the respondents. As the respondent age increases to middle adulthood their desire for insurance policy increases and drops slightly as they reach late adulthood. This was discovered by the study that late adulthood will want to invest in business venture other than insurance. This is further supported by Ibok (2006) that age has been identified as a statistically significant variable and has positive predictions on insurance patronage. Although it has been established that insurance consumption cuts across every age, older individuals are generally more knowledgeable in insurance and their literacy and attitude towards insurance is much higher than younger individuals

Table 7: Form of Insurance Policies Subscribed with respect to Age Groups

	21-30	31-40	41-50	51-60	Total	%	Chi-Sq.	P-Value
Funeral	6	15	18	12	51	33.3	5.330	.149
Property	6	18	18	10	52	34.0	2.512	.473
Life time needs plan	11	19	20	11	61	39.9	1.311	.727
Education	12	16	20	6	54	35.3	4.805	.187
Accident	8	18	16	5	47	30.7	1.716	.633
Motor	6	26	45	18	95	62.1	5.148	.161
Family income protection	4	18	11	12	45	29.4	6.979	.073

Source: Field Work, Suleman (2018)

Objective 3: Forms of Insurance Policies Subscribed with respect to Monthly Income

The third question of this study was to determine if there is any influence of monthly income on the choice of insurance policies. The examination of the forms of insurance policies subscribed with respect to monthly income is indicated in Table 8. The result revealed that out of the total of 153 respondents, 51 respondents representing 33.3% have subscribed to Funeral Policy. Out of the 51 respondents, 7 respondents representing 13.7% were taking a monthly income below GHS500. 14 (27.5%) respondent were taking monthly income between GHS500-GHS1000. 12(23.5%) respondents were taking monthly income between GHS 1000-GHS2000. Lastly 18(35.3%) respondents were taking monthly income above GHS2000. The difference as to whether monthly income is determinant in the choice of Funeral Policy is indicated by the chi – square of 5.753 and p-value of 0.124.the p- value indicated slight difference in monthly income with respect to subscription of Funeral Policy.

A total of 52 respondents representing 34.0 % have subscribed to Property Insurance. Out of the 52 respondent, 3(5.8%) respondents were taking monthly income below GHS500. Also 13 (25%) respondents were taking a monthly income between GHS500-GHS1000. Again 18(34.6%) respondents were taking monthly income between GHS 1000-GHS2000. Finally 18(34.6%) respondents were talking monthly income above GHS2000. The chi – square of 12.166 and p value of 0.007 indicated a very strong positive relationship between monthly income and the choice of Property Insurance Policy.

The study revealed that 61 respondents representing 39.9 % have subscribed to Life Time Needs Plan Policy. Out of the total of 61 respondents 7(11.5%) respondents were taking a monthly income below GHS 500. Also 8(13.1%) respondents were taking a monthly income between GHS500-GHS1000. Furthermore, 20(32.8%) respondents were taking monthly income between GHS 1000-GHS2000. Lastly 26 (42.6%) respondents were taking a monthly income above GHS2000.the chi – square of 9.791 and p value of 0.020 indicated positive relationship between monthly income and the choice of Life Time Needs Plan Policy.

54 respondents representing 35.3% that have subscribed to Education Policy. Out of the total of 54 respondent 6(11.1%) respondents were taking monthly income below GHS 500.again, 6(11.1%) respondents were taking a monthly income between GHS500-GHS1000. more over 24 (44.4%) respondents were taking monthly income between GHS 1000-GHS2000. Finally, 18(33.3%) respondents were taking a monthly income above GHS2000. The difference is indicated by the chi square and p value. The p-value of 0.082 clearly indicated positive relation between the choice of Education Insurance Policy and monthly income.

With regards to Accident Insurance Policy. It was revealed that 47 (30.7%) respondent have subscribed to Policy. Out of the 47 respondents, 10(21.3%) respondents were taking monthly income below GHS 500. Again, 14 (29.8%) respondents were taking monthly income between GHS500-GHS1000. 11 (23.4%) respondents were taking monthly income between GHS 1000-GHS2000. Finally, 12(25.5%) respondents were taking a monthly income above GHS2000. The chi – square of 6.750 and p value of 0.080 was

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obtained. The p- value indicated direct relationship between monthly income and the choice of Accident Insurance Policy.

For Motor Insurance, it was discovered that 95 respondents representing 62.1% have subscribed. Out of the 95 respondents, 6 (6.3%) respondents were taking monthly income below GHS500. Again 29(30.5%) respondents were taking monthly income between GHS500-GHS1000. Also, 24 (25.3%) respondents were taking monthly income between GHS 1000-GHS2000. Lastly, 36 (37.9%) respondents were taking a monthly income above GHS2000.the difference among them was indicated by the chi-square p-value. The p- value 0.284 indicated no relationship between monthly income and the choice of Motor Insurance.

Finally, 45 respondents representing 29.4 % have subscribed to the Family Income Protection Plan. Out of the 45 respondents, 4(8.9%) respondents were taking monthly income below GHS500. 8 (17.8%) were taking monthly income between GHS500-GHS1000. also 13(28.9%) respondents were taking monthly income between GHS 1000-GHS2000. finally 20(44.4%) respondents were taking a monthly income above GHS2000.the difference among them was indicated by the chi-square of 6.003 p-value of 0.111. The p- value indicated a marginal relationship between monthly income and the choice of Family Income Protection Plan.

The chi-square and p – values indicated that choice of insurance policy was dependent on monthly income. This implies that as Cape Coast Technical University staff monthly income increases, their subscription to insurance. This may be due to the fact most of the people think insurance is expensive.

This is further supported by Guha-Khasnobis and Ahuja (2004), the harsh economic conditions of poor people and households causes enormous risks and impede their efforts from breaking the vicious cycle of poverty and therefore, there must be measures to empower the poor to deal with risk effectively (Holzmann and Jorgensen, 2000; Siegel et al., 2001). Indeed, risks have significant influence in the lives of poor persons, Akotey et al. (2011). Insurance is considered as one of the financial risk management strategies that can help the poor to deal with risk effectively. Poor people are more risk-averse and consider themselves more exposed to risk than others and are found to be less likely to participate in insurance. This is because a person's consumption and human capital typically increase along with income, creating a demand for insurance in order to safeguard the income potential of the insured. Low-income households are regarded as persons who are unable to afford regular insurance premiums.

Table 8: Form of Insurance Policies Subscribed with Respect to Monthly Income

	Below GHS500	500-1000	1001-2000	Above 2000	Total	%	Chi-Sq.	p-value
Funeral	7	14	12	18	51	33.3	5.753	.124
Property	3	13	18	18	52	34.0	12.166	.007
Life time needs plan	7	8	20	26	61	39.9	9.791	.020
Education	6	6	24	18	54	35.3	6.712	.082
Accident	10	14	11	12	47	30.7	6.750	.080
Motor	6	29	24	36	95	62.1	3.800	.284
Family income protection	4	8	13	20	45	29.4	6.003	.111

Source: Field Work, Suleman (2018)

Objective 4: Forms of Insurance Policies Subscribed with respect to Marital Status

As part of the examination of the forms of insurance policies subscribed with respect to Marital Status, the study sought to find out if there is any relationship between Marital Status and the choice of insurance policies. In response to this, various answers were obtained and analysed and the results were presented in Table 9.

The result revealed that out of the total of 153 respondents, 51 respondents representing 33.3% have subscribed to Funeral Policy. Out of the 51 respondents, 34 respondents representing 66.7% were married. 16 (31.4%) respondents were single. 1 (1.9%) respondent was separated. The difference as to whether marital status is determinant force in the choice of Funeral Policy is indicated by the chi – square of 7.412 and p-value of 0.025. The p- value of 0.025 indicated direct relationship between marital status and the choice Funeral Policy.

Also 52 respondents representing 34% have subscribed to Property Insurance. Out of the 52 respondent 18(34.6%) were married. 31(59.6%) were single. 2 (3.8%) respondents were separated. 1(1.9) respondent was divorced. The difference is indicted by the chi square and p- values. The chi square value of 11.177 and p-value of .0118 indicated a strong relation between property insurance and marital status.

Moreover, 61 respondents representing 39.9% have subscribed to Life time Need Plan. Out of the 61, 38(62.3%) respondents were married. 19 (31.1%) respondents were single.3 (4.9%) respondents were separated.1

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respondent representing 1.6% was divorced. The difference among them is indicated by the chi – square p values. The p- value of 0.308 indicated no relationship between life time needs plan and Marital Status.

However, with respect to Education policy, it was discovered that 54 respondents representing 35.3% have subscribed. Out of the 54, 17(31.5%) respondent were married. 31 (57.4%) respondents were single. 4(7.4%) were separated and 2(3.7%) were divorced. The chi-square of 8.112 and p- value of 0.044 represented a positive relationship between the choice of Education policy and marital status.

Furthermore 47 respondents representing 30.7% have subscribed to Accident policy. Out of the 47, there were 14(29.8%) respondents that were married. 29(61.7%) respondents were single. 3 (6.4%) and 1(2.1%) respondent was divorced. Their p- value was 0.106 indicted no relation between the choice of accident policy and the marital status.

With regards to motor insurance, 95 respondents representing 62.1% have subscribed. Out of the 95, 35 (36.8%) were married. 55 (57.9%) were single. 4 (4.2%) respondents were separated and only 1(1.1%) respondent was divorced. the difference produced by the chi-square (5.872) and p-value (0.121) indicated no significant relationship between motor insurance and marital status.

Finally 45 respondent representing 29.4% have subscribed to Family Income protection Plan as indicated in table 4.6. Out of the total of 45,

25(55.6%) respondents were married and 15(25.6%) respondents were single. 3(6.7) respondent were separated and 2(4.4) respondents were divorced.

The chi-square and p –values indicated that choice of insurance policy was dependent on or related to marital status. This implies that as cape coast technical university staff get married or stayed single is determining force in the choice of certain insurance policies. It was discovered that a lot of married couples have subscribed to one or two forms of insurance packages. This may be explained by the fact that a lot of couples get the lower premium rate than singles. Insurers believe that married people are more responsible than single. For example a 2004 US government study of 10,525 adult found that drivers who never been married had twice the risk of driver injury than drivers who were married. Akotey et al. (2011) also found marital status to have a positive and significant impact on the demand for micro insurance. They noted that married couple will various micro-insurance services such as life insurance, to secure their family's future so that in the event of death, the family can have some financial assistance in the form of the insurance claim to depend upon

Table 9: Form of Insurance Policies Subscribed with Respect to Marital Status

	Married	Single	Separated	Divorced	Total	%	Chi-Sq.	p-value
Funeral	34	16	1	-	51	33.3	7.412	.025
Property	18	31	2	1	52	34.0	11.171	.011
Life time needs plan	38	19	3	1	61	39.9	3.600	.308
Education	17	31	4	2	54	35.3	8.121	.044
Accident	14	29	3	1	47	30.7	6.110	.106
Motor	35	55	4	1	95	62.1	5.872	.121
Family income protection	25	15	3	2	45	29.4	7.112	.029

Source: Field Work, Suleman (2018)

Discussion of Results

This study investigated Demographic Factors and the Choice of Insurance Policies in the Cape Coast Technical University. This section of the chapter presents a discussion of findings of the survey. The discussion covers the influence of gender /sex on the choice of Insurance Policies, influence of age on the choice of Insurance Policies, the influence of income on the choice of Insurance Policies and the influence of marital status on Insurance Policies.

The study revealed that gender / sex do not have any influence on the choice of insurance policies. The findings do not correlate with the findings of Giesbert et al. (2002); Propper (2000); Temple (2002) that occupation, sex, and family size to be robust predictors of health insurance consumption. Giesbert et al. (2011) cited that in Ghana, majority of women unlike their men is more risk averse because of their homely and motherly duties; they therefore have high tendency of subscribing to insurance packages. The patronage in the motor insurance might be because a lot of the respondent particularly the male have cars and not because of their gender.

An examination of the influence of age on the choice of Insurance Policies. It was revealed that subscription to insurance policy was dependent on age groups. In other words as the respondents age, their preference for insurance policies increases and drops when they are about to retire from active service. Family income protection plan was the highest of the policies being subscribed with respect to age. The finding do correlate with findings of other studies, such as Ibok 2006; Ito and Kano, 2010. Ibok cited that age has been identified as a statistically significant variable and has positive predictions on insurance patronage. It is said that insurance consumption cuts

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across every age, older individuals are generally more knowledgeable in insurance and their literacy and attitude towards insurance is much higher than younger individuals.

From the research, it was revealed that monthly income has positive influence on subscription to insurance policies. Among these include property insurance being insured more when the monthly income goes high, followed by Life time needs Policy with motor insurance being the least insured with respect to monthly income. The findings on influence of monthly income on the choice of insurance policy very much correlate with Akotey's assertion that poor people are more risk-averse and consider themselves more exposed to risk than others and are found to be less likely to participate in insurance. This likewise correlates with findings of authors including Holzmann and Jorgensen, 2000; Siegel et al., (2001); Guha-Khasnobis and Ahuja, 2004; Giesbert, et al. (2011).

The finding from the research revealed that Marital Status is a key determinant of insurance policy subscription. From the study it was discovered that a lot of married couples have subscribed to one or two forms of insurance packages. This is however in correlation with other writters such as Scholars like Trujillo (2003), Liu and Chen (2002); Cameron and McCollum (1995). Akotey et al. (2011) also found marital status to have a positive and significant impact on the demand for micro insurance. They noted that married couple will various micro-insurance services such as life insurance, to secure their family's future so that in the event of death, the family can have some financial assistance in the form of the insurance claim to depend upon. Property insurance was most subscribe policy with respect to Marital Status.

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This was followed by Funeral Policy being subscribed next highest after Property Insurance, family income protection plan was also considered mostly by the respondent.

Chapter Summary

The discussion of this chapter focused on the demographic factors and the choice of insurance policies. The chapter has analysed the main research objective which is to *investigate the demographical characteristic and choice of insurance policies among the staff of Cape Coast Technical University.* Accordingly, this chapter has provided the findings and discussions which reflect on the core study objectives.

The first section discussed the demographic features of those respondents which centred on sex, academic qualification, monthly income, age, staff status, and marital status. However, the second section addressed the specific research objectives relating to the topic namely: to examine the influence of sex/gender on the choice of insurance policies, to examine the influence of age on the choice of insurance policies, to examine the influence of income on the choice of insurance policies, to examine the influence of marital status on the choice of insurance policies.

The goals of the four objectives were achieved with the first objective finding showing that gender does not play/influence role in the choice of insurance policies.
The second finding relating to the second objective showed some relationship between the age group and the choice of insurance policies. Thus; as the respondent age increases to middle adulthood their desire for insurance policy

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increases and drops slightly as they reach late adulthood. This was discovered by the study that late adulthood will want to invest in business venture other than insurance.

In terms of the differences that exist between monthly income and the choice of insurance policies, it was discovered by the researcher that; choice of insurance policy was dependent on monthly income. With this findings, the researcher understood that as Cape Coast Technical University staff monthly income increases, their subscription to insurance. This may be due to the fact most of the people think insurance is expensive.

Finally, on the issue of the fourth objective which was about the finding out the influence of marital status and the choice of insurance, it was discovered that choice of insurance policies were dependent on or related to marital status. This implies that as Cape Coast Technical University staff get married or stayed single is determining force in the choice of certain insurance policies.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

This chapter gives the summary of the findings, the conclusion and the way forward in a form of recommendations. The recommendation put forward have taken into consideration and if implemented, will encourage the individual and university community at large to understand the concept of insurance policies and their benefit. Finally, the suggestion for future research is also highlighted.

Summary

The study assessed the relationship between insurance policies and the demographic characteristic in the Cape Coast Technical University. There were four main specific objectives, which the study aimed to achieve and these include:

1. To examine the influence of gender on the choice of insurance policies.

2. To examine the influence of age on the choice of insurance policies.

3. To examine the influence of income on the choice of insurance policies.

4. To examine the influence of marital status on the choice of insurance policies.

The study was based on the views of 190 staff from the study area. A self-administered questionnaire was the main research instrument. The questionnaire contained several questions (items) and was subdivided into subscales. The maximum and minimum score for each question ranged between 5 and 1 as per under mentioned-description starting from the

following: Strongly Agreed, Agreed, Neutral, Disagreed and Strongly Disagreed.

The research design adopted for the study was descriptive survey approach and explorative in nature. It was found appropriate to use this method because it enabled the researcher to explore the situation on the ground of the influence of demographic factors on the choice of insurance policies.

The results from the survey were analysed with the help of the Statistical Package for the Social Sciences (SPSS 21.0 version) software. The major findings as they related to the specific objectives of the study have been summarized below:

The study found out some insurance policies have direct relationship with demographic variables. It was also revealed that Property insurance was the most insured policy. It obtained the highest and the strongest relationship with the demographics, followed by funeral policy, life time needs and lastly family income protection plan.

Considering the first objective, the examination of the influence of gender on the choice of insurance policy revealed that, gender does not have any influence on the choice of insurance policy, males that have done a lot of subscription with motor insurance did so because of their possession of cars and not base on their gender base.

With regards to second objective, which deals with the influence of age group on the choice of insurance policies. It was revealed that there exist some

positive relationship with the choice of insurance product. Family income protection plan was the most preferred policy interms of age group influence. As the respondents age, their desire for insurance policies also increases.

In the examination of the influence of Monthly income on the choice of insurance policies, it was however discovered clearly that monthly income is related to the choice of insurance policies. This, to some extent depicted the influence of demographic variable on the choice of insurance policy. Property insurance was the most subscribed by the income earners followed by life time needs plan. Motor insurance and education policy was the next insurance policies that was preferred with regards to monthly income.

Finally with regards to the assessment on the influence of marital status on the choice of insurance product, it came very clear that marital status influences the choice of insurance products. With property insurance, education, funeral policy and family income protection plan all making a very strong relationship with the demographic variable.

Conclusions

This study had the aim of investigating into the influence of demographic factors on the choice of insurance policies. Considering this aim, it is quite fair to say that the goal was achieved. This is because it has been found that demographic factors could have influence on the choice of insurance policies.

However, with regards to the influence of gender on the choice of insurance policies it was found that there is no difference in the influence of gender and the choice of insurance policies. This is in contrast with the rest of

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the demographic factors. When it comes to the influence of age on demographic factors, it was found that the old subscribe to insurance as compared to the young. That is, as the individual age, the desire for insurance increases, however it drops slightly when they are about to retire. With regards to monthly income influence on the choice of policies, there was positive relationship between the monthly income and the choice of insurance policies. Also, there was strong positive relationship between marital status and the choice of insurance policies.

The idea here is that, the young may waist great sum of money they could have put in insurance investment policies that will go a long way to benefit them. Insurance is a safety net when risks go wrong. Life insurance can support the life of a family, should a member be lost. It's similar for a business. Should a key member or piece of equipment go out of commission, the business can carry on, thanks to insurance. If the individual has to wait till he ages to subscribe to insurance, then it means that, the individual will be losing some benefit in his early years of his adulthood that insurance will have given them. In this case it will   take a person to be in his middle adulthood before insuring against risk and also subscribe to insurance investment policies. Another disturbing issue is insurance subscription reducing when people are entering into late adulthood. This means that if other investment other than insurance investment fails them, there will not be any source of financial security for them. And this can have unpleasant effect on the individual.

Another issue was, only the rich or high income earners subscribing to insurance policies as compared to the poor or low income earners. This means

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that only some section or class of people can get protected or assess the benefit from insurance. This will however leave a lot of people at risk. The irony of life is such that there are some unforeseen event that man do not plan for or have no control when they occur, this event may be premature death, incapacity, retirement or unemployment. If insurance brokers can make premium low to allow the poor to subscribe to policies it will benefit and protect the whole community.

With a lot of married and unmarried subscribing to insurance leaves a good account on the individual and the society as a whole. Risk can be taken care of when they arise and strike. There will not be too much burden on the individual as they will always have some cushion to fall on when the need arises.

To conclude, it will be fair to say that demographic variables such as Age, Monthly Income, and Marital Status have influence on the choice of insurance policies. Gender do not have any influence on the choice of insurance policies.

Recommendations

Based on the conclusions the following recommendation were drawn from the study:

1. Educating people on the importance of subscribing to insurance policies is vital in increasing their participation. that is, there should be dissemination of adequate information on insurance policies by insurance companies as well as the media

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2. Insurance companies will be entreated to make early payment of claims, since the obvious and most important benefit of insurance is the payment of losses. This will make more people subscribe to insurance. Education must be given to the public to know that insurance is not for particular group of people, being it a gender, married or unmarried and salaried people.

3. There should be good customer service at the premises of insurance companies in order to increase clients relationship with the companies.

Areas for Future Research

This study was based on quantitative analysis but in the near future, both qualitative and quantitative methods should be used; this will help the respondents and the staffs to better describe the concept and also explain in detail the reason for the answers that have been reveal using quantitative.

This research was unable to measure and evaluate people's perception on insurance policies and as such it would behove future research to consider assessing these variables through longitudinal study. For instance, in a similar sample to the present study, researchers could look at the demographic factors and the choice of insurance policies and perception of people towards the insurance policies.

Finally, future research could be conducted to address some of the limitations outlined in this study. For instance, this study focused on the selection of suitable respondents that represents the entire population of Cape Coast Technical University. Future research could extend it to the entire cape

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coast metropolis or may be the combination of two public institution and one

private institution in order to obtain a wider generalization of the study.

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APPENDIX A
UNIVERSITY OF CAPE COAST

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT STUDIES

QUESTIONNAIRE ON DEMOGRAPHIC FACTORS AND THE CHOICE OF INSURANCE POLICIES.

QUESTIONNAIRE FOR RESPONDENTS

Dear Respondents,

I am a student of University of Cape Coast, offering Master of Business Administration (General Management) programme at the Department of Management, School of Business. This questionnaire is designed to ascertain information for my research work on the topic: **"DEMOGRAPHIC FACTORS AND THE CHOICE OF INSURANCE POLICIES".** This research is in partial fulfilment of the requirement for the award of a Master of Business Administration (General Management) Degree at the University of Cape Coast. This research is for academic purposes only. Please do not write your name. Be assured that your identity would be fully protected.

Please read the statements in each section and answer by ticking (√) the response that best reflects your opinion.

Section A: Demographical Characteristics of the Respondent

1. Gender: Male [   ]   Female [   ]

2. Age   (i) 21 – 30   [   ]   (ii) 31 – 40   [   ]   (iii) 41 – 50   [   ]   (iv) 51 – 60   [   ]

3. Academic Qualification: (i) Basic [   ]   (ii) Secondary [   ]   (iii) Tertiary [   ]
        (iv) Masters [   ]   (v) PhD [   ]   (iv) Other, Specify ……………

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4. Monthly income: (i) Below GH¢500 [   ]   (ii) GH¢500-GH¢1000 [   ]

(iii) GH¢1001-GH¢1,500 [   ]   (iv) GH¢1501-GH¢2000 [   ]   (v)

GH¢2001-GH¢2,500 [   ] (vi) More than GH¢2,500 [   ]

5. Employee Status: (i) Junior Staff   [   ]   (ii) Senior Staff   [   ]   (iii) Senior Member [   ]

6. Marital Status: (i) Married   [   ]   (ii) Separated   [   ]   (iii) Single [   ] (iv) Divorced [   ]

7 How long have you been working with your Organization?
(i) 0-5years   [   ] (ii) 6-10years   [   ]   (iii) 11-15years   [   ]   (iv) 16-20 years [ ]   (v) 21years and over

Section B: Types of and / Demand for insurance policies

8. Have you currently subscribed to any form of insurance scheme?

Yes [   ]   No [   ]

10. If yes, what form of insurance did you subscribe?

Life/Funeral   [   ]

Property   [   ]

Health   [   ]

Education   [   ]

Life time needs plan [   ]

Motor   [   ]

Accident   [   ]

Family income protection plan   [   ]

Others (Please specify)………………

11. What is your source of information/awareness about insurance scheme?

Newspaper   [   ]

Radio & TV   [   ]

Internet   [   ]

Insurance agents   [   ]

Family & Friends   [   ]

12. Factors that influence the choice of insurance policy
    Please indicate the extent to which you agree to the following statement.

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
	Perception about insurance schemes					
A	insurance premiums are high					
B	It is difficult in claiming benefits from insurance products or schemes					
C	I don't like insurance because I believe is for only the rich					
D	I am unaware about any form of insurance					
E	Insurance Policies is risky					
F	Household wealth: I can cater for my basic risk.					
G	Poor customer services from insurance companies					
H	Claim was not given at the time of needed					