PERCEPTION OF NEW GENERAL INSURANCE SERVICES IN NIGERIA BY SMALL AND MEDIUM ENTERPRISES (SMEs) IN ENUGU STATE

BY

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ABSTRACT:

SMEs are entrepreneurial initiatives and engines of economic development. They bear a lot of risks, which require cover under insurance companies. Initially, apathy was observed among the SMEs due to the poor performance of the insurance industries. However, the establishment of the National Insurance Commission (NAICOM) in 1997, ushered in a paradigm shift in the management of the insurance companies. This paper examined the perception of SMEs in Enugu state on the new general insurance services to determine the SMEs' level of awareness and satisfaction with this paradigm shift. Two research questions and two hypotheses guided the study. A non-experimental ex-post facto research design was employed. A sample of 273 was drawn through a purposive, accidental, and snowballing sampling technique from 911 registered SMEs in the state. A questionnaire and interview schedule were used to collect data was analyzed using means and standard deviation. The results show that the SMEs are Not Aware of and Not Satisfied with the paradigm shift in the management of general insurance companies and are Not Willing to patronize insurance companies in Nigeria. No significant difference was found between the small and medium-scale enterprises. More sensitization of SMEs on the activities of NAICOM was recommended.

Keywords: Perception; Awareness; Satisfaction; Paradigm shift; Insurance; Small and Medium scale Enterprises (SMEs).

INTRODUCTION:

Background of the Problem:
Insurance is a financial and service product that helps protect individuals and businesses from potential losses or risks. It can also be described as a contract between two parties: the insurer (the insurance company) and the insured (the person or business being covered), where the insured pays a premium (a regular payment) to the insurer, who then promises to pay for specific losses or damages if they occur (https://www.naicom.nation.gov.ng)**.** This is probably why Vaughan (2014) perceived it as an economic device whereby the individual substitutes a small certain cost (the premium) for a large uncertain financial loss (the contingency insured against).

Originally. insurance started with the practice of merchants in Italy in the 12th century. The history of insurance in Nigeria started as far back as the colonial era when the first Nigerian.
The insurance company, Royal Exchange Assurance Company, was established by the British, in 1921. Other local and foreign insurance companies followed. Later, the number of insurance companies licensed to operate in Nigeria rose to 67, as reported by NAICOM in Sunday Punch, 21 Aug 2023. Initially, the insurance sector was not managed by professionals and very little legal attention was paid to it in Nigeria, (Boma, 2019).

The traditional concept of mutual insurance found in many customary or communal practices "whereby members of a family or community collectively come to aid another member in times of disaster or misfortune" (Ajemunigbohun and Ayobami 2018), seemed to overcloud the initial practice of insurance in Nigeria. The pre-independence insurance market shows that before 1961, there was no statutory requirement for the registration of insurance businesses in Nigeria. The first legislation was the Insurance Companies Act of 1961 followed by others, but Insurance Decree 1997, established the supervisory body, National Insurance Commission (NAICOM) headed by the Commissioner for Insurance as applicable under the National Insurance Supervision Board (NISB), for more effective control and better supervision of the industry (Ajemunigbohun and Ayobami 2018). With the establishment of NAICOM as the supervisory body, professionals were introduced to the system of administration, and innovations were ushered into insurance management in Nigeria. This paradigm shift in administration changed the idea that insurance doesn't work because previously when the insurance business was managed by agents who were not insurance professionals, claims were not paid at and when due to claimants but now the narrative is different as a result of the regulatory practices of the new Governing Board governing body, NAICOM. Claims were not paid to the claimant but currently, the narrative is different because insurance companies are now managed by Professionals with a regulatory board- NAICOM. Governing. The primary functions of NAICOM as indicated in … https://www.nairametrics.com.) include:

1. Licensing and regulating insurance companies
2. Setting standards for insurance products and services
3. Ensuring compliance with insurance laws and regulations
4. Protecting policyholders' interests
5. Promoting the development of the insurance industry in Nigeria, with the following goals;

   ❖ 1 Enhance the stability and soundness of the insurance industry
   ❖ 2. Increase public confidence in insurance
   ❖ 3. Encourage innovation and competition
   ❖ 4. Protect consumers' rights
   ❖ 5. Contribute to Nigeria's economic growth and development ()

Insurance service products in Nigeria cover the insured's life, paying a benefit to beneficiaries upon death; Health Insurance which covers medical expenses and healthcare costs; Property Insurance includes damages or losses to property, such as homes or cars; Liability Insurance covers legal liability for damages or injuries caused to others and Business Insurance, which covers businesses against various risks, such as property damage or employee injuries ().

The administrative procedure according to (https://www.portal.naicom.gov.ng) involves, Application for insurance coverage; Underwriting, which requires the insurer to assess the risk and determine the premium; and Policy issuance by the insurer, outlining the coverage and terms. Premium payments, whereby the insured pays premiums to maintain coverage; Claim filing, requires the insured to file a claim for a covered loss or damage and Claims processing, where the insure processes and settles the claim. Insurance marketers are expected to explain the application for insurance coverage, and the strategies and tactics used to promote and sell insurance products to potential customers very well during the advocacy. Some key aspects of insurance marketing according to (https://www.naicom.nation.gov.ng) include

- Target Market Identification: Understanding the demographics, needs, and preferences of potential customers.
- Product Positioning: Highlighting the unique benefits and features of insurance products
- Branding: Building a strong brand identity to establish trust and credibility.
- Digital Marketing involves leveraging online channels such as social media, email, and search engine optimization (SEO).
- Content Marketing: Creating informative and engaging content to educate and attract customers
- Lead Generation: Generating leads through various channels, such as referrals, online forms, and events.
- Sales Strategies: Developing effective sales techniques to convert leads into customers.
- Customer Retention: Building strong relationships to retain existing customers and encourage loyalty.
- Data-Driven Marketing: Using data analytics to inform marketing decisions and measure campaign effectiveness.
- Regulatory Compliance: Ensuring marketing efforts comply with industry regulations and laws.

Small and medium-sized enterprises are usually perceived as vehicles for economic development, especially in developing countries like Nigeria, Abotsi et al., 2014; Ahmed, Abdul- man, 2016; Chatterjee, Wehrhahn, 2017) and closing the gap between the downtrodden and the upper class. SMEs are also described as being labor intensive, the main source of employment, economic advancement, revenue-generating source, and technology innovation. (Ikeotuonye 2019). Studies show that they contribute to over 95% of enterprises, worldwide and about 60% of the private sector employment (Ayyagari, Demirguc-Kunt, Maksimovic 2011) and so with These indicate that their contribution to Nigeria's economy cannot be overemphasized and should not be left out of the recent innovation in the insurance sector in Nigeria. This governs the concerns of this study. There are many studies on insurance and its performance as well as customers' perceptions and acceptance (Boma, 2019); most centered on developed countries and in Africa. The only one available to the researcher was carried out in the cosmopolitan city of Lagos. For instance, Diara, Norlida, and Shahrul's (2023) study is on risk transfer, and Chanti's (2023) study is on the contribution of insurance companies to the growth of SMEs. Willieth (2020) surveyed insurance demand for SMEs in India, while Unachukwu, Oyewole, Olabode, and Aderonke (2020) focused on SME development amid COVID-19 in Lagos State, Nigeria but not on insurance. Also, Ekerete, Olawoye, Gam, and Ikon (2018) focused on the insurance industry in Nigeria but not on SMEs.

Nevertheless, only (Ajemunigbohun and Ayobami 2018) investigated insurance awareness and acceptance among SMEs in Lagos. Very closely related to this paper is that of Sagagi & Ekperi & Nwadike (2019) which evaluates awareness level and public perception of the image of insurance companies in Enugu state.

However, the study although in Enugu state focused on the public awareness and perception of leaving this study as the first to dwell on the awareness and perception of the new general insurance services in Nigeria by SMEs in Enugu state. This is the lacuna this study filled.

The study scope covers all registered SMEs operating in Enugu state before and after the establishment of NAICOM. SMEs with less than five years of existence will be delimited as they may not be conversant with the paradigm shift in the administration. The study content scope will be limited to awareness of and perception/ satisfaction with NAICOM administration, services, and products.

Statement of the problem:
Enugu state is part of Igboland where the inhabitants are known for their business acumen. However, Enugu is not a cosmopolitan city, and most residents are not as well off as their counterparts in bigger cities. Lagos, Abuja, kano, or Port Harcourt. Consequently, they are very mindful of gains and losses in their business and so are likely to tread cautiously with any policy that may not guarantee profit to their enterprises. Understandably, there was an initial apathy among SMEs in Enugu due to low outputs and poor performance of the insurance industries especially the issue of no settlement of claims, due to one flimsy reason or the other. The Insurance Information Institute (2005) noted that most small business owners are at risk of disaster and do not have a disaster recovery plan. As observed, previously, insurance in Nigeria has been criticized for a lack of trust, low popularity and patronage (Nwankwo and Ajemunigbohun, 2013), low awareness and poor image, and low demand and patronage of insurance products and services. (Sagagi, Marafa & Ekperi, Paul & Nwadike, Stanley 2019) which might have scared the SMEs from patronizing insurance industries. However, due to the innovations, introduced by the new insurance administration in Nigeria, spanning over a decade now, it will be interesting to ascertain if the Small and Medium Enterprises (SMEs) patronage of the insurance sector in Enugu has improved. Could it be said that the introduction of new service products by NAICOM is the elixir that will wake up the SMEs in Enugu state, to benefit from this paradigm shift in management of the Nigerian insurance sector? This is the kernel of this study that investigated the awareness and perception of the new general insurance services in Nigeria: Case of Small and Medium Enterprises (SMEs) in Enugu. The purpose of this study is therefore to examine the level of awareness and perceptions of the SMEs in Enugu state Nigeria on the paradigm shift in the management of general insurance companies in Nigeria. Precisely, the objectives of this study are to:

1.   To find out the level of awareness of SMEs in Enugu state on the paradigm shift in the management of general insurance companies in Nigeria.

2.   To determine the level of satisfaction of the SMEs in Enugu with the paradigm shift in the management of general insurance companies in Nigeria.

Research Questions: The following research questions guided this study.

1.   What is the level of awareness of SMEs in Enugu state on the paradigm shift in the management of general insurance companies in Nigeria?

2.   What is the level of satisfaction of the SMEs in Enugu with the paradigm shift in the management of general insurance companies in Nigeria?

Hypotheses: These hypotheses were tested at a 0.05 level of probability to guide the study.

HO$_1$: There is no significant difference in the level of awareness of Small and medium-scale Enterprises in Enugu state regarding the paradigm shift in the management of general insurance companies in Nigeria.

HO$_2$: There is no significant difference in the level of satisfaction of the Small and Medium scale Enterprises in Enugu state, about the paradigm shift in the management of general insurance companies.

LITERATURE REVIEW:

Sagagi & Ekperi & Nwadike, (2019), evaluated the awareness level of public perception of insurance companies in Enugu State. Like this study, they employed a structured questionnaire to elicit information from 400 respondents. Percentage means scores, and the Pearson Chi-Square test was used in data analysis. Findings show low awareness by the public of insurance enterprise in Enugu State, even though the city is viewed as an enlightened city. The image of insurance companies in Enugu State was also found to be poor and the demand was low, due to the poor public image of the insurance companies. The study thus recommends among others that insurance companies should engage in trade fairs, workshops, radio/TV jingles, etc. as this will serve as effective communication strategies to enlighten the public on their products and services.

Ime, (2018) studied 'Empirical Appraisal of Nigerian Insurance Sector and the Performance of Nigerian Stock Exchange, to appraise the Nigerian insurance sector and the performance of the Nigerian stock exchange. Like the current study, he adopted an ex-post facto research design and historical data, the study covered the period 1981 to 2014 and covered all the quoted insurance firms on the Nigerian Stock Exchange operating in Nigeria. The findings reveal there is a significant relationship between insurance companies' investments and the all-share index of the Nigerian Stock Exchange, also there is no positive effect of stock/securities prices of insurance companies on the market capitalization of the stock market and the Insurance sector growth has a significant influence on the performance of Nigerian Stock Exchange.

Li & Li (2020), analyzed the relationship between inflation, increase in investment in fixed assets, monetary policy, financial openness, national savings, macro-economic climate index, deposit rate, and the development of the insurance industry in China. Though this study was carried out in China, the analysis, unlike the current study integrated a multiple linear regression, stepwise regression, and robustness analysis for the empirical analysis. However, the result indicated that (a) the national savings and macro-economic climate index are the major factors that influence the development of the insurance industry in China and; (b) improve the development of the insurance industry, both the economic growth and people's income should continue to advance; and (c) financial openness should be paid more attention to, which is insufficient, and there is lack of competitive vitality in the whole insurance market, underscores to need for the insurance companies in Nigeria to carry along the SMEs in their services and development for economic growth of the people of Enugu state.

Ajemunigbohun & Ayobami (2018), investigated 'Insurance awareness and acceptance: Empirical evidence among SMEs in the Lagos State. The relationship between this study and the current one lies in the fact that both studied SMEs and employed the descriptive approach and survey design, stage cluster sampling technique, questionnaire, and interview schedule on awareness and its acceptability among small business and medium-sized operators in the Lagos and Enugu metropolis respectively. The results of this study assume that insurance products have not gained high popularity among small business and medium-sized operators in the Lagos metropolis. They have also shown a low but slightly positive relationship between insurance awareness and its acceptance among small business owners in the Lagos metropolis. Our formulated hypotheses have been supported. This study's recommendation that greater attention should be placed on SMEs and their engagement in the design of insurance products related to their activities to allow for a sense of ownership, effective risk management communication, and proper risk financing techniques, throws a challenge on the present study conducted six years after this one, to find out if the situation has changed in Enugu State.

Although these studies are in one way or the other related to the current study, no study known to the researcher investigated the Perception of New General Insurance Services in Nigeria by Small and Medium Enterprises (SMEs) in Enugu state. This study is the first of its kind to explore the perception of the paradigm shift in insurance services in Nigeria by Small and Medium Enterprises (SMEs). This is the lacuna this study filled.

This design is deemed appropriate for this study as it investigated what had already occurred with the SMEs. Hdv's study dealt with those SMEs that existed before and after the establishment of NAICOM and so must have experienced the insurance companies' services and products before and after the paradigm shift in administration.

Area of the Study: The area of this study is the state of Enugu. Enugu state is in the South-East of Nigeria with three senatorial zones, Enugu East, Enugu West, and Enugu North. The zone has a total of 911 SMEs (NBS 2020), Most of the residents in the zone are public servants. The people are a core Igbo-speaking race known for their business acumen. Like other parts of Nigeria NAICOM supervises the insurance companies in the state and the new changes also are being implemented in Enugu state.

The study's population includes all the 911 registered SMEs in Enugu state (Source: NBS 2020).

Sample and Sampling Techniques: The study adopted Krejci & Morgan 1970) and Chiaha (2023) determinants of a sample size from a given population. Using a purposive, accidental, and snowballing sampling technique 30% (273) of the SMEs were used for this study. Due to the smallness of the sample, the entire state was used. Purposively, SMEs that existed before and after the establishment of NAICOM were sampled. For snowballing, available SMEs were requested to supply the names and phone numbers of their colleagues which the researcher and her assistants used to contact them. In the end, 265 SMEs were used for the study.

Instruments for Data Collection: Two instruments were used for data collection including a questionnaire titled 'New General Insurance Services Awareness and Perception-SMEs Questionnaire (NGISAP–SMEsQ) and an interview schedule titled ''New General Insurance Service Awareness and Perception - SMEs Interview Schedule (NGISAP–SMEsQ).
The NGISAP–SMEsQ is structured on a 4-point Likert-type rating scale with options of; VA- Very much Aware; NA- Not aware; UA- Unaware; VUA- Very much Aware
Or SA- Strongly Disagree; A- Agree; N- Neutral; D-Disagree; SD - Strongly Disagree and VS- Very Satisfied; S- Satisfied; NS- Not Satisfied; VUS- Very Unsatisfied where applicable; and weighted 4, 3, 2 and 1 respectively. It has two sections, A and B. Section A, with 2 items was designed to collect respondents' demographics, while Section B with three clusters and 23 items aimed at collecting data for the research questions.

Validation of the Instrument: Three experts were requested to ascertain the appropriateness and clarity of the instruments' items to determine whether they measured what they purported to measure. Their comments, suggestions, and observations were considered in the production of the final draft of the instruments (App II and III).

Reliability of the Instrument: The instruments were trial tested through a pilot study, on 10 respondents (SMEs) from Ebonyi state, which is outside the study area. The internal consistency of the instrument was computed using the Cronbach Alpha method which yielded 0.79 for the entire instruments. The instruments were therefore considered reliable enough for the study.

Method of Data Collection: The study adopted a direct contact administration strategy in which the researcher with her well-trained research assistants directly collected the data from the respondents. The researcher personally interviewed 25 Chief Executive Officers (CEOs) of the SMEs in their offices. The data administration lasted for two weeks with a high return rate of 78.87%

Method of Data Analysis: The data generated for the study were analyzed using percentages, means, and Standard Deviation (SD) for data collected from the questionnaire. Decisions were arrived at using the criterion mean score of 2.50. This implies that Means below 2.50 were taken indicate that the corresponding items were **NOT Accepted** by the SMEs, while Means of 2.50 and above were taken to indicate that the corresponding items were **Accepted** for the same reason. *Inference* The results from the SMEs Interview Schedule (NGISAP–SMEsQ were qualitatively analyzed. For the hypotheses testing, the Independent Sample Test of Levene's Test for Equality of Variances was adopted in the t-test for Equality of Means at a 95% level of probability or 0.05 level of significance.

The significant level was determined with the P- P-table value about the. This implies that when the P-value is below 0.05 level of significance, when t- calculated is greater than t- table (1.96) it implies a *significant difference* between the Means tested, thus the Null Hypotheses were ***Not Accepted.*** On the other hand, when the P-value is higher than 0.05 or the t- calculated is greater than the t-table (1.96), it implies ***No Significant D***

between the means tested. Therefore, the Null Hypotheses was ***Accepted.***

RESULTS:

The findings of the study are presented in four tables with the research questions and hypotheses based on the research questions and null hypotheses that guided the study. The data analyses were based on 209 copies of the questionnaire collected after completion, out 265 copies distributed. This represents the return rate.

Table 1:
Mean Ratings and Standard Deviations of Respondents on the Level of Awareness of SMEs in Enugu State on the Paradigm Shift in the Management of General Insurance Companies in Nigeria.

S/N	Level of awareness of the new changes in Small Businesses Include:	Small Business N = 113			Medium Business N = 96			Overall N = 209		
		X	SD	Dec.	X	SD	X	Dec.	X	Dec.
1.	Insurance companies are now managed by professional	2.34	1.25	NA	2.64	1.21	NA	2.47	1.24	NA
2.	The new regulatory board Governing body the Nigerian Insurance Commission- NAICOM	2.37	1.23	NA	2.40	1.31	NA	2.38	1.27	A
3.	The primary functions of NAICOM include Protecting policyholders' interests	2.50	1.39	A	2.43	1.30	NA	2.46	1.34	NA
4.	The primary functions of NAICOM also include	2.24	1.24	NA	2.55	1.28	A	2.38	1.27	NA
5.	Insurance companies have services and products that can help protect losses in your businesses 2.42 1.29 NA	2.63	1.22	NA	2.63 1.22	1.22	A	2.51	1.26	A
6.	Are you aware that claims are now easily paid by Insurance companies.	2.49	1.23	NA	2.70	1.22	A	2.58	1.23	A
Are you aware of the following insurance service products in Nigeria;										
7.	Life insurance-Paying benefits to death	2.58	1.20	A	2.46	1.21	NA	2.53	1.21	A
8.	Health Insurance- which covers medical healthcare costs;	2.52	1.30	A	2.40	1.29	NA	2.46	1.29	NA
9.	Property Insurance, which includes losses to property, such as homes or cars;	2.39	1.36	NA	2.33	1.25	NA	2.36	1.31	NA
10.	Liability Insurance that covers legal damages or injuries caused to others	2.58	1.20	A	2.48	1.34	NA	2.53	1.26	A
11.	Business Insurance, which covers businesses various risks, such as property damage or employee injuries	2.44	1.28	NA	2.39	1.28	NA	2.42	1.28	NA
Cluster Mean/SD		**2.44**	**1.27**	**NA**	**2.49**	**1.26**	**NA**	**2.46** 1.27		**NA**

NB: SD= Standard Deviation, A= Aware, NA= Not Aware, Dec = Decision

Research Question One: *What is the level of awareness of SMEs in Enugu state on the paradigm shift in the management of general insurance companies in Nigeria?*

Table 1 shows that the mean scores of the small businesses on items number 3, 7, 8, and 10 are 2.50, 2.58, 2.52, and 2.58. This depicts that the small businesses are **Aware** of the *indicated new changes in the management of insurance companies in Nigeria*, while items number 1, 2, 4, 5, 6, 9, and 11 with mean scores below 2.50 denotes that the same respondents are **Not Aware** of listed new changes in the management of insurance companies in Nigeria. Hence, the study also indicated that the mean scores of 2.64, 2.55, 2.63, and 2.70 are obtained for the medium businesses on items number 1, 4, 5, and 6, indicating that the medium enterprises are **Aware** of concerned *new changes in the management of insurance companies in Nigeria,* while items number 2, 3, 7, 8, 9, 10 and 11, with mean score range of 2.33 to 2.48 denotes **Not Aware** responses by the same medium businesses. However, the overall mean scores ranged from 2.51 to 2.53 for Aware and 2.38 to 2.47 for Not Aware responses respectively. Thus, the cluster mean score of 2.46 obtained for all the items under study depicts that the respondents (both small and medium businesses) are **Not Aware** of *the new changes in the management of insurance companies in Nigeria* while the cluster standard deviation of 1.27 denotes homogeneity in the opinions of the respondents.

Hypothesis One: *There is no significant difference in the level of awareness of the small and medium scale Enterprises in Enugu state with regard to the paradigm shift in the management of general insurance companies in Nigeria.*

Table 2 shows that the t-value (t-calculated) of -0.654 is obtained at a 0.05 significance level and 207 Degrees of Freedom with a significant value of 0.514. Thus, since the significance value (0.514) is more than the level of significance (0.05) set for the study, the null hypothesis is therefore **not statistically significant,** and hence, the hypothesis is **Accepted**. This implies that *there is no significant difference in the level of awareness of the small and medium scale Enterprises in Enugu state about the paradigm shift in the management of general insurance companies in Nigeria.*

Table 2:
t-test Statistics on the Significant Difference in the Level of Awareness of the Small and Medium Scale Enterprises in Enugu State with regards to the Paradigm shift in the Management General Insurance Companies in Nigeria.

Group	N	Mean	SD	t-Value	Df	t-Cal	Sig. (2 tailed)	Dec
Small Business Owners	113	2.44	0.57	1.96	207		0.67	Accept HO
Medium Business Owners	96	2.46	0.48					

NB: SD= Standard Deviation, Df= Degree of Freedom
Research Question Two: *What is the level of satisfaction of the SMEs in Enugu with the paradigm shift in the management of general insurance companies in Nigeria*?

Table 3 shows that the mean scores of the small businesses on items number 12, 16, and 19 are 2.69, 2.58, and 2.61. This depicts that the small businesses are Satisfied with insurance companies in terms of the listed items while items number 13, 14, 15, 17, and 18 with mean scores ranging from 2.34 to 2. 46 (below the 2.50 criterion mean), indicate that the same respondents are Not Satisfied with insurance companies in terms of the concerned items. Thus, the study also shows that the mean scores of 2.56, 2.57, 2.64, and 2.60 are obtained for the medium businesses on items number 12, 13, 16, and 18, indicating that the medium business owners are Satisfied with insurance companies concerning the listed items while items number 14, 15, 17 and 19 with a mean score range of 2.24 to 2.48 denotes that medium business enterprises are **Not Satisfied** with the paradigm shift in the management of general insurance companies in Nigeria.

The table also shows the level of willingness of the SMEs to patronize insurance companies in Nigeria**.** The mean score range of 1.86 to 2.46 for both SMEs indicates that they are **Not Willing** to patronize insurance companies in Nigeria. The cluster mean score of 2.43 and 2.41 respectively, obtained for the SMEs, show that they are **Not Satisfied**. Also, an overall cluster mean score of 2.42 obtained for all the items denotes that the SMEs are **not satisfied** with the paradigm shift in the management of general insurance companies in Nigeria. The cluster standard deviation of 1.27 depicts that the disparity in the opinions of the respondents is slim.

Table 3:
Level of satisfaction of the SMEs in Enugu with the Paradigm shift in the management of general insurance companies in Nigeria

S/N	How satisfied are you with insurance companies in terms of:	Small Business N = 113			Medium Business N = 96			Overall N = 209		
		X	SD	Dec.	X	SD	X	Dec.	X	Dec.
12	Understanding of the demographics that is needs, and preferences of SMEs and potential customers	**2.69**	**1.19**	**S**	**2.56**	**1.28**	**S**	**2.63**	**1.23**	**S**
13.	Unique benefits and features of imsurance products	2.34	1.29	NS	2.57	1.24	S	2.44	1.27	NS
14.	Efforts to build a strong brand identity to establish trust and credibility of SMEs and customers	2.34	1.27	NS	2.39	1.34	NS	2.36	1.30	NS
15.	Insurance companies use of online channels, such as social media, email and search engine, in communicating with the SMEs and customers	2.46	1.11	NS	2.48	1.23	NS	2.47	1.16	NS
16.	Insurance companies creation of informative and engaging contents to educate and attract customers	2.58	1.27	S	2.64	1.27	S	2.61	1.27	S
17	Insurance companies' sales strategies for developing effective sales technique to convert leads into customers	2.39	1.28	NS	2.24	1.38	NS	2.32	1.33	NS
18.	Insurance companies' efforts in building strong relationships to retain existing customers and encourage loyalty	2.43	1.22	NS	2.60	1.27	S	2.51	1.24	NS
19.	Insurance companies' efforts to ensure that marketing efforts comply with industry regulations and laws	2.61	1.22	S	2.26	1.36	NS	2.45	1.29	NS
Your willingness to patronize insurance companies in Nigeria:										
20.	I am willing to Patronise insurance companises in Nigeria	2.38	1.23	NW	2.46	1.26	NW	2.24	1.24	NW
21.	I have already insured my business	2.38	1.26	NW	2.44	1.32	NW	2.41	1.29	NW
22.	My business had previously benefitted from the services and products of insurance companies in Nigeria	2.45	1.30	NW	2.41	1.23	NW	2.43	1.26	NW
23.	I am willing to encourage my colleagues in SMEs to patronize insurance companies in Nigeria.	2.07	1.31	NW	1.86	1.32	NW	1.98	1.31	NW
Cluster Mean/SD		**2.44**	**1.27**	**NA**	**2.49**	**1.26**	**NA**	**2.46**	**1.27**	**NA**

NB: SD= Standard Deviation, S= Satisfied, NS= Not Satisfied. D= Disagree; Dec = Decision; NW = Not Willing

Hypothesis Two: *There is no significant difference in the level of satisfaction of the small and medium scale Enterprises in Enugu state, with regard to the paradigm shift in the management of general insurance companies.*

The data presented in **Table** 4 shows that the t-value of 0.283 is obtained at a 0.05 significance level and 207 Degrees of freedom with a significant value of 0.777. Hence, since the significance value is more than the level of significance set for the study, the null hypothesis is therefore statistically insignificant and, not rejected for the said items. There is, therefore, *no significant difference in the level of satisfaction of the small and medium-scale Enterprises in Enugu state, concerning the paradigm shift in the management of general insurance companies.* The hypothesis is upheld.

Table 4:
t-test Statistics on the Significant Difference in the Level of Awareness of the Small and Medium Scale Enterprises in Enugu State with regards to the Paradigm shift in the Management General Insurance Companies in Nigeria.

Group	N	Mean	SD	t-value	Df	t-Cal	Sig. (2 tailed)	Dec
Small Business Owners	113	2.43	0.45	0.283	207		0.777	Accept HO
Medium Business Owners	96	2.41	0.47					

NB: SD= Standard Deviation, Df= Degree of Freedom

Results from the SMEs Interview Schedule (NGISAP–SMEsQ :

Research Question 1: *What is the level of awareness of SMEs in Enugu state on the paradigm shift in the management of general insurance companies?* The CEOs of the SMEs interviewed indicated that **they were not aware** of the paradigm shift in the management of new general insurance companies in Nigeria. Most of them showed that they were not interested in their services as they did not benefit from the insurance companies that they wanted. They complained of delays and bottlenecks which make payment difficult and mostly impossible when it comes to claims. However, many confessed that they do not attend the NAICOM conferences and Briefs as they 'do not have much time to waste due to their businesses'.

Research Question 2: *What is the level of satisfaction of the SMEs in Enugu with the paradigm shift in the management of general insurance companies?*

On the issue of satisfaction with the paradigm shift in the management of general insurance companies**,** the CEOs were very emphatic that they **were not satisfied** with the services in the insurance companies. Their lack of satisfaction is because the insurance companies cannot be trusted. They also indicate the **Unwillingness to patronize** the insurance companies, rather they would prefer to support their thrift system managed by the SMEs, even though they accept that they are aware that they can benefit more insurance companies.

Summary of Findings:

Research Question 1: *What is the level of awareness of SMEs in Enugu state on the paradigm shift in the management of general insurance companies in Nigeria?*

Finding 1: The SMEs in Enugu state are **Not Aware** of the paradigm shift in the management of general insurance companies in Nigeria.

Hypotheses 1: *There is no significant difference in the level of awareness of the Small and Medium scale Enterprises in Enugu state with regards to the paradigm shift in the management of general insurance companies in Nigeria.*

Finding 2: There is no significant difference in the level of awareness of the Small and Medium scale Enterprises in Enugu state with regard to the paradigm shift in the management of general insurance companies in Nigeria.

Research Question 2: *What is the level of satisfaction of the SMEs in Enugu with the paradigm shift in the management of general insurance companies in Nigeria?*

Finding 3: The SMEs in Enugu state are **Not Satisfied** with the paradigm shift in the management of general insurance companies in Nigeria and are **Not Willing to patronize** insurance companies in Nigeria.

Hypotheses 2: *There is no significant difference in the level of satisfaction of the Small and Medium scale Enterprises in Enugu state, with regards to the paradigm shift in the management of general insurance companies.***Finding 4**: There is no significant difference in the level of satisfaction of the Small and Medium scale Enterprises in Enugu state, with regard to the paradigm shift in the management of general insurance companies.

DISCUSSIONS: The findings of this study are discussed in line with the specific objectives and hypotheses that guided the study.

SMES Level of Awareness of the Paradigm Shift in the Management of General Insurance Companies in Nigeria:

The findings show that the SMEs in Enugu state are **Not Aware** of the paradigm shift in the management of general insurance companies in Nigeria. This is quite disturbing as the SMEs are the engine for economic development in the state. There is no significant difference in the level of awareness and satisfaction of the Small and Medium scale Enterprises in Enugu state, concerning the paradigm shift in the management of general insurance companies indicating that both small and medium-scale enterprises have the same opinion. Not being aware of the paradigm shift in the management of general insurance companies in Nigeria implies that they may not take advantage of the services of the insurance companies to enable them to protect their businesses. The response of the CEOs from the interview shows that the SMEs do not even attend the NAICOM conferences and Briefs as they 'do not have much time'. It is therefore not surprising that they are unaware of the paradigm shift in the new management of general insurance companies. Their biases are due to the previous management's compromise with the payment of claims which have overclouded their reasonings.

This finding supports Ajemunigbohun & Ayobami (2018), that insurance products have not gained high popularity among small businesses and medium-sized operators in the Lagos metropolis. It is surprising to find that even after five years of the findings of Sagagi, Ekperi & Nwadike, (2019), indicating low awareness by the public of insurance enterprise in Enugu State, the findings of this study show that nothing changed, as the SMEs in Enugu state are still unaware of the new paradigm shift. This implies that the SMEs are unaware of the improvements and innovations introduced by NIACOM. Like Sagagi, Ekperi & Nwadike, (2019), who found low demand and patronage of insurance products and services in the Enugu state, this study also found that the SMEs in Enugu state are not satisfied and therefore unwilling to patronize the insurance companies in Nigeria. Probably NIACOM is emphasizing institutions, which have less and minimal risks, with little or no advocacy for the SMEs that have higher risks. Probably this is why the SMEs formed their local insurance, which they prefer to patronize even when the local insurance does not have as many benefits as that of NAICOM.

Conclusion: The study concludes that SMEs in Enugu state are not aware of the paradigm shift in the new management of the general insurance companies in Nigeria and are not satisfied nor willing to patronize them.

Implications of the study:
1.   SMEs are very beneficial to the economic growth of Nigeria and if they are not protected from risks, many will fold up and it will affect the country's economy drastically, so NAICOM must ensure that they are properly educated to benefit from the risk management of the insurance companies.

2.   NAICOM should note that as long as the SMEs are not aware of the paradigm shift in the new management of the general insurance companies in Nigeria, they may not be satisfied nor willing to patronize them, so making the SMEs aware of the paradigm shift in the new management of the general insurance companies is very paramount in getting their satisfaction and patronage.

Contribution to Knowledge: This study has made significant contributions to knowledge.
1.   The SMEs are not properly insured in Enugu state and therefore the study shows that many of the SMEs may be at risk of folding up.
2.   It has shown the need for advocacy to enable the SMEs to benefit from the products and services of NAICOM.
3.   It has contributed to the literature and will be helpful to researchers carrying out similar studies in this area.

Suggestions for Further Studies: Studies should be carried out to find the reasons for the continued low patronage of insurance companies in Nigeria in Enugu and other states in Nigeria. And how to improve advocacy for the public, especially the SMEs.

RECOMMENDATIONS:

1.   NAICOM must endeavor to sensitize SMEs in Enugu to become aware of their services as well as the paradigm shift in the new management of the general insurance companies in Nigeria. This will enable the SMEs to patronize them.

2.   The insurance companies in Nigeria should ensure that they settle the claims for their customers promptly by avoiding bottlenecks and delays.

3.   NIACOM should pay more attention to small and medium business owners, and educate them on the paradigm shift introduced by the new management and other products and activities for the insurance companies. This is because of the importance of the SMEs in promoting economic development in Nigeria.

4.   NIACOM should understudy the local insurance of the SMEs to find out why they prefer to patronize it and learn from it how to attract the SMEs.

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APPENDIX I: New General Insurance Services Awareness and Perception - SMEs Questionnaire (NGISAP – SMEsQ)

Instructions to Respondents: I am a student of Learn to Live Business School (LLBS), pursuing a doctorate program. You have been selected as one of those to participate in this study. CONGRATULATIONS. You are kindly requested to be objective (honest) in your answers. Please note that there are no implications whatsoever in your responses, which will be used for research purposes only. There are no right or wrong answers just be honest. There are four options kindly **TICK** only **one and answer ALL the questions.**

Ngozi Obioha-Nkemdirim

TICKING OPTIONS
VA- Very much Aware NA- Not aware
N- Neutral UA- Unaware
VUA- Very much Aware

SA = Strongly Disagree A = Agree
N = Neutral D = Disagree
SD = Strongly Disagree And Where Applicable.

VS= Very Satisfied S= Satisfied
N= Neutral US= Unsatisfied
VUS= Very Unsatisfied

SECTION 1: RESPONDENTS' DEMOGRAPHICS
1. **Status of Business: [   ]** Small Business Owner (Less than 5 employers) [ ] Medium Business Owner (Over 5 employers)
2. **Period of Business:** [ ] 0-5 years [ ] above 5 years

Cluster I	Level of SMEs AWARENESS of the paradigm shift in the management of general insurance companies in Nigeria.				
	Please indicate your awareness of the following new changes in the management of insurance companies in Nigeria.	VA	A	UA	VUA
1.	Insurance companies are now managed by Professionals.				
2.	The new regulatory board Governing body is the Nigerian Insurance Commission- NAICOM.				
3.	The primary functions of NAICOM include protecting policyholders' interests.				
4.	The primary functions of NAICOM also include protecting consumers' rights.				
5.	Insurance companies have services and products that can help protect losses in your businesses.				
6.	Are you aware that claims are now easily paid by insurance companies?				
Are you aware of the following insurance service products in Nigeria?					
7.	Life insurance- paying benefits to beneficiaries upon death.				
8.	Health Insurance- which covers medical expenses and healthcare costs;				
9.	Property Insurance, which includes damages or losses to property, such as homes or cars;				
10.	Liability Insurance that covers legal liability for damages or injuries caused to others				
11.	Business Insurance, which covers businesses against various risks, such as property damage or employee injuries				
Cluster II	Level of YOUR SATISFACTION of the SMEs with the paradigm shift in the management of general insurance companies in Nigeria. How satisfied are you with insurance companies;				
12.	Understanding of the demographics that are needs, and preferences of SMEs and potential customers.	VS	S	NS	VUS
13.	Unique benefits and features of insurance products				
14.	Efforts to build a strong brand identity to establish the trust and credibility of SMEs and customers				
15.	Insurance companies use online channels, such as social media, email, and search engines, t o communicate with SMEs and customers.				
16.	Insurance companies create informative and engaging content to educate and attract customers.				