

## Effects of the work environment on agent retention in the life insurance industry in Zambia

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### ABSTRACT

High turnover among life insurance agents remains a significant challenge in Zambia's insurance industry, affecting service quality, customer relationships, and organizational performance. This study investigated the effect of the work environment on agent retention in the life insurance industry in Zambia. The study was guided by Herzberg's Two-Factor theory. A descriptive cross-sectional mixed-methods design was adopted, combining quantitative and qualitative approaches. Data were collected from 173 insurance agents using structured questionnaires and from 10 human resource managers through semi-structured interviews. Quantitative data were analyzed using descriptive statistics, correlation analysis, and multiple regression, while qualitative data were analyzed thematically. The findings revealed that work environment has a positive and statistically significant effect on agent retention ( $\beta = 0.638$ ,  $p < 0.001$ ). The adjusted regression model explained 44.3% of the variation in agent retention (Adjusted  $R^2 = 0.443$ ), indicating that workplace conditions play an important role in influencing agents' decisions to remain with their organizations. Qualitative findings further showed that supportive supervision, adequate work resources, employee recognition, and a positive organizational culture contribute to higher retention levels. Demographic characteristics such as gender, age, education level, and tenure were not significant predictors of retention. The study concludes that agent retention is largely influenced by organizational factors, particularly the quality of the work environment. Life insurance companies should therefore invest in creating supportive and conducive working conditions to improve agent retention and organizational sustainability.

**Keywords:** Agent Retention, Employee Retention, Life Insurance Industry, Work Environment, Zambia

### I. INTRODUCTION

The insurance industry plays a critical role in economic development by providing financial protection, facilitating risk management, and mobilizing long-term savings for investment (Apergis & Poufinas, 2020; Bayar, Gavriletea & Danuletiu, 2021). Within the insurance sector, life insurance contributes significantly to financial security for individuals and businesses while supporting national economic growth. However, the effectiveness and sustainability of life insurance operations largely depend on the performance and retention of insurance agents, who serve as the primary link between insurance companies and policyholders.

Despite the importance of insurance agents, the industry globally continues to experience high levels of employee turnover, particularly among sales agents (Chandrasekaran, 2020; Das & Vijayalakshmi, 2015). High turnover disrupts customer relationships, increases recruitment and training costs, and negatively affects organizational productivity and profitability. In Zambia, the life insurance industry faces similar challenges, with agent attrition emerging as a significant concern for industry stakeholders (Namachila, 2022). Reports from the Pensions and Insurance Authority (PIA, 2022) and the Insurers Association of Zambia (IAZ, 2022) indicate that high agent turnover has contributed to increased operational costs, inconsistent service delivery, and rising customer complaints.

One of the factors frequently associated with employee retention is the work environment. The work environment encompasses physical working conditions, availability of resources, organizational support, supervisory relationships, recognition systems, and overall workplace culture. Previous studies suggest that employees are more likely to remain with organizations that provide supportive and conducive working conditions, while poor work environments often result in job dissatisfaction, reduced commitment, and increased turnover intentions (Brown & Peterson, 2019). For insurance agents, access to adequate resources, supportive management, and a positive work atmosphere can significantly influence job performance and long-term organizational attachment.

Although studies conducted in different contexts have highlighted the importance of work environment factors in employee retention, limited empirical evidence exists regarding their influence on agent retention within Zambia's life insurance industry. Given the industry's persistent challenges with agent turnover and its implications for organizational performance, there is a need to examine how work environment factors affect the retention of life

insurance agents. This study therefore investigates the effects of the work environment on agent retention in the life insurance industry in Zambia.

## 1.2 Research Objectives

To assess the effects of work environment on agent retention in the life insurance industry in Zambia.

## II. LITERATURE REVIEW

### 2.1 Theoretical Review

This study was guided by the Herzberg's Two-Factor theory. The theory explains how workplace conditions (hygiene factors) influence employee satisfaction and retention. The theory categorises hygiene factors as extrinsic and motivation factors, intrinsic, whose effect is to stop employee dissatisfaction, while enhancing job satisfaction (Herzberg, 1966). According to Herzberg, the absence of hygiene factors causes dissatisfaction, but their presence alone does not guarantee motivation instead, genuine motivation arises from the presence of motivators which are factors that stimulate personal growth, fulfillment and long-term engagement (Alrawahi et al, 2020). Hygiene factor's main role is to prevent employee dissatisfaction ensuring that foundational requirements such as remuneration as well as a conducive working environment are met (Loo et al., 2024). The implication been that these factors are essential in maintaining a minimum threshold of employee contentment but fall short of encouraging superior performance or retention on their own. On the other hand, motivators entail intrinsic factors such as recognition, responsibility and personal growth opportunities. Studies have shown that an organisation that pays attention to such intrinsic factors tends to have employees who are loyal to the company (Cwibi, 2022). Studies have shown that hygiene factors tend to improve satisfaction, while motivators tend to sustain long-term employee retention (Sharma, 2025).

### 2.2 Empirical Review

#### 2.2.1 Work Environment and Retention

The work environment is an important aspect of employee retention in all industries but especially in service sectors like life insurance because job performance and job satisfaction are closely related to the environment. Working environment condition sustains of everything that make up some part of the worker's engagement with the task itself (Mwangi, 2017). It covers both the physical and psychosocial aspects of the work environment, such as office infrastructure, technology support, interpersonal relationships, job stress, managerial dial, workload, and the overall organizational structure (Dwipayana and Suwandana, 2021; Boxall et al, 2019).

Numerous empirical research has demonstrated a substantial positive correlation between a supportive work environment and employee retention. For example, Aydogdu and Asikgil (2011) observed that the quality of work environment directly affected organizational commitment and this in turn affected retention intentions. Similarly, in a study on the South African insurance sector Mohlala et al., (2012), observed that poor working conditions characterized by lack of recognition, poor leadership and excessive workloads were among the leading causes of high turnover among insurance sales staff. The idea of workplace is a focal worry of employees and managers that has frequently related to efficiency and with the prosperity of workers (Mwangi, 2017). Koteswari et al., (2020) suggest that, among the most critical part of any associations, a positive workplace remains critical.

Studies have shown that supportive working conditions and managerial support can significantly enhance job satisfaction and reduce turnover rates (Brown & Peterson, 2019). The research by Kumar and Shanthini (2020) revealed that work environment significantly influenced employee retention in the India's life insurance sector. Kumar and Clerk (2020) opined that open and free working environment is the most essential factor to retain employees in an organization. In two different studies done by Choi (2020) and Tsen *et al.* (2021) respectively, both reported that working conditions such as flexible work arrangements boost employee morale and reduce actual turnover.

Gichungu, Mukulu and Simiyu (2024) studied the link between work environment and employee turnover in the Kenya's insurance industry. The findings showed reduced employee turnover, where work environment was perceived as positive. Smith and Johnson (2020) conducted a quantitative study in the United States that assessed employee retention in relation to working environments in managerial support and work-life balance facets among workers across different industries. The respondents that had strong managerial support and work-life balance programs were more likely to remain in employment. Similar findings were observed by Ghani et al., (2022), in a study conducted among manufacturing companies in South Africa.

Zhenjing et al., (2022) in a study that investigated the relationship between work environment factors and retention using structural equation modeling (SEM); highlighted fair salary and chances for career growth as the most important indicators of retention were. In the context of life insurance industry, agents often operate under high pressure environments with performance targets and limited institutional support, making the work environment a key factor in

their decision to stay or leave. Insurance agents frequently report feeling isolated, especially when working remotely or on Commission only contracts, which exacerbates occupational stress and burnouts.

Scholarship work has shown that when agents perceive the organization as responsive to their needs such as providing secure workplaces, transport allowances, office supplies and regular feedback, they are more likely to experience job satisfaction and lower turnover intentions (Eisenberger et al, 2002).

It can therefore be deduced that work environments with supportive supervision, participatory decision making, and flexible work arrangements significantly improved employee morale and retention. From the scholarship provided above, work environment can be asserted to be hygiene factors which if absent can lead to employee dissatisfaction and attrition (Herzberg, 1966).

From a policy perspective, strengthening the work environment requires not only infrastructure investment but also the institutionalization of employee Wellness programs, supervisory training, and structured field support mechanisms. The literature affirms that creating a psychologically safe, resource rich, and collaborative work environment is an essential component of retaining insurance agents in Zambia's dynamic and competitive life insurance sector.

### 2.2.2 Retention Practices and Strategies

The retention of insurance agents is an important issue worldwide, because the turnover rate of insurance agents can disturb the company continuity, raise the recruitment cost and damage customer satisfaction. A study by Kumar and Shanthini (2020) revealed that motivational factors such as work environment, compensation, fringe benefits and training and development had significant positive influence on employee retention in the India's private sector life insurance sector.

Similarly, Abeywickrema (2011) carried out research to evaluate the factors influencing retention of agents in the life insurance industry of Sri Lanka. The study specifically investigated the influence of training, recruitment and selection, remuneration and supervisory leadership on agent retention. The study revealed that training, recruitment and selection, remuneration and supervisory leadership were significant predictors for retaining insurance agents in the life insurance industry in Sri Lanka.

Training and development programs are another cornerstone of the best global practices. Continuous training equips agents with product knowledge and sales skills and fosters essence of career progression, which is crucial for retention. In India for example, the life insurance corporations Social Security schemes, such as graduate and group term insurance were found to incentivize long term commitment by providing financial stability (Sharma, 2025).

Zambian life insurance firms should consider the adoption and investing in both short and long-term structured trainings to retain agents, given the low life insurance penetration rate coupled with the shortage of a competent labour force. Compensation structures that include fixed salaries and other monetary incentives as stabilization programs are important and have been used to greater effect in Zimbabwe and Nigeria (Mbeki & Dlamini, 2022).

## III. METHODOLOGY

This study adopted a descriptive cross-sectional mixed-methods design. The design enabled the researcher to collect data at one point in time and examine the relationship between work environment factors and agent retention. The study utilized an abductive approach, combining deductive testing of hypotheses with inductive exploration of participants' experiences regarding workplace conditions. The target population consisted of 305 life insurance agents and 10 Human Resource Managers responsible from selected life insurance companies in Zambia.

Using Yamane's formula, a sample of 173 insurance agents was selected through stratified random sampling. Additionally, 10 HR Managers were purposively selected for interviews. Qualitative analysis entailed analyzing interview data were analyzed using thematic analysis to identify recurring themes relating to workplace conditions and retention. Quantitative data was collected using structured questionnaires administered to agents using a five-point Likert scale. Quantitative analysis data were analyzed using Stata Version 19 to produce descriptive statistics (means, frequencies, standard deviations) while inferential statistics included Pearson correlation analysis and multiple regression analysis. The model was:

$$\text{Agent Retention} = \beta_0 + \beta_1(\text{Work Environment}) + \varepsilon$$

## IV. FINDINGS & DISCUSSION

### 4.1 Reliability: Work Environment and Retention

The study outcomes in Table 1 showed that work environment scale (we1-we7) Cronbach's  $\alpha = 0.943$ , which indicated strong internal consistency. Similarly, the Retention scale (ret 1-ret 6) has high reliability ( $\alpha = 0.932$ ). Cronbach's alphas values greater than 0.90 are considered as strong internal consistency. This is referred to as the



integrated variable construct (Hair & Sabol, 2025). Such high coherence implies that respondents saw work environment factors as integrated rather than fragmented. This is conceptually possible in the agency context: agents perceive organizational reality as a bundle. i.e. managerial support, clarity, administrative functioning, communication and justice are generally linked together. Where leadership is competent, processes are working, and where leadership is weak, problems co-occur. Therefore, reliability here probably indicates a true “systemic co-movement” in organisational experience instead of random agreement (Eisenberger et al., 2002)

A very high alpha on the other hand, could mean redundancy. However, studies that focus on retention to demonstrate perceived environment constructs often shows high internal coherence (Eisenberger et al., 2002). The coherence is indicative of that the scale captures agents lived organisational conditions, in a reliable manner.

**Table 1**

*Reliability: Work Environment and Retention*

Scale	No. Items	Avg. Inter-item Covariance	Cronbach's $\alpha$
Work Environment (we1-we7)	7	1.236	0.943
Agent Retention (ret 1- ret 6)	6	1.15	0.932

Ranges: Below 0.7 = Weak Reliability, 0.70-0.79 = Acceptable reliability, 0.80-0.89 = Good Reliability, 0.90 and above = Excellent reliability

**4.2 Item-level Reliability-Work Environment**

The Table 2 above shows that all the seven items were coherent and reliable as a unified work environment construct. This also means that the scale was well optimised and that no item would warrant a removal or should have been dropped. The alpha ranges from 0.929 – 0.941, were all lower than the overall alpha scale of 0.941.

**Table 2**

*Item-level Reliability-Work Environment Scale ( $\alpha = 0.943$ )*

Item	Description	Item-Test r	Item-Rest r	$\alpha$ if dropped
We 1	Physical environment enables efficient tasks performance	0.837	0.781	0.937
We 2	Access to resources needed to perform duties effectively	0.806	0.736	0.941
We 3	Workplace promotes collaboration and team support	0.907	0.870	0.929
We 4	Satisfied with company's safety and health measures	0.851	0.789	0.936
We 5	Company supports flexible work arrangements where needed	0.904	0.864	0.929
We 6	Workload is manageable and realistic	0.865	0.814	0.934
We 7	Feel psychologically safe and valued at work	0.875	0.824	0.933

**4.3 Item-Level Reliability Detail- Retention Scale**

The Table 3 retention scale ( $\alpha = 0.932$ ) across all the six items were coherent and reliable as a unified retention construct, except ret 5 which was the weakest ( $\alpha = 0.934$ ). The removal or ret-5 would compounding improve the alpha to 0.934, it however maintains its position as a calculative retention. This also means that the scale was well optimised and that no item would warrant a removal or should have been dropped for index construction and ultimately inferential statistics.

**Table 3**

*Item-Level Reliability Detail- Retention Scale ( $\alpha = 0.932$ )*

Item	Description	Item-Test r	Item-Rest r	$\alpha$ if dropped
Ret 1	Strong loyalty and long-term commitment to the company	0.898	0.852	0.913
Ret 2	See myself working for the next five years	0.900	0.849	0.912
Ret 3	Would recommend this company to others	0.853	0.787	0.921
Ret 4	Intend to stay because my needs are being met	0.865	0.801	0.919
Ret 5	Cost of leaving this company is too high	0.774	0.677	0.934
Ret 6	Feel emotionally attached to this organization	0.889	0.834	0.914

**4.4 Work Environment and Agent Mean Scores**

Table 4 and 5 shows the skewness and kurtosis tests for the composite Work Environment and Retention indices. This result shows that both variables exhibit slight deviations from normality, as indicated by the joint adjusted chi-square test values of 9.59 ( $p = 0.008$ ) which is below 0.05 for Work Environment and 8.80 ( $p = 0.012$ ) which is slightly above 0.05 for Retention. However, the observed skewness with the values of approximately -0.37 and -0.36,



respectively, suggest that there is only mild negative skewness, while kurtosis values of 2.32 and 2.34 are reasonably close to the benchmark of normality.

**Table 4**  
*Environment and Agent Mean Scores Item-Level Analysis*

Variable	N	Mean	SD	Skewness	Kurtosis	Min	Max
work_envir~t	173	3.350124	1.145	-0.373	2.316	1	5
retention_~x	173	3.381503	1.112208	-0.112	2.338	1	5

**Table 5**  
*Composite Work Environment and Retention Indices*

Variable	Pr (Skewness)	Pr (Kurtosis)	Adj ( $\chi^2$ (2))	Prob > $\chi^2$	Interpretation
Work Environment	0.043	0.010	9.59	0.008	Skewness $\approx$ - 0.37; Kurtosis $\approx$ 2.32- adequate for OLS
Retention Index	0.053	0.014	8.80	0.012	Skewness $\approx$ - 0.36; Kurtosis $\approx$ 2.34- adequate for OLS

**4.5 Work Environment and Agent Retention Item-level Analysis**

Table 6 shows item-level descriptive statistics for the work environment construct. The overall mean score of 3.350 suggests that respondents held a moderately positive perception of their work environment. Among the items, support for flexible work arrangements ( $M = 3.536$ ) and workplace collaboration and team support ( $M = 3.514$ ) got the highest ratings, implying that these were perceived as strengths of the organisations. Conversely, access to resources needed for effective duties ( $M = 3.150$ ) and psychological safety and feeling valued at work ( $M = 3.150$ ) recorded the lowest mean scores, indicating areas that may require improvement. Moderate item means suggest there is no catastrophic environment collapse; however, based on observable behaviour for over 15 years, the spread indicates that specific sub-dimensions often the process friction items such as administrative support, clarity and responsiveness may be weaker for some agents. Standard deviations (1.213 to 1.400) indicates that responses varied across the respondents, underpinned within the experiences as individuals. Regarding a negative skewness; it shows that majority of the responds likely agreed with the work environment in general. while kurtosis findings showed that there was no major movement from what was normal within the work environment space. From the findings, it can be asserted that agents generally had a positive perception regarding work environment.

**Table 6**  
*Work Environment and Agent Retention Item-level Analysis*

Variable	N	Mean	SD	Skewness	Kurtosis	Disagree (%)	Neutral (%)	Agree (%)
we1-Physical environment for efficient task performance	173	3.393	1.213	-0.356	2.321	20.81	31.79	47.40
we2-Access to resources needed for effective duties	173	3.150	1.312	-0.217	2.081	26.59	34.10	39.31
we3-Workplace promotes collaboration and team support	173	3.514	1.328	-0.554	2.260	19.65	26.59	53.76
we4-Satisfied with safety and health measures	173	3.260	1.400	-0.330	1.935	26.01	28.32	45.66
we5- Flexible work arrangements supported	173	3.536	1.353	-0.630	2.274	20.23	22.54	57.23
we6-Workload is manageable and realistic	173	3.445	1.287	-0.560	2.334	20.81	24.86	54.34
we7-Psychologically safe and valued at work	173	3.150	1.381	-0.191	1.857	31.21	26.01	42.77
work_envir~t	173	3.350	1.1448					

**4.6 Item-Level Descriptives: Retention Scale**

Item-level descriptive statistics for the retention scale are presented in Table 7. The results showed that the retention statements were met with moderate agreement from the participants with mean scores ranging from 3.075 to 3.711. The top-rated statement was “I would recommend this company to others” ( $M = 3.711$ ,  $SD = 1.256$ ), followed by “I feel strong loyalty and long-term commitment” ( $M = 3.590$ ,  $SD = 1.224$ ), which suggests quite positive sentiments towards the organization. On the other hand, lower means were recorded regarding the following questions: “The cost



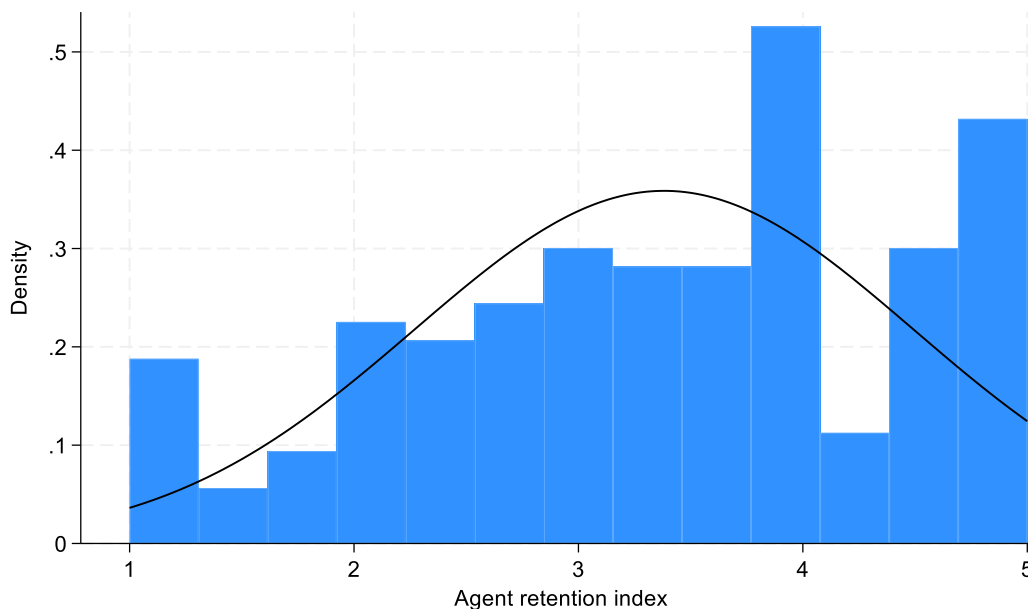
of leaving is too high” (M = 3.075, SD = 1.290) and “I intend to stay because my needs are met” (M = 3.220, SD = 1.298). This entails that are a weaker retention factor.

A slight negative skewness on the other hand (-0.356), was indicative of the agents’ intentions to stay longer with the organisations. This intention is aligned with the concept of survivorship (Hom et al., 2017).

**Table 7:**  
*Item-Level Descriptives: Retention Scale (ret1-ret6)*

Item	N	Mean	SD	Skewness	Kurtosis	Disagree (%)	Neutral (%)	Agree (%)
<b>Ret1</b> -strongly loyalty and long-term commitment	173	3.590	1.224	-0.551	2.437	17.34	27.17	55.49
<b>Ret2</b> -see myself working here in five years	173	3.324	1.334	-0.327	2.045	24.86	28.90	46.24
<b>Ret3</b> -would recommend this company to others	173	3.711	1.256	-0.730	2.575	16.18	22.54	61.27
<b>Ret4</b> -Intend to stay because needs are met	173	3.220	1.298	-0.189	1.955	30.64	24.86	44.51
<b>Ret5</b> -cost of leaving is too high	173	3.075	.290	-0.173	2.048	30.06	31.21	38.73
<b>Ret6</b> -Emotionally attached to this organisation	173	3.370	.386	-0.386	2.095	23.70	27.75	48.55

The distribution of the agent retention index is examined in Figure 1. When read together with table 7, illuminates the information figuratively. The retention index was almost normally distributed with a slight negative skewness. This trend implies a larger proportion of agents reporting higher levels of retention and a smaller number of respondents reporting relatively low retention targets. Importantly, the distribution showed minimal skewness or outliers and was a close approximation to a normal distribution.



**Figure 1**  
*Distributional of the Retention Index*

**4.7 Correlation Analysis**

The Pearson’s correlation analysis was conducted to examine the bivariate association between work environment and agent retention. The results in Table 9 revealed a strong, positive, and statistically significant correlation between the two variables ( $r = 0.671, p < 0.001$ ). In behavioural research, the study’s coefficient is representative of a favourable association (Hair et al., 2020). This robust relationship indicates that majority of the agents had a positive perception towards the work environment and would favour to remain within the industry for a long time. Important to restate the point made under literature review is that “work environment” goes beyond the physical space to include psychological and emotional space as well as an environment perceived to be fair (Hom et al., 2017).



However, some research finds weaker effects once management/leadership variables are included (Eisenberger et al., 2002). This foreshadows later integrated model findings where work environment loses significance. This is because environment operates through leadership execution. This divergence is directly observed in the integrated regression below.

**Table 9**  
Correlation Between work Environment and Retention

Variable	Work Environment
Work Environment	1.0000
Agent Retention	0.6710*** (p = 0.000)

#### 4.8 Multiple Regression Analysis

To assess the robustness of the relationship between work environment and agent retention, an adjusted regression model was estimated controlling for gender, age, education level, and industry tenure. Table 10 showed that, Work environment remains significant ( $F(5,166) = 28.19, p < 0.001$ ). The effect size was only marginally reduced compared to the unadjusted model, indicating that the influence of work environment on retention is independent of agent’s demographic characteristics and tenure.

In Table 11, none of the control variables; gender, age, education, or industry tenure, were statistically significant predictors of agent retention ( $p > 0.05$ ). Similarly, the table shows that 45% (Adjusted  $R^2 = 0.443$ ) of the variance in agent retention could be explained by the model. Thus, retention within the context of work environment is what the organisation can provide to retain and maintain the agent workforce (Hom et al., 2017).

The life industry firms should pay particular attention in creating a work environment that creates both physical and psychological safe space for the betterment of agents. On the other hand, socio-demographics while important in recruitment (Allen et al., 2010) does not influence agent retention as per the findings in this study.

**Table 10:**

*Model Summary*

Model Statistic	Value
Number of observations	172
F-statistic (5, 166)	28.19
Prob > F	0.0000
R-squared	0.4592
Adjusted R-squared	0.4429
Root MSE	0.8318

**Table 11**

*Regression Coefficients*

Variable	Coefficient (β)	Std. Error	t-value	p-value	95% CI
Work Environment	0.6382	0.0566	11.28	0.000	[0.5265, 0.7500]
Gender	0.1466	0.1346	1.09	0.278	[-0.1192, 0.4123]
Age	0.0099	0.0743	0.13	0.895	[-0.1369, 0.1566]
Education Level	0.0308	0.0344	0.90	0.372	[-0.0372, 0.0988]
Tenure	0.0385	0.0435	0.88	0.377	[-0.0474, 0.1244]
Constant	0.8012	0.3167	2.53	0.012	[0.1760, 1.4264]

#### 4.9 Discussion

The study sought to investigate the impact of work environment on retention of agents in the Life insurance industry in Zambia. Work environment had a substantial, positive and statistically significant bivariate relationship with agent retention ( $r = 0.671, p < 0.001$ ). In the simple linear regression model without adjustment, perceived work environment quality was a significant predictor of the retention index ( $\beta = 0.652, F(1,171) = 140.03, p < 0.001, R^2 = 0.450$ ). This indicates that the quality of the perceived work environment alone explained about 45% of the variance in retention. This effect was robust to the inclusion of socio-demographic controls. In the adjusted model, work environment remained statistically significant ( $\beta = 0.638, F(5,166) = 28.19, p < 0.001$ ), while gender, age, education level and industry tenure were uniformly non-significant ( $p > 0.05$ ), confirming that the work environment effect was independent of individual characteristics. But the integrated model revealed a vitally important qualification. When all four organisational indicators were simultaneously entered, work environment was no longer a statistically significant

predictor of agent retention ( $\beta = 0.066$ ,  $p = 0.443$ ), a result corroborated using heteroscedasticity-robust standard errors ( $p = 0.619$ ).

This is not to suggest that work environment is unimportant; rather, it suggests a mediation pattern consistent with modern turnover modelling where distal contextual variables lose independent explanatory power once more proximal relational and developmental mechanisms are accounted for (Hom et al., 2017). In the agency setting of this study, the work environment functions through management support and training and career development as the proximate channels through which agents experience environmental quality. As Boles et al (2007) point out, the frontline manager is the main channel via which organisational conditions are realised for field agents. As such, environmental enhancements not operationalised through leadership coaching routines and organised development systems are unlikely to deliver the retention increases predicted by the bivariate association.

Qualitative results supported this view with participants regularly identifying operational enablers such as tool availability, administrative response, aim clarity and team atmosphere as reducing early-stage frustration. However, these characteristics were only effective when supervisors actively marshalled, and maintained, them (Eisenberger et al., 2002) and the focus of embeddedness mechanisms (Mitchell et al., 2001).

## V. CONCLUSION & RECOMMENDATIONS

### 5.1 Conclusion

This study examined the effects of the work environment on agent retention in the life insurance industry in Zambia. The findings demonstrate that work environment is a significant predictor of agent retention. The regression analysis revealed a positive and statistically significant relationship between work environment and agent retention ( $\beta = 0.638$ ,  $p < 0.001$ ), indicating that improvements in workplace conditions are associated with higher levels of agent retention. The adjusted regression model remained statistically significant after controlling for gender, age, education level, and tenure, confirming that the influence of work environment on retention is independent of agents' demographic characteristics. Furthermore, none of the control variables were found to significantly predict agent retention, suggesting that organisational factors play a more important role in influencing retention decisions than individual demographic characteristics. The model explained approximately 44.3% of the variation in agent retention (Adjusted  $R^2 = 0.443$ ), highlighting the substantial contribution of workplace conditions to employees' decisions to remain with their organisations. These findings support Herzberg's Two-Factor Theory, which emphasizes the importance of favourable working conditions in reducing dissatisfaction and encouraging employee retention. In conclusion, the study concludes that creating a supportive and conducive work environment is critical for retaining insurance agents in Zambia's life insurance industry. Insurance firms should therefore prioritize improvements in workplace conditions, resource availability, supervisory support, employee recognition, and organisational culture to enhance retention and ensure workforce stability.

### 5.2 Recommendations

Based on the findings, the study recommends that Life insurance companies should improve working conditions by providing adequate resources, supportive supervision, employee recognition, and a positive organizational culture. Creating a conducive work environment that promotes employee well-being and engagement can significantly enhance agent retention and reduce turnover.

### 5.3 Further Research

Future studies should explore the mediating role of leadership and management support in the relationship between work environment and agent retention. Longitudinal studies may also be conducted to assess how changes in workplace conditions influence retention over time.

### Declaration of Interest

The authors declare that they do not have any known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

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