INFORMATION SYSTEM CONSIDERATIONS AND ORGANIZATIONAL PERFORMANCE OF SELECTED LIFE INSURANCE FIRMS IN NAIROBI CITY COUNTY, KENYA

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ABSTRACT

Using information systems is crucial in the growth of any organization today. Technology drives the agenda of every contemporary industry. In this precept, the IS is the center of this study, which aims to explore how technology has bolstered economic growth and profit-making in this industry. Information systems dealt with collecting, organizing, storing, and retrieving data to support operations, decision-making, and the management of information within organizations. The study assessed the impact of customer service, managerial support, and knowledge exchange on operational success. IS enabled organizations to streamline operations and improve efficiency. The study used an explanatory research design and was influenced by resource dependency theory and the balanced scorecard model. 11,690 people who were selected from three groups under the IRA made up the target population. To guarantee sufficient representation of every subgroup and improve estimate precision, a stratified sampling technique was used. A sample of 387 respondents comprising life insurance agents, bancassurance employees, and brokers was targeted, with 350 valid responses obtained, yielding a 90.4% response rate. Pearson correlation results revealed that customer care, management support, IT user skills, and information sharing all had positive and statistically significant relationships with firm performance ($p < 0.01$). Among these, information sharing ($r = 0.74$) exhibited the strongest association, highlighting the importance of timely and accurate communication in enhancing decision-making and customer responsiveness. Regression analysis confirmed that all four variables significantly predicted firm performance, collectively explaining 67% of its variation ($R^2 = 0.67$, $F = 52.4$, $p < 0.001$). The most significant predictor was management support, highlighting the importance of resource allocation and leadership commitment in efficient IS use. Strengthening customer care systems, enhancing managerial support, improving IT user skills, and fostering information sharing were recommended to boost operational efficiency and market competitiveness.

Keywords: Information Systems, Firm Performance, Management Support, Information Sharing, Life Insurance.

INTRODUCTION

Any business that wants to succeed must employ information systems (IS) to improve firm performance. By leveraging technology and data analysis tools, companies can make better-informed decisions that boost productivity and profitability (Tanriverdi, 2020). Effective information systems according to Mithas, Ramasubbu, and Sambamurthy (2021) deliver powerful performance benefits to organizations which achieve success through their implementation. In Kenya, the entry of mobile life insurance portals into the market, easing the life insurance buying and admin hassles for customers, has enhanced the industry's general efficiency and increased the penetration of life insurance.

Life insurance firms' performance refers to how well these organizations do in terms of their financial results and overall success (Taouab & Issor, 2019). Firm performance, according to Santos and Brito (2022), is a company's overall effectiveness and efficiency, which helps it to achieve its goals and objectives. According to McDonald (2019), profitability is a crucial component in evaluating a business's success since it demonstrates to produce profits, while policy uptake plays a vital part in assessing how well insurance companies perform (Kollie, 2017). By providing distinctive products or services, businesses can draw in more clients and differentiate themselves from their rivals, increasing market share and profitability (Ogbechi, Okafor & Onafade, 2018).

Information system is defined as the capacity of an organization to efficiently gather, store, arrange, interpret, and distribute data to aid decision-making and accomplish strategic goals (Mithas, Ramasubbu & Sambamurthy, 2021). Aduloju (2019) observes that a company's ability to effectively address and resolve customer issues and concerns can demonstrate its understanding of customer needs and preferences. Furthermore, Jehangir, Dominic, Langove and Khan (2022) indicate that when management is actively involved and supportive of the use of information systems and technology within the organization, it signals a commitment to leveraging data and analytics help drive strategic objectives. Finally, a high degree of IT user proficiency boosts production and efficiency inside the company, while fostering a culture of openness and cooperation can help improve information sharing (Kim, Cavusgil & Calantone, 2022).

Statement of the Problem

Although the recent statistical data provided by the Insurance Regulatory Authority in Kenya has shown some major difficulties in the insurance sector, the growth rate has been identifiable and steady. The growth in sales of policies has been clear particularly in both life and non-life insurance policies. The IRA report however reveals that life insurance firms are failing to achieve their target objectives as a result of problems of profitability, uptake of the policy as well as competitive advantage. The result of such difficulties is low customer satisfaction, delays in claims processing, and poor service delivery. Among the critical problems, one can single out slow claims processing, the absence of transparency and communication, and customer service. Consequently, they need to be improved to regain the confidence of policyholders.

To find out how well (IS) is used in life insurers' business operations, a number of study topics have been assessed. Otiso (2020), for example, discovered a positive correlation between technology use and the success of Kenyan life insurance companies. In contrast, Otieno (2021) found that most Kenyan insurers use big data analytics to gather client data from various sources for use in underwriting and claims management. However, the research has a methodological weakness that comes about due to the use of convenience sampling. Similarly, Wanjohi and Waithaka (2024) investigated the relationship and discovered that system dependability, compatibility, confidentiality, and ease of use are important factors that affect performance. However, their research has a conceptual flaw.

Objectives of the Study

i. To investigate the influence of information systems on the performance of selected life insurance firms in Nairobi City County, Kenya. . The specific objectives include:
ii. To determine the influence of customer care systems on the performance of life insurance firms in Nairobi City County.
iii. To evaluate the effect of management support on the performance of selected life insurance firms in Nairobi City County.
iv. To establish the influence of IT user skills on the performance of life insurance firms in Nairobi City County.
v. To assess the effect of information sharing practices on the performance of life insurance firms in Nairobi City County.

Scope of the Study

The study mainly focused on life insurance firms. The information system considerations examined included customer care, management support, IT user skills, and information sharing. Measures of firm performance were profitability, policy uptake, and competitive advantage. The research relied on firsthand information collected directly from staff members employed within these insurance organizations. The study concentrated on how the insurance companies had sustained their presence in the business and on acquiring new policy buyers over the five-year period from 2019 to 2023. During this time, they continued to attract new customers who purchased policies in diverse areas such as health, education, business interruption, and workers' compensation coverage, among others. This period was considered crucial for testing the effects of technology and information systems in reaching a wider customer base

LITERATURE REVIEW

Theoretical Review

Introduction

The conceptual framework, an analysis of research gaps, a synopsis of the material studied, an assessment of the empirical literature, and a theoretical literature review are all included in this section.

Theoretical Review

Balance Scorecard Model

In order to translate company vision and strategy into measurable goals in four areas, Robert S. Kaplan and David P. Norton developed this strategic management tool in 1992. According to Kaplan and Norton (1992), these four viewpoints form the foundation of the balanced scorecard approach. When institutions focus on them, they will be in a position to align their resources and activities with strategic priorities and improve general performance.

As noted by Gawankar, Kamble, and Raut (2019), the implementation of the balanced scorecard as a strategic management tool is very strong in enhancing organizational performance. The framework provides a comprehensive perspective of performance and the strategic goals are connected with the key performance indicators through the incorporation various viewpoints on internal processes, customers, finances, and learning and development. Tibbs and Langat (2022) also add that the balanced scorecard can help the organization develop areas of weakness and growth. When analyzing the metrics and the data that has been created, companies are able to identify the areas in which it needs improvement and formulate plans to deal with the inefficiencies.

The balanced scorecard is an essential tool for tracking and assessing performance in the areas of internal processes, clients, finances, and learning and development for life insurance companies. It gives the general view of the success of the organization and helps in strategic decision-making in order to achieve success in the long run. The given research is grounded in the balanced scorecard framework that informs the discussion of how Nairobi City County's life insurance businesses behave in relation to information systems. Taking the financial side into account, IS permits instant analysis of the business data required to make good financial management and organization control the costs. The customer perspective illustrates the ability of the information system to enhance the efficiency of delivering services, claim processing and the engagement of the customers in an effective way to win their trust and keep them. At the internal level, IS enables business operations of an organization by offering automated solutions to the routine and standard processes. Finally, learning and growth perspective describes how IS improves innovation and development of employee skills through equipping them with tools and information to make better decisions.

Resource Dependency Theory

In 1978, Jeffrey Pfeffer and Gerald Salancak presented the Resource Dependence Theory. The framework articulates that the organization depends on external resources to survive and grow, and how organizations can strategically manage these reliance in enhancing influence and control. According to Pfeffer and Salancik (1978), this dependence on external resources may cause an imbalance in power relationships with the organizational entities that possess access to vital resources being able to exercise influence on those ones that are dependent on them. As such, organizations need to come up with mechanisms of

dealing with such dependencies. It can be through formation of alliances, contract negotiations or even mergers and acquisitions to gain access to important resources.

According to RDT, organizations, rather, exist in a broader environment that has a strong influence on their organizations, strategies, and general success (Pfeffer, 2017). In its core, Delke (2022) indicates that the theory emphasizes the dependence of organizations on various external players such as suppliers, customers, regulators, and other interested parties as access points to the necessary resources needed to survive and grow. Such resources may be financial capital, raw materials, human talent, information and technology. This reliance on the external resources has formed an intricate network of interdependencies and relationships that the organizations have to negotiate to attain their goals.

In line with RDT, organizations are reliant on those resources that are often controlled by external sources, and this aspect can create power imbalances and affect the behavior of the organization. This hypothesis is quite relevant to life insurance companies where the dynamics of resource procurement, management, and competition can play a big role to their performance. In its essence, RDT implies that, organizations are required to employ strategic actions in order to control their reliance on external resources. With the insurance industry, there are several stakeholders that the insurance company depends upon, among them being the policyholders, regulatory bodies, re-insurance companies, and the financial institutions, to facilitate operations within the company and gain.

Empirical Review

Customer Care and Firm Performance

In their study, Javaid, Nawaz, Tara, and Altaf (2021) examined how customer relationship management affected Pakistani insurance companies' performance. This is an indication that the problems plaguing the insurance sector are common and universal. Consequently, this research applied quantitative approach. The sample of the study consists of individuals, and the number of participants is 11, 690. These consisted of 11455 registered agents, 216 registered brokers and 19 registered bank assurance employees. CFA and SPSS software were used for the analysis. The study found that CRM improves an organization's performance influenced by both employee and customer performance. However, because the study focuses on Kenyan insurance companies, it lacks context.

The relationship between customer service by Mungai and Wanjohi (2023). Despite concentrating on insurance businesses in Kenya's Kiambu County, their study used a descriptive research methodology. The participants were selected by means of a census procedure and primary data were collected using surveys. The relationship between variables was fitted using inductive methods. The result showed that effective communication with clients, customer relation, customer education, and claims handling insurance companies in Kiambu County. Nevertheless, commercial banks listed in Kenya in the NSE were the main target of the research.

Nairobi's Waithaka (2023) study looked at how insurance businesses' success may be impacted by customer retention. The researcher used a census because the target demographic of 48 Nairobi-based insurance companies was small. The relationship between retention strategies and business success was assessed and quantified using regression analysis. The findings showed that market share would increase by 0.223 as customer relationship monitoring improved by one unit. However, the use of a cross-sectional descriptive survey design also indicated a weakness in its methodology.

Management support and performances of the firm.

Otwori and Muturi (2019) The research was based on 1127 workers of 56 insurance companies, and 287 employees were selected. The analysis of data of participants was done through inferential statistics. To ensure that employees improve their performance and eventually productivity of the organization, the managers are required to concentrate on the aspects that make up leadership and employee commitment. Nevertheless, the study focused on the performance of the insurance companies in 2014-2018.

The article by Kitaka, Kirugu, and Marwa (2019) examined how the managerial competence impacts the sustainability of insurance companies in Kenya. It concentrated on 51 insurance firms that, as of December 31, 2016, were registered with the IRA of Kenya. Ten life insurers, fifteen general insurance companies, and five composite organizations that offered both kinds of insurance made up the sample of thirty businesses. The primary method of gathering data for the study was a structured questionnaire with closed-ended questions. The study showed that Kenyan insurance companies' long-term profitability is positively impacted by management competence. Nonetheless, the analysis was predicated on the insurance companies' 2014–2018 performance.

To understand how the performance of insurance firms in Kenya is affected by the support provided by managers, Ramadhan (2022) conducted research on the topic. The research covered the entire 55 insurance firms in the region, where the census method was used to select each firm. Data collection in these firms was given to the strategic managers in a form of self-administered questionnaires. Additionally, basic linear regression was used to determine how leadership's strategic direction affected an organization's success. The findings showed that most insurance companies' performance was significantly impacted by strategic planning and leadership techniques. However, because the study concentrated primarily on the strategic orientation of leadership, it showed that there was no conceptual divide.

IT User Skills and Firm performance.

Mwangi's (2022) The study's target audience was all 56 insurance companies in the country, and it employed a descriptive research methodology. Background data was evaluated using descriptive statistics. In terms of knowledge acquisition and organization encourages the transfer of acquired knowledge to different departments through electronic or printed media. Elaborated findings also revealed that knowledge generation is imperative to every employee within an organization and that the organization encourages the flow of

knowledge among different departments within the organization so that it can attain a competitive advantage.

Witherspoon (2019) looked into how Kenyan microinsurance companies performed in relation to the competence level of their IT users. According to the IRA in 2010, there are 35 businesses in Kenya that fall under the microinsurance sector. The study found that staff effectiveness in microinsurance companies is directly impacted by IT users' proficiency.

Abwao (2022) conducted study on the impact of IT applications on business management in Kenyan organizations, with a particular focus on Nairobi-based insurance companies. A Google Forms-created survey that was sent to participants via email made data gathering easier. IT managers from insurance companies participated in this study. The study focused on 56 IT managers from insured insurance businesses in Kenya. Every registered insurance company was included in the research. However, the study has a methodological fault because it uses a correlational research methodology.

Information Sharing and Firm Performance

Zahari, *et al* (2019) investigated the effects of knowledge sharing on Malaysian insurance companies' performance. Additionally, the findings suggest that it is essential for insurance firms to prioritize knowledge sharing among staff members, particularly when it comes to acquiring and handling clients' knowledge. It will enable them to recognize customer grievances, requirements, and preferences effectively. Nevertheless, the study as it concentrated on insurance companies, specifically in Malaysia.

Ramezani and Ava (2017) examined how knowledge sharing affected the caliber of insurance services. Their study examined the extent to which the exchange of knowledge influences service delivery within the insurance sector. In line with its objectives, the research adopted an applied methodology and employed a descriptive correlational design comprised all employees and corporate clients in the group therapy division of Dana Insurance Company in Mashhad, with the sample size covering the entire population. The results of using LISREL software for structural equation modeling showed that overall knowledge exchange had no discernible impact on service quality. The quality of insurance services at Dana Insurance Company in Mashhad was shown to be positively and significantly impacted by some aspects of information sharing, such as explicit knowledge transfer, professional expertise, and strategic initiatives. Yet, the research centered on Dana insurance company in Mashhad, highlighting a contextual gap.

The impact of knowledge management on Kenyan insurance businesses' competitiveness was examined by Kamau and Kwanya (2019). The UAP Insurance Company is the subject of the study as a case study. To gather data, 105 individuals were chosen for interviews using information-focused purposive sampling. The findings imply that knowledge management techniques are being used by Kenya's insurance sector to gain a competitive advantage. However, because the study focused on how competitive Kenyan insurance companies are, there is a conceptual gap.

Summary of Literature Reviewed and Research Gap

Table 2.1: Summary of Literature Reviewed and Research Gap

Author(s)	Study Focus	Key Findings	Identified Gap	Present Study Focus
Javaid, Nawaz, Tara, & Altaf (2021)	Examined the influence of firms in Kenya	Customer relationship management enhanced organizational performance through employee efficiency and customer engagement	Contextualgap, as the study concentrated on Kenyan generally	Performance of lifeinsurance companies in
Mungai & Wanjohi (2023)	Examined the relationship between Kenyan NSE-listed banks' financial performance and customer service.	Effective communication, personalized client relations, customer training, and claims handling improved insurance firm performance	Focused on commercial banks listed on NSE	Performance of life insurance
Waithaka (2023)	Studied the effect of customer retentionstrategies on insurance company performance	A unitincrease in customer relationship monitoring led to a 0.223 rise in market share	Methodological gapdue to reliance on cross-sectional descriptive survey	Use of explanatory design to assess technology

				adoption in insurance
Otwori & Muturi (2019)	Analyzed the role of management support in insurance firm performance	Strategic leadership influenced company outcomes	Focused on performance between 2014–2018	Performance of selected life insurance
Kitaka, Kiragu, & Marwa (2019)	Investigated management capability and sustainability of insurers in Kenya	Managerial competence positively impacted sustainability	Concentrated on 2014–2018 performance	highlighting technology adoption strengths and weaknesses
Ramadhan (2022)	Explored management support and insurance firm performance	Strategic planning and leadership affected most insurers	No conceptual gap, as focus was on leadership's strategic direction	firms in Nairobi City County
Mwangi (2022)	Studied knowledge management and insurance firm performance in Kenya	Knowledge creation and sharing across departments enhanced competitiveness	Focused on profitability between 2016–2021	Knowledge creation and sharing across (2019–2023)
Witherspoon (2019)	Investigated IT user skills in micro-insurance businesses	Staff performance was directly influenced by IT proficiency	Contextual gap, as focus was on micro-insurance	Knowledge creation and sharing across

Abwao (2022)	Examined IT applications and business management in Kenyan firms	ICT adoption positively influenced insurance firm performance	Methodological gapdue to correlational design	Use of explanatory research design
Zahari, Rahman, Othman, & Baniamin (2019)	Studied knowledge sharing in Malaysian insurance firms	Prioritizing knowledge sharing among employees improved client management	Contextual gap, as focus was on Malaysia	Knowledge creation and sharing across
Ramezani & Ava (2017)	Assessed knowledge sharing and service quality in insurance	Overall knowledge sharing had limited impact, but explicit transfers, expertise, and strategic initiatives improved service quality	Contextual gap, as study focused on Dana Insurance in Mashhad	Knowledge creation and sharing across
Kamau & Kwanya (2019)	Investigated knowledge management and competitiveness of Kenyan insurers	Knowledge management strategies enhanced competitiveness	Conceptual gap, as focus was on competitiveness	Knowledge creation and sharing across

Source: Researcher (2024)

Conceptual Framework

Independent Variables

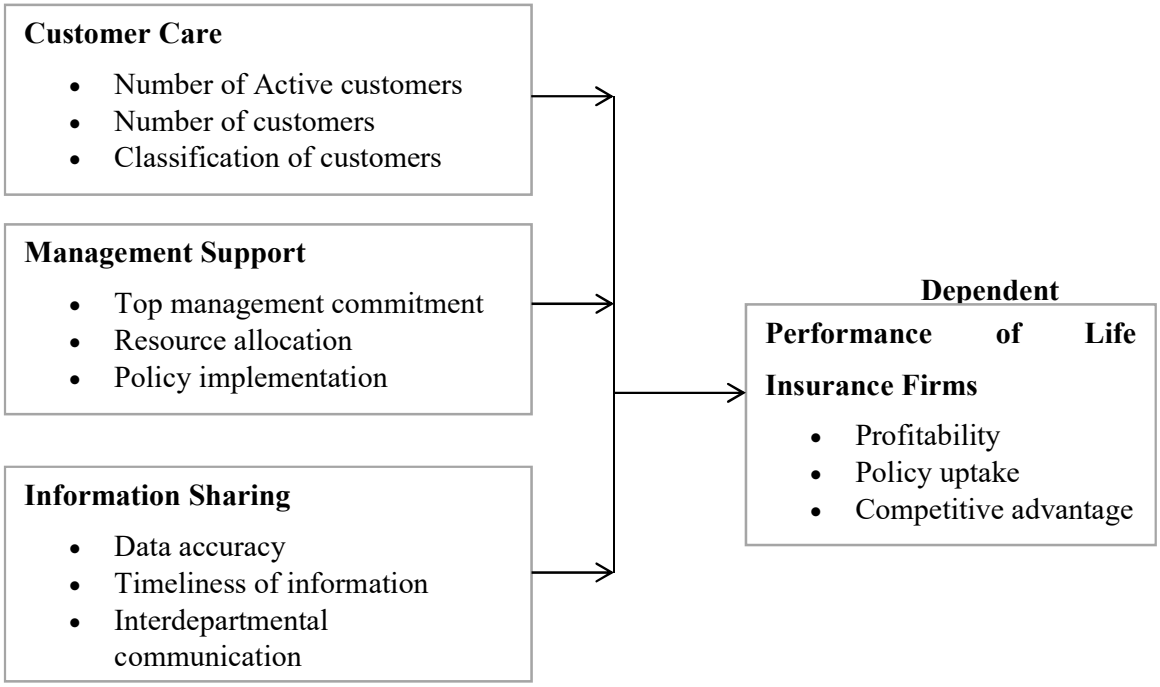

Figure2.1Conceptual framework
Source: Researcher (2024)

RESEARCH METHODOLOGY

Introduction

This section includes the design for the study, the group being studied, how participants are chosen, the number of participants, the tools used for collecting data, how accurate and consistent the tools are, the process of collecting data and how the data will be analyzed.

Research Design

The research utilized an explanatory research design, which according to Ivankova, Creswell and Stick (2022), is a methodological approach aimed at understanding the underlying reasons, causes, and mechanisms behind a particular phenomenon or set of phenomena. It seeks to explain relationships between variables and to identify patterns that may not be immediately apparent through descriptive methods alone. A more thorough grasp of the topic was possible because to the research's use of a mixed-methods methodology.

Target Population

According to Zhao et al. (2013), the target population is the group of individuals from which the researcher plans to conduct research and draw conclusions; the qualities selected are dictated by the study's goals. The research focused on individuals who purchased or had the

potential to purchase life insurance from providers in Nairobi City County. Current policyholders, prospective customers, brokers, insurance agents, and representatives of life insurance companies were the target audiences. The sample population was drawn from three categories of people involved in life insurance services. These included registered life insurance agents, bancassurance employees, and registered insurance brokers. The researcher contacted the identified individuals to invite them to participate in the study. In addition, the research examined 11,690 individuals belonging to different categories, namely bancassurance employees, insurance agents, and brokers.

Table 3.1: Target Population

Category	**F**	**%**
Life Insurance Agents	11,455	97.99
Bank assurance employees	19	0.16
Brokers	216	1.85
Total	**11,690**	**100**

Sampling Design and Sample Size

The sample design according to Singh and Masuku (2019), encompasses all aspects of organizing the units in the frame into groups. Furthermore, the study took into account factors such as the required accuracy level for survey estimates and the type of design when determining the sample size. A stratified sampling technique was adopted, in which participants were categorized into distinct groups according to their roles. From each stratum, respondents were then chosen.

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

Where

$$n=\frac{11,690}{1+11,690(0.05)^2}=\ 387$$

The sample size was 387 respondents, representing a factor of 3.3% (0.033). Therefore, as presented in Table 3.2, a factor of 0.033 was used to calculate the number of responses from each strata.

Table3.2Sample Size

Category	**F**	**%**	**Sample Size**
Life Insurance Agents	11,455	0.033	379
Bank Assurance employees	19	0.033	1
Brokers	216	0.033	7
Total	**11,690**	**0.033**	**387**

Data Collection Instrument

A semi-structured questionnaire was used as the main instrument for gathering data in order to do this. Friborg and Rosenvinge (2019) emphasized that open-ended items were effective in

generating qualitative insights, as they encouraged respondents to freely articulate their opinions and emotions, while closed-ended questions were ideal for gathering large amounts of quantitative data for quick analysis. The survey employed a Likert scale to measure participant responses, which included multiple statements. According to Baburajan, Silva, and Pereira (2020), the Likert scale was a commonly used assessment instrument that allowed survey respondents to express how much they agreed or disagreed with certain claims. The scale typically operated between two extreme points, beginning with total agreement and ending with total disagreement, while providing a central neutral choice for respondents. The survey used the Likert scale to gather quantitative data that demonstrated how participants felt about the topic under study.

Pilot Study

This research utilized a pilot study as its primary research method. The study proceeded with a small-scale trial that helped establish the correct design and methodology for the full survey. The pilot research involved initial testing of the questionnaire material with small participant groups to determine how well respondents understood the document. The participants evaluated the questionnaire's overall structure, response options, and word choices in line with Lowe's (2019) recommendations. The research required a pilot study, consistent with Mugenda and Mugenda's (2003) standards. Accordingly, the study conducted a pilot with 171 participants who joined the research.

Validity of Research Instrument

The questionnaire validity was ensured using content validity and face validity tests. According to Sireci (2018), content validity assessment involves evaluating whether the questions in the questionnaire are relevant and comprehensive in measuring the intended construct. Therefore, this was done through expert review and analysis of the questionnaire's content to ensure that it adequately covers all aspects of the construct being measured by involving the supervisor. Johnson (2021) observe that face validity involves examining whether the questionnaire appears to measure. Therefore, this was done by having individuals from the target population review the questionnaire and provide feedback on its clarity, relevance and appropriateness.

Reliability of Research Instrument

The researchers assessed questionnaire reliability through Cronbach's alpha testing method. According to Christmann and Vanaelst (2019) definition, Cronbach's alpha serves as a statistical measurement tool which assesses how reliably a survey instrument maintains its internal consistency. The coefficient ranges from 0 to 1, which means that higher values. A reliable scale requires a Cronbach's alpha score of 0.70 or higher to meet established testing standards. The researchers use this test on the questionnaire to assess whether its items effectively measure a common underlying concept throughout the study. The instrument delivers trustworthy results which maintain their validity throughout the entire data collection process to support accurate decision-making based on the data analysis results.

Data Collection Procedure

The researchers needed to obtain permission from the insurance department managers before conducting the study at the company. They used Google Forms to send study materials to participants through their email addresses. This method enabled the researchers to quickly collect data from participants located in different parts of the world. After this period, the researcher collected the responses and expressed gratitude to the participants for their involvement in the study.

Data Analysis and Presentation

The study applied inferential statistical methods to evaluate how different variables influenced one another. Furthermore, the research followed the empirical regression equation that had been established in the subsequent section.

$Y=\beta_0+\beta_1X_1+\beta_2X_2+\beta_3X_3+\beta_4X_4+\varepsilon$

Whereby Y=Firm performance
X_1=Customer care
X_2=Management support
X_3=IT user skills
X_4=Information sharing
β_1–β_4 = Coefficients
εError term

Ethical Considerations

Prior to commencing the data collection, the researchers received informed consent of each participant, and kept the confidentiality and privacy of the entire research process. The research team got the required approvals both with Kenyatta University and NACOSTI. They evaluated all the potential risks that could have been passed on to the participants and made them aware of potential gains of the research. The study was carried out in full transparency, since the researchers revealed all the conflicts of interest and prejudices. The rights of the participants were safeguarded in line with principles and ethical standards of research studies.

RESULTS AND DISCUSSIONS

Introduction

This chapter reports on the analysis, interpretation and discussion of the data collected by the respondents who were sampled by the researcher using the selection of life insurance firms including insurance agents, bancassurance working staff, and brokers.

Response Rate

The study took 387 respondents who were life insurance agents, bancassurance employees, and insurance brokers in the Nairobi City County. 350 of the 387 surveys that were sent out were successfully filled out and returned, resulting in a 90.4% response rate.

Table 4.1: Response Rate

Category	Sample Size	Responses Received	Non-Response	(%)
Life Insurance Agents	379	343	36	90.5%
Bancassurance Employees	1	1	0	100%
Brokers	7	6	1	85.7%
Total	**387**	**350**	**37**	**90.4%**

Source: Researcher 2026

This response rate is deemed as sufficient and consistent in analyzing data and making generalizations about the findings. Metsamuuronen (2019) considers a response rate of 70 and higher to be excellent when it comes to making valid conclusions in social science research. Thus, the obtained response rate of 90.4% was high enough to support the robust statistical analysis and meaningful interpretation of the relationship between information system considerations (customer care, management support, IT user skills, and information sharing) and the effectiveness of particular Nairobi City County life insurance companies. The high response rate can be explained by effective follow-up processes and the relevancy between 2019 and 2023.

Demographic Information

This data was to provide a background profile of the respondents and enhance knowledge of how information system factors such as customer service, management support, IT user skills and information sharing influence the performance. Demographic characteristics are important as they influence employees' interaction with information systems and organizational performance outcomes.

Gender of Respondents

Gender identity was requested of the respondents; the results are displayed in Table 4.2.

Table 4.2: Gender of Respondents

Gender	F	(%)
Male	215	61.5%
Female	135	38.5%
Total	**350**	**100%**

Source: Researcher 2026

The findings reveal that 61.5% of the people sampled male, and 38.5% female. This implies that life insurance industry in City County of Nairobi is controlled by men. Nevertheless, the fact that to a large extent the proportion of female respondents is high, indicates that the industry is becoming increasingly gender diverse. This variety is noteworthy in the improvement of customer care and service delivery which are major constituents of information systems as pointed out by Mungai and Wanjohi (2023).

Age of Respondents

Respondents had to specify their age group. The results are shown in Table 4.3. The results are summarized in Table 4.3.

Table4.3: Age Distribution of Respondents

Age Category	Frequency	Percentage (%)
Under 29 years	78	22.4%
30–39 years	125	35.6%
40–49 years	99	28.2%
50 years and above	48	13.8%
Total	**350**	**100%**

Source: Researcher 2026

People between the ages of 30 and 39 made up the majority of responders (35.6), followed by those between the ages of 40 and 49 (28.2). This implies that most of the employees in the life insurance sector are of working age thereby encouraging the use of information systems and effective utilization. Employees who are younger are more likely to be more IT proficient as supports findings by Witherspoon (2019) that IT user skills are a significant influence on performance.

Education Level of Respondents

They also asked the respondents to add the highest level of education that they have achieved. These findings are discussed in Table 4.4.

Table 4.4Education Level of Respondents

Education Level	F	(%)
Diploma	90	25.7%
Advanced Diploma	70	20.0%
Master's Degree	120	34.3%
Advanced Degree	70	20.0%
Total	**350**	**100%**

Source: Researcher 2026

The findings show that most of the respondents (34.3) had a Master degree implying that it has a well-educated labor force. An advanced level of education increases the knowledge and practice of information systems especially on issues like data accuracy, use of the system and sharing of information. This is in line with Abwao (2022) who discovered that ICT knowledge has a significant positive impact on organizational performance.

Years of Experience in the Insurance Industry

The questions posed to the respondents focused on their years of experience in the insurance industry. The results are shown in Table 4.5.

Table 4.5Years of Experience of Respondents

Years	**F**	**(%)**
Under 5years	92	26.3%
5–9years	108	30.9%
10–14years	83	23.7%
15years and above	67	19.1%
Total	**350**	**100%**

The majority of respondents (30.9) had five to nine years of experience, followed by those with fewer than five years (26.3), according to the findings. It means that the respondents were well exposed to the industry to provide credible information about the way information systems enhance business success. As Otwori and Muturi (2019) and Kamau and Kwanya (2019) specify, experienced employees have a higher chance of understanding the organizational processes such as information exchange and managerial assistance.

Descriptive Statistics

Descriptive Statistics make it simpler to comprehend and evaluate vast amounts of data by offering brief descriptions of a sample and the measurements. Descriptive statistics are employed in this study to examine respondents' perceptions of information system factors that affect the performance of life insurance companies, including customer service, management support, IT user skills, and information sharing.

Descriptive Statistics on Customer Care

Participants evaluated customer care practices within life insurance firms.

Table4.6: Customer Care

Statement	**Mean**	**Std. Dev**
Efficient customer support leads to increased number of active customers, which in turn enable insurance company to invest in new technologies	4.24	0.78
Customer classification allows insurance companies to identify potential cross-selling and upselling opportunities	4.05	0.85
Customer classification enable insurance companies to accurately price their policies and assess the likelihood of claims	3.81	0.90
Effective customer care systems enhance customer satisfaction, leading to increased customer retention and long-term policy uptake	4.12	0.82

Timely response to customer inquiries and complaints improves customer trust and strengthens the competitive advantage of insurance firms	3.96	0.88
Aggregate Mean and SD	*4.19*	*0.84*

Source: Researcher 2026

The results show that most respondents felt that the performance of life insurance companies is greatly influenced by customer service, a crucial information systems factor. A high degree of agreement with comparatively little response variability is suggested by the aggregate mean of 4.19 and std dev of 0.84.

Specifically, effective customer service (M = 4.24, SD = 0.78) proved to be the most important, highlighting its role in expanding the client base for businesses and in them investing in improved technology. Similarly, it was found that the efficient customer service systems (M = 4.12, SD = 0.82) have a positive impact on customer satisfaction, thereby increasing the rate of customer retention and uptake of the policies – two critical indicators of business performance.

The classification of customers also had a high level of agreement, especially the identification of cross selling and upselling opportunities (M = 4.05, SD = 0.85) and supporting the correct policy pricing and risk assessment (M = 3.81, SD = 0.90). Moreover, the quickness of the company's answers to customers' queries (M = 3.96, SD = 0.88) was found to help improve customer trust and competitive advantage.

The results are congruent with the theoretical and empirical basis of the study. For example, Javaid et al. (2021) and Mungai and Wanjohi (2023) found that good customer relationship management and communication can improve organizational performance by improving customer engagement and service provision. At the same time, Waithaka (2023) highlighted the importance of customer monitoring and relationship management when it comes to customer market share. From this study's perspective, the findings validate the critical role that good customer care systems backed by information systems have in enhancing profitability, policy uptake and competitive advantage for life insurance companies, especially in the era of digital transformation (2019–2023).

Descriptive Statistics on Management Support

The participants rated the management support as one of the salient information systems factors that affect the performance. The descriptive statistics for the indicators of management support, such as top management commitment, resource allocation and policy implementation.

Table4.7Management Support

Statement	**Mean**	**Std. Dev**
Top management commitment helps to create a strong company culture that is focused on achieving success and providing excellent service to customers	4.13	0.82

Senior management commitment leads to better decision-making and strategic planning.	4.33	0.77
Proper allocation of resources help insurance companies better respond to changing market conditions	3.70	0.88
Proper policy implementation help insurance companies to ensure that all employees understand their roles and responsibilities in implementing the policies.	4.03	0.81
A good policy implementation enables insurance companies to ensure they remain competitive in the market.	3.86	0.86
Aggregate Score (Mean ± SD)	**3.99**	**0.82**

Source: Researcher 2026

The findings reveal that the majority of respondents agreed that the management assistance is needed to improve firm performance. Overall, the mean score was 3.99 (SD = 0.82), which suggests management support procedures for the selected life insurance companies were believed to be sound and well established.

In particular, senior management commitment (M = 4.33, SD = 0.77) had the highest mean score, indicating that leadership involvement is the most important factor that can positively influence strategic direction and organizational outcomes. Likewise, top management commitment to building a positive organizational culture with a focus on success and service delivery was very well rated (M = 4.13, SD = 0.82), which shows that management's commitment helps to improve customer service and operational efficiency in an organization.

Furthermore, the score for policy implementation indicating the role and responsibility of the employees was 4.03 (SD = 0.81), showing that coherence and clarity in policies contribute to good coordination and implementation of work. The mean (M = 3.70, SD = 0.88) for resource allocation, however, was comparatively low, indicating that, although resources are generally available, there may be some constraints in meeting dynamic market requirements. Likewise, the implementation of policy to ensure the competitivity showed a moderate score (M = 3.86, SD = 0.86) and there is still space for development in terms of implementing policies in each department.

The overall findings indicate that management support is one of the significant factors that influence the performance of the organisation because of strategic planning, effective implementation of policy, and better attitude of management in the organization. The results of this study corroborate previous empirical studies like Otwori and Muturi (2019) and Ramadhan (2022), who found that strategic leadership and management support positively affect the performance of insurance firms. Moreover, the results are coherent with the theoretical background of the study, which is based on the Balanced Scorecard Model, and the Resource Dependency Theory, which holds managerial commitment and resource allocation as vital to the organizational performance outcomes.

Descriptive Statistics on IT user skills

Determining the impact of IT user skills on the performance of particular life insurance companies, was the study's third specific goal. How much respondents agree with statements regarding IT competencies and how they contribute to the success of the organization were asked.

Table4.8: IT user skills

Statement	Mean	Std. Dev
IT training programs give insurance workers the technical know-how to use contemporary tools and applications.	4.00	0.81
IT training programs help employees understand how to leverage technology to enhance customer engagement	3.90	0.85
A user with a high IT competency level better utilize data analytics tools to identify risks.	4.10	0.78
A user with a high IT competency level better utilize data analytics tools to make informed decisions.	3.95	0.80
An efficient IS allows for better data collection and analysis.	4.05	0.76
An effective IS facilitate improved communication and collaboration within the organization	3.88	0.83
Aggregate Mean & SD	**3.97**	**0.80**

Source: Researcher 2026

With a std dev of 0.80 and an overall mean score of 3.97 for IT user abilities, respondents largely agreed that IT competencies have a major impact on life insurance companies' performance. The most highly rated statements were: "Employees who have higher IT competency levels are more likely to use data analytics tools to identify risks" (M = 4.10; SD = 0.78), and "Efficient Information systems improve data collection and analysis" (M = 4.05; SD = 0.76). This indicates that being proficient in IT is a key factor in enhancing decision making, risk evaluation, and operation efficiency in insurance companies.

Furthermore, the participants agreed that IT training programs provide employees with the technical skills needed (M = 4.00, SD = 0.81) and improve their ability to use technology to engage with customers (M = 3.90, SD = 0.85). This highlights the need to conduct continuous training and capacity development to enhance the employees' effectiveness in using the information system.

However, lower mean scores were found in facilitating communication and collaboration (M = 3.88, SD = 0.83), which suggests that while information systems enable internal communication, there might be problems around system integration or adaptability of the users. The results confirm the study's conceptualization that IT user skills are one of the important factors in information systems that affect the performance of the firms. The findings are consistent with Witherspoon (2019) who discovered that the proficiency of ICT improves the

performance of the staff members in insurance firms; and Abwao (2022) who concluded that the adoption of ICT positively. Likewise, results corroborate Mwangi (2022) who stated that knowledge systems utilization contributes to competitiveness and decision making. The study therefore concludes that good IT user skills have a significant contribution towards good performance.

Descriptive Statistics on Information Sharing

The fourth specific purpose of the study was to examine how information sharing affected the performance of specific life insurance businesses. Table 4.9 displays descriptive results.

Table 4.9: Descriptive Statistics on Information Sharing

Statement	Mean	Std. Dev
Accurate data allows insurance companies to better assess risk and set appropriate premiums	4.28	0.80
Accurate data help insurance companies to improve their underwriting processes	4.04	0.85
Effective timeliness of information	4.31	0.76
Accurate timeliness of information enable insurers to respond more quickly to emerging risks	4.15	0.79
Improved communication between departments help identify and address any inefficiencies in the insurance process	3.97	0.83
Enhanced interdepartmental communication lead to better collaboration on strategic initiatives and decision-making.	4.05	0.77
Aggregate Mean / SD	**4.09**	**0.80**

Source: Researcher 2026

The findings indicate that respondents' perceptions of information sharing are typically positive and favorable, and that the chosen life insurance companies, share information at a generally good level. The overall mean score (M = 4.09, SD = 0.80) indicates a strong response from the respondents regarding the extent to which they agreed that effective communication is crucial for organizational effectiveness and performance outcomes, including better profitability, uptake of policies and programs, and competitive advantage.

Of particular interest, high mean scores were reported for effectiveness of timely information (M = 4.31, SD = 0.76), and role of accurate information in risk assessment and premium-setting (M = 4.28, SD = 0.80). This means that the seamless and timely transfer of information helps insurers to make sound underwriting decisions, to be able to react quickly to new risks, and to provide services more efficiently. These results are consistent with the results of Mwangi (2022), which confirmed that knowledge creation and sharing in the insurance companies are very effective to improve the competitiveness of the insurance companies.

Likewise, better inter departmental communication (M = 4.05, SD = 0.77) and collaboration in decision making (M = 3.97, SD = 0.83) suggest that the internal communication processes in insurance companies are conducive to the coordination of strategic projects and the optimization of company operations. This aligns with Zahari et al. (2019), who found that there are positive relationships between the knowledge sharing among employees and client management and responsiveness of organizations in insurance-related environments.

Slightly lower mean scores on interdepartmental communication however indicate that although very effective, there likely is some room for improvement in cross-functional communication that could hinder optimal performance of information systems. This means that in some companies, efforts to integrate information systems between departments will need to be increased in order to truly benefit from efficiency gains. The overall findings indicate that information sharing is indeed a crucial information systems aspect that affects life insurance company performance. Combined, these attributes of data – accuracy, timeliness, and communication structures – improve decision-making, create operational efficiencies, and provide insurance companies with a competitive advantage.

Performance of Life Insurance Firms

Examining the performance of particular life insurance companies, with regard to information system factors was the goal of this study. Statements evaluating important performance factors, such as profitability, policy uptake, consumer access, and competitive advantage, were scored by respondents according to how much they agreed with them. For each indicator, descriptive statistics are provided in Table 4.10, as well as an overall score, which summarizes the overall performance of the company.

Table 4.10: Performance of Life Insurance Firms

	Mean	**Std. Dev**
Information systems employed by insurance companies have led to increased profits	4.16	0.79
Information systems employed by insurance companies have enabled these companies to improve their policy uptakes	4.08	0.83
The employees are well informed about the available information systems used in the insurance firms they serve	3.92	0.87
The available information and sensitization through the internet has made many people to access insurance policies	4.01	0.82
The presence of websites like IRA has helped to safeguard the interests of policy whenever they make claims	3.82	0.85
Insurance firms in Kenya regularly update on there IS infrastructure to boost customers' satisfaction and meet business needs	4.11	0.80

Aggregate Score	**4.08**	**0.83**

Source: Researcher 2026

The overall mean 4.08 (SD = 0.83) suggests that overall, respondents agreed have good performance results which are affected by information systems factors. This indicates that the adoption of information systems has been beneficial with respect to firm dimensions, including profitability, policy implementation and service availability.

The aspects that received highest rank were the promotion of increased profitability through the contribution of information systems (M = 4.16, SD = 0.79) and regular updates of information system infrastructure to improve customer satisfaction and business responsiveness (M = 4.11, SD = 0.80), both of which were given a very similar rank. This suggests that companies that invest in digital infrastructure at all times are more likely to have better financial results and be competitive. The study's results align with those of Abwao (2022), which revealed that the use of ICTs is a significant factor that contributes to improved organizational performance in Kenyan companies by improving operational efficiency and service delivery.

Likewise, the uptake of policies (M = 4.08, SD = 0.83), and the involvement of customers in insurance services via online sensitization platforms (M = 4.01, SD = 0.82) are critical and illustrate the importance of information systems to increase market reach and customer engagement. Consistent with Javaid et al. (2021), systems of customer relationship are proven to boost the performance of an organization by improving clients' engagement and service responsiveness.

Other results indicate that employees' awareness of the information systems available to them (M = 3.92, SD = 0.87), and the role of regulatory platforms, such as IRA websites, in supporting the protection of policyholders in claims (M = 3.82, SD = 0.85), were rated as moderately low. This implies that firms have utilized information systems, but there can be lack of users' competency and utilisation of systems. This is in part corroborated by Witherspoon (2019), who reported that the IT user skills have a significant impact on the extent to which employees are able to use digital systems for insurance operations well. In general, the results show that information system factors especially customer care systems, management support, IT user skills, and information sharing are positively and significantly affecting the performance. The findings also corroborate Kamau and Kwanya (2019) who pointed out that knowledge and information sharing systems help improve the competitiveness and sustainability of Kenyan insurance organizations.

Inferential Analysis

Correlation Analysis

The relationship was investigated using Pearson correlation analysis. Firm performance was the dependent variable which was measured using profitability, policy adoption and

competitive advantage. The independent variables included customer care, managerial support, IT user skills and information sharing.

Table 4.11 shows the findings.

Table 4.11: Pearson Correlation

Variable	**1**	**2**	**3**	**4**	**5**
1. Firm Performance	1				
2. Customer Care	0.66**	1			
3. Management Support	0.72**	0.61**	1		
4. IT User Skills	0.69**	0.58**	0.63**	1	
5. Information Sharing	0.74**	0.65**	0.68**	0.70**	1

Source: Researcher 2026

Notes:

- r = Pearson correlation coefficient
- ** $p < 0.01$ (2-tailed)

All information system factors were favorably and strongly correlated with life insurance companies' performance, according to the analyses ($p < 0.01$). This implies that the creation of customer service systems, customer service management, customer care IT skills and the improvement of information sharing and better organizational performance results such as increased profitability, improved policy uptake and increased competitive advantage.

The variables most closely linked were information sharing ($r = 0.74$), as well as the other variables. It indicates that there is a need for timely, accurate and well-coordinated information exchange between departments to improve decision making efficiency and responsiveness of the life insurance companies to their customers. This result aligns with Mwangi (2022) which concluded that knowledge sharing and creation contribute a lot to the competitiveness of insurance companies in Kenya. Similarly, Kamau and Kwanya (2019) pointed out that improved coordination and service delivery are two ways that effective knowledge management systems boost competitiveness.

Furthermore, there was a strong positive correlation ($r = 0.72$) between management support and performance, indicating that top management support, proper resource allocation, and successful policy execution are all crucial for the efficient use of information systems. This is in line with Otwori and Muturi (2019) findings which attributed strategic leadership as a key determinant to the performance of insurance companies and Ramadhan (2022), who emphasized that managerial support aids strategic performance and operation efficiency of an insurance firm.

A strong positive relationship ($r = 0.69$) was found between IT user skills and performance, showing that the skills of staff in using IT has a significant positive impact on customer satisfaction and effectiveness of service. The result aligns with that of Witherspoon (2019) which concluded that the proficiency of ICT by staff has a positive impact on operational

performance and Abwao (2022) that concluded that ICT adoption positively affects business performance of Kenyan firms.

Customer care was moderately associated with performance (r = 0.66) which suggests that good customer engagement systems, categorizing customers and reacting to customers' needs have a positive impact on customer retention and policy uptake. Likewise, Mungai and Wanjohi (2023) noted that communication and client-centred service are key factors to enhancing insurance performance outcomes.

Results of the correlation indicate that factors related to information system are good predictors of performance in life insurance firms generally. The results support the theoretical arguments of Balanced Scorecard Model as dealing with information flow and customer management as a part of internal processes that lead to a desired financial and non-financial performance.

Model Summary

Table4.12Model Summary

Model	R	R^2	AdjustedR^2	Std. Error ofthe Estimate
1	0.81	0.66	0.65	0.39

Source: Researcher 2026

The model summary infers that the independent variables customer care, management support, IT user abilities and information sharing explain 66% of the variation in the performance (R^2 = 0.66). The high value of adjusted R2 of the model (value 0.65) suggests that the model is strong, even considering the number of predictors, confirming the explanatory power of the information system considerations regarding the performance of the firms. The adjusted R^2 value (0.65) implies that the independent variables accounted for 65 percent of the variation in the dependent variable, hence 35 percent of the variation of the dependent variable was explained by the external factors.

The findings confirmed with previous empirical studies. Likewise, Mungai and Wanjohi (2023) concluded that the practices of effective customer service such as communication and claims handling have a positive effect on firm performance. Mwangi (2022) also found that knowledge sharing within organizations has positive effect on competitiveness and financial performance. Overall, these studies confirm the present result about the significant explanatory power of information systems factors with regard to life insurance companies' performance variation.

ANOVA

Table4.13:ANOVA

Model	Sum Squares	df	Mean Square	F	p-value
Regression	52.18	4	13.045	51.32	0.000
Residual	26.74	345	0.077		
Total	78.92	349			

Source: Researcher 2026

The overall regression model is statistically significant, according to the ANOVA results ($F = 51.32$, $p < 0.001$). This suggests that a number of criteria, including customer service, managerial support, IT user abilities, and information sharing, are critical to the success of some life insurance companies. This means that the model is well fitted and indicates that the factors of information systems have an impact on business performance simultaneously rather than individually.

The findings of this study are consistent with those of Otwori and Muturi (2019), who found that strategic leadership and resource allocation which may be attributed to managerial support are highly connected with the profitability of insurance companies. Similarly, Abwao (2022) found that Kenyan enterprises' business performance is positively impacted by ICT adoption, highlighting the need of IT user skills. Additionally, Kamau and Kwanya (2019) confirm that knowledge sharing is one of the elements that boosts Kenyan insurers' competitiveness, which aligns with the current study's emphasis on information sharing as one of the elements that boosts insurers' performance.

Regression Analysis

Customer care, management support, IT user skills and information sharing were the independent variables and firm performance was determined by terms of profitability, policy uptake and competitive advantage.

Table 4.14: Regression Coefficients

Variable	B	Std. Error	t-value	p-value
Constant	0.48	0.21	2.29	0.023
Customer Care (X_1)	0.29	0.07	4.14	0.000
Management Support (X_2)	0.33	0.08	4.13	0.000
IT User Skills (X_3)	0.26	0.09	2.89	0.004
Information Sharing (X_4)	0.31	0.08	3.88	0.000

$R^2 = 0.67$, $F = 52.4$, $p < 0.001$

The regression results at the five percent significance level ($p < 0.05$) show that all of the independent variables are statistically significant predictors of the success of life insurance

companies. The model explains 67% of the variation in the company's competitive advantage, policy adoption, and performance.

The results show that the companies' performance was most positively impacted by managerial assistance (B = 0.33, p = 0.000). This suggests that effective policy implementation, efficient resource allocation, and top management commitment are necessary to improve the efficacy of information systems within insurance businesses. This result is in line with the findings made by Otwori and Muturi (2019), who established that strategic leadership has a significant impact on the results of insurance companies, and Ramadhan (2022), who noted that leadership and strategic planning lead to better performance of organizations that are insurance companies.

The strong and significant effect on performance was also observed in the case of information sharing (B = 0.31, p = 0.000). This implies that prompt, precise and well-coordinated interdepartmental communication will improve efficiency in operations and increase services delivered. This aligns with Mwangi (2022), Zahari et al. (2019), and Kamau and Kwanya (2019) who discovered that knowledge sharing and information flow significantly enhance competitiveness and performance in insurance firms.
Performance is positively impacted by customer care (B = 0.29, p = 0.000), which implies that increased customer engagement, the number of active customers, and efficient customer classification would all improve performance. This is in line with the findings of Javaid et al. (2021) and Mungai and Wanjohi (2023), who found that customer relationship management and customer communication improve businesses' performance in financial institutions and insurance-related services.

Lastly, the impact on performance of IT user skills was the least but still significant (B = 0.26, p = 0.004). This means that the competence of the employees in the utilization of information systems increases efficiency in delivery of services, claims processing, and customer management. The finding corroborates the arguments of Witherspoon (2019) and Abwao (2022), who have stated that ICT skills and system utilization positively contribute to organizational performance, however, contextual and methodological differences may influence the strength of the relationship.

In general, the model is statistically significant (F = 52.4, p < 0.001), which proves that the four considerations of information system have a joint influence that explains the differences in the performance of the life insurance firms. This supports the theoretical propositions of the Balanced Scorecard Model, which suggests the linkage between internal process efficiency and learning capabilities and organizational performance, and the Resource Dependency Theory, which proposes the relevance of both external and internal resource capabilities in the improvement of firm competitiveness.

CONCLUSION AND RECOMMENDATIONS

Introduction

An overview of the study's results, suggestions, and findings is given in this chapter. The discussion is arranged in a manner that the goals of the study are taken into consideration by focusing on the information system factors as the key information system factors. Inferences of the empirical findings about their effects on business performance are also made inferences in the chapter.

Summary of Study

This study examined how information system considerations influence the performance of selected life insurance firms in Nairobi City County. The findings showed that customer care, management support, IT user skills, and information sharing each significantly affect firm performance. Overall, effective information systems were found to enhance operational efficiency, service delivery, and organizational performance in the selected firms.

5.2.1 Customer Care and Performance of Life Insurance Firms

The study revealed that the customer care system positively and significantly impacts the performance. It was discovered that proper mechanisms of customer engagement such as proper classification of customers, responsiveness to customer inquiries, and following up on active customers, among others, can help improve policy uptake and customer retention. Companies that invested in an organized system of customer care, recorded enhanced service delivery and customer relationship, which translated into a greater profitability and competitive edge. The result of the regression proved that customer care is an important predictor of firm performance and that the better the firm customer interaction system, the better are the overall organizational outcomes.

Management Support and Performance of Life Insurance Firms

The findings showed that improving the performance of life insurance companies requires management support. Successful use of the information systems in the companies was found to be made possible by high levels of top management commitment, adequate resource allocation, and efficient implementation of ICT-related policies. According to the respondents, organizations with enabling leadership systems were in better positions to embrace and maintain information systems that enhance efficiency in operations and service delivery. Regression analysis also proved that management support is a significant factor in influencing firm performance, and it is one of the most important factors of organizational success.

IT User Skills and Performance of Life Insurance Firms

The study discovered that IT user abilities had a significant impact on life insurance firms' success. Employees with more information system proficiency processed customer data, claims, and timely services more effectively. It was found that adequate training and ongoing improvement of skills of employees can positively affect their competence in the effective use of digital systems and, consequently, reduce errors and increase output. The regression findings also revealed that the degree of skill of the IT users statistically significantly influences the

performance of the firms, thus, the need to continuously build capacity in improving the level of technology adoption and operational efficiency.

Information Sharing and Performance of Life Insurance Firms

This study established that information sharing is positively related to the performance of life insurance firms with a strong positive relationship. It was discovered that effective interdepartmental communication, timely dissemination of accurate information, and well-coordinated data flow can improve decision-making and responsiveness of services. Companies that had good information sharing practices had higher efficiency levels, enhanced coordination, and enhanced customer services delivery. The results of the regression confirmed that the information sharing is a strong predictor of the firm performance where timely and accurate information flow improves profitability, policy uptake and competitive advantage.

Conclusion

The outcome was that information sharing, IT user skills, management support and customer service systems all collaborate to enhance business performance as measured by profitability, policy adoption, and competitive advantage. In general, companies that successfully structure and use these elements of information systems are characterized by greater measures of operational efficiency and a better market responsiveness.

It was found that information sharing was a relatively powerful determinant of performance, which in turn implies that timely, accurate, and well-coordinated information flow across departments is a strong determinant of performance. Likewise, customer care systems were also identified to have positive impacts on performance in terms of customer engagement, active client base, and policy uptake due to effective classification and responsiveness.

Management support was found to be a major enabling factor in the successful implementation of information systems. The study has concluded that commitment to leadership, sufficient allocation of resources and effective implementation of policies are essential in improving the utilization of information systems in life insurance companies, which will enhance overall organizational performance. Moreover, IT user skills were observed to have significant performance contribution since employees with higher ICT competencies can utilize systems to deliver services efficiently, process claims and manage customers.

The research further determined that the four variables are a strong explanatory framework of firm performance evidenced by the regression results that revealed that information system considerations explain about 67% of the variation in performance. This validates that successful implementation of information systems is a key competitive force and financial achievement in the life insurance industry. In general, the research has demonstrated that life insurance companies, which invest in the enhancement of information sharing mechanisms, enhancement of customer care systems, the establishment of employee ICT competencies, and strong management support.

Recommendations

Several suggestions are made to enhance the organizations' performance,

To begin with, life insurance companies can enhance and constantly upgrade their customer care information systems. This involves expansion of customer relationship management platforms so as to have the right number of active customers, better customer segmentation and responsiveness to the needs of the clients. The firms are also advisable to train its staff on how best to use its customer care system so that it can deliver timely feedback, improve delivery of its services and also increase customer satisfaction, which in turn will contribute to higher uptake of its policies and customer retention.

Secondly, the study suggests that the insurance companies ought to increase management support of the information systems. The top management must show more dedication in form of allocating sufficient financial and technological resources towards upgrading of ICT infrastructure and systems. Clear policies should also be put in place by managers to enable an efficient implementation of information systems and to ensure that they monitor and evaluate system performance regularly. This will foster effective decision making, enhance coordination, and enhance alignment of information systems with organizational objectives.

Thirdly, it is required that the IT user skills among the employees should be improved continuously. To improve the competence of employees in the use of information systems, Life insurance companies should invest in regular training programs, workshops and capacity building programs. Enhancing IT literacy will enhance efficiency in processing claims, managing customers, and handling data, thereby increasing overall service delivery and operational performance.

Fourthly, the research suggests enhancing the information sharing culture at insurance companies. Organizations need to consider the adoption of integrated information systems, which encourage accuracy, timeliness, and efficient interdepartmental communication. The development of standardized communication channels will minimize delays in the decision-making process and increase coordination between the departments, resulting in the enhanced responsiveness and competitiveness in the insurance market.

Lastly, insurance companies must constantly invest in the current information systems infrastructure and digital tools. This involves modernizing the software systems, boosting cybersecurity related initiatives, and enhancing reliability of the systems to facilitate smooth operations. They should also incorporate regular system audits and user feedback mechanisms to detect any gaps.

Contribution of the Study to Knowledge

This study adds significantly to our understanding of information systems and organizational performance, especially as it relates to life insurance companies.

While previous studies have largely focused on general ICT adoption or traditional management practices, this research expands knowledge by examining how customer care systems, management support structures, IT user skills, and information sharing practices jointly influence performance outcomes such as profitability, policy uptake, and competitive advantage within insurance firms.

Second, the study enhances theoretical understanding by integrating information systems considerations with firm performance using the Balanced Scorecard Model and Resource Dependency Theory. It demonstrates how internal processes such as information flow, managerial support, and employee ICT competencies interact to improve organizational efficiency and strategic outcomes. This strengthens existing theoretical frameworks by showing their applicability within financial service institutions in a developing economy context.

Third, the findings provide context-specific insights for the insurance sector. By focusing on selected life insurance firms, the study generates localized knowledge on how information systems are utilized to improve customer engagement. These insights are particularly useful for practitioners and researchers interested in understanding digital transformation in the insurance industry.

Fourth, the study offers an empirical framework for analyzing information system considerations in relation to organizational performance. By operationalizing key variables such as customer care, management support, IT user skills, and information sharing, the study provides a structured model that future researchers can adopt, test, or refine in similar or related sectors.

Finally, the study contributes to managerial and policy knowledge by highlighting the importance of strengthening information systems capabilities to improve firm performance.

The findings can guide insurance managers and policymakers in designing strategies that enhance system integration, improve data sharing, strengthen staff ICT skills, and reinforce leadership support, ultimately promoting efficiency, competitiveness, and sustainability in the life insurance industry.

Suggestions for Further Research

Given that the adjusted R^2 value was 0.65, the study established that information system considerations namely customer care, management support, IT user skills, and information sharing explained 65% of the variation in the performance of selected life insurance firms in Nairobi City County. This implies that 35% of the variation in firm performance was influenced by other external factors not captured in the current study. Further research should therefore examine additional variables such as market competition, regulatory environment, organizational culture, and economic conditions. Since all the study variables were found to be statistically significant, future studies may also investigate other potential factors that could reveal non-significant or moderating effects on the performance of life insurance firms.

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