**School of Environmental Technology International Conference Proceedings**

ISBN: 978-978-54580-8-4

*Received: 29 May 2024; Accepted: 14 October 2024; Available online: 07 November 2024*

**Volume 1 proceedings**

# Barriers to the implementation of insurance policy for site workers' safety in construction projects in Abuja

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**Abstract**

The workplace environment in the Nigerian construction industry remains one of the most dangerous workplaces among all industries because of high number and frequency of accidents. In spite of provision of Insurance Act and availability of H&S policies with specific insurance and risk management considerations to combat high number and frequency of accidents; Insurance policy implementation for site workers' safety continues to suffer major setbacks due to poor compliance structure, ineffective implementation strategy by the insurance regulator and lack of awareness on the part of the Nigerian public. Thus, injuries, fatalities and death from construction related activities appears unabated. This study examines the barriers to the implementation of insurance policies for the safety of site workers in construction projects in Abuja, Nigeria with a view to enhancing the safety performance and productivity of construction workers on site. Survey research design was adopted and data were collected using structured questionnaires distributed to construction/insurance professionals and contractors selected within Abuja, Nigeria. Descriptive statistics was used for the analysis. The study identified several barriers under five major categories, out of which the major ones were "Lack of trust in insurance providers" (MIS = 4.56), "Low or total lack of awareness of the various insurance policies" (MIS= 4.42). "Unwillingness to pay insurance claims leading to long period taken to settle insurance related problems" (MIS = 4.24), Non or inadequate enforcement of compulsory insurance" (MIS = 4.21). Hence, it was concluded that the barriers to the implementation of insurance policy for site workers' safety on construction sites as revealed by the findings above, is high and it has a detrimental effect on the overall construction projects output if left unchecked. Thus, it was recommended that in order to improve the level of compliance with insurance policy for site workers' safety in construction sites, construction stakeholders should develop a mechanism that will adequately minimized the barriers identified by this study by using the most effective drivers to combat such barriers.

**Keywords:** Barriers, Construction Industry, Construction Projects, Implementation, Insurance Policy, Site Workers' Safety

## 1. Introduction

The construction industry is among the top industries of any nation that contribute greatly to the survival and sustenance of economic and infrastructural development (Eze *et al.,* 2020). Again, Eze *et al.* (2017) and Eze *et al.* (2020) described the construction industry as the economic prime mover and the bedrock of the survival of economies. However, despite the immense importance of the industry in bringing about rapid growth and development, its activities have been confirmed to contribute to a very high level of accidents and fatality relative to other industries (Chen *et al*., 2020; Eze *et al.,* 2020); as its reputation with reference to Occupational Health and Safety (OHS) is not pleasurable (Ameh and Farinde, 2020). This has been attributed to poor consideration for health and safety (H&S) management measures and practices in construction project delivery process (Belel & Mahmud, 2012). Thus, the construction work environment remains one of the most hazardous among all industries (Al-Kasasbeh *et al.,* 2021) and one of the most dangerous workplaces because of high number and frequency of accidents (Yaacob, 2016). Though H&S issues on construction sites are a global problem (Zhou *et al.,* 2015; Eze *et al.,* 2020), the H&S performance of construction organisations in the construction industry of Nigeria as evident in the submission of Okoye (2018) is poor. This is because of the involvement of many workers, modern methods of construction, many large and heavy plants, a great amount of materials and equipment used, complex construction operation, multi-interface, and various disciplinary aspects of its project workforce leading to higher accidents rate at construction sites (Yacoob, 2016). In the construction sector alone, around one hundred thousand workers are killed in accidents on sites every year (Ngwama, 2016). This is because the industry has a long-standing poor performance record of H&S (Eze *et al.,* 2020). This, according to Umeokafor *et al.* (2014) is attributed to the fact that the existing legislation with regards to occupational H&S in Nigeria is not functional due to poor enforcement and

lack of enacted laws governing construction activities in Nigeria. The existing ones are either for the oil and gas sector or they are for workplace environment generally. Recent studies have shown that one of the ways these accidents and its associated injuries could be reduced is through insurance (Odeyinka, 2000; Okongwu *et al*., 2021; Afonne, 2021).

Ameh and Farinde (2020) defined insurance as the business of transferring risk by means of contract. It is regarded as a contractual arrangement whereby an insurer, in return for a predetermined premium, undertakes to meet the cost of any loss which the policy holder may incur due to some specified uncertainty events occurring during the period of the insurance. Thus, the construction work environment remains one of the most hazardous among all industries (Al-Kasasbeh *et al.,* 2021) and one of the most dangerous workplaces because of high number and frequency of accidents (Yaacob, 2016). Though H&S issues on construction sites are a global problem (Zhou *et al.,* 2015; Eze *et al.,* 2020), the H&S performance of construction organisations in the construction industry of Nigeria as evident in the submission of Okoye (2018) is poor. This is because of the involvement of many workers, modern methods of construction, many large and heavy plants, a great amount of materials and equipment used, complex construction operation, multi-interface, and various disciplinary aspects of its project workforce leading to higher accidents rate at construction sites (Yacoob, 2016). In the construction sector alone, around one hundred thousand workers are killed in accidents on sites every year (Ngwama, 2016). This is because the industry has a long-standing poor performance record of H&S (Eze *et al.,* 2020). This, according to Umeokafor *et al*. (2014) is attributed to the fact that the existing legislation with regards to occupational H&S in Nigeria is not functional due to poor enforcement and lack of enacted laws governing construction activities in Nigeria. The existing ones are either for the oil and gas sector or they are for workplace environment generally. Recent studies have shown that one of the ways these accidents and its associated injuries could be reduced is through insurance (Odeyinka, 2000; Okongwu *et al*., 2021; Afonne, 2021).

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The uptake of insurance is one of the key risk management tools for mitigating the impact of construction project risks regularly posed by unsafe workplace for site workers safety (Afonne, 2021). However, While the implementation of insurance is important and widely used in developed countries, the same cannot be said about developing countries because of some challenges (Afonne, 2021). In Nigeria, compulsory insurance of buildings under construction revolve around poor compliance structure, ineffective implementation strategy by the insurance regulator and lack of awareness on the part of the Nigerian public as there is no existing insurance policy implementation framework for site workers' safety in the Nigerian construction industry. The compliance of the notable section in Insurance Act of 2003 with regards to Builders Liability Insurance – Section 64 and the like had not been satisfactory due to low enforcement of the punitive measures for non-compliance (Jimoh *et al.,* 2021). In the same vein, construction firms do not seem to understand the implication of not taking up employees' insurance (Okongwu *et al.,* 2021).

It is against this background, that this research focuses on the barriers to the implementation of insurance policy for site workers' safety in the Nigerian construction industry.

## 2. Review of Literature

### 2.1 The Concept of Insurance and Types Of Insurance Policy On Construction Site Activities

The concept of insurance has been defined by various scholars, for some as a social device, some as a contract and others as an institution. Construction insurance is a practice of exchanging a contingent claim for a fixed payment to protect the interests of parties involved in a construction project (Ameh and Farinde, 2020). Construction insurance is therefore a major method of managing risks in the construction industry. Ameh and Farinde (2020) reported that the primary function of insurance is to transfer certain risks from clients, contractors, subcontractors and other parties involved in the construction project to insurers in order to provide contingent funding in time of difficulty. Purchasing the proper insurance can be one of the most important administrative decisions a contractor will make. Odeyinka (2000) therefore classified insurance policies employed in managing construction risks as: all-risk policies, road traffic act policies, multi-risk policies and specified peril policies.

In line with the above, Ameh and Farinde (2020) identified the various insurance brands that are purchased in the construction marketplace as Builder's Liability Insurance; Builder's Risk Insurance; Equipment Floater Insurance; Key Man Insurance; Automobile Insurance; and Worker's Compensation Insurance. While, Desai and Kashiyani (2021) identified the various insurance brands that are purchased in the construction marketplace as Contractor's All Risks Insurance; Contractor Plant and Machinery Policy; Professional Indemnity Policy; Public and Product

Liability; Worker's Compensation policy; Builder's Risk Insurance; Business Interruption and Expense Insurance; Transit Insurance; Floating Marine Equipment Insurance; Property Insurance; Wrap-up Insurance; Burglary, Robbery, and Theft Insurance; Umbrella Excess Liability Insurance; Unemployment Insurance; and Terrorism Insurance. In the study of Okongwu *et al*. (2021), it was stated that in line with the provisions of the National Insurance Act 2003, the following Insurances are made compulsory directly by appropriate sections of the law: Builders Liability Insurance – Section 64; Occupiers Liability Insurance – Section 65; and Motor Third Party Liability Insurance – Section 68. It was further reported by Okongwu *et al*. (2021) that all of these insurance products mentioned are relevant to the business of any Builder who runs a contracting company and employs more than four (4) persons. Therefore, according to Okolie *et al*. (2017), Section 64 of the National Insurance Act 2003 – Builders Liability Insurance states that: No person shall cause to be constructed any building of more than two floors without insuring with a registered insurer his liability in respect of construction risks caused by his negligence or the negligence of his servants, agents or consultants which may result in bodily injury or loss of life to or damage to property of any workman on the site or any member of the public.

### 2.2 Barriers to the Implementation of Insurance Policy in Construction Projects

Health and safety (H&S) insurance facilities truly attract additional cost to the contractor while such cost is categorized as sunk cost and are irrecoverable. According to Jimoh *et al*. (2020), compliance with legislation and regulations is one of the basic requirements of both the ISO 14001 and OHSAS 18001 standards. A compliance process enables a company to be proactive and systematic in handling allegations of non- compliance. Unfortunately, there are various factors that could lead to non-compliance as identified by Jimoh *et al*. (2020). These factors are: Inadequate legal framework; Ineffective implementation strategy; Cultural factors; Low awareness level; and Lack of proper enforcement of the Act.

Inadequate Legal Framework: The legislative framework for insurance practice in Nigeria is inadequate and ineffective. The inadequacy makes it impossible to meet the needs of the fast-growing insurance industry. Often times, the law contains many unenforceable provisions.

Ineffective Implementation Strategy: Implementation is typically a critical step towards compliance, but compliance can occur without implementation; that is, without any effort or action by a government or regulated entity. There is no gainsaying the fact that economic wastages will reduce in the country if the insuring public complies with the provisions of the law on compulsory insurance covers.

Cultural Factors: Nigerians have no trust in the available insurance companies especially on claims payment which has largely resulted into low patronage. This tradition of defaulting in claims translated to some form of bad publicity for the industry and consequently, confidence in the industry is eroded significantly. In spite of the fact that the world we live is daily prone to risks, both to individual and corporate institutions, it is a matter for regret that only few Nigerians understand the value of insurance not to talk of undertaking it.

Low Awareness Level: Of critical issue is the challenge of low or total lack of awareness of the various insurance policies and the imperatives of complying with the policies. Contractors seem not aware of the importance of the need for complying with H&S insurance policies. Co-coordinated efforts on insurance education, customer help-line and consumer awareness are lacking. The target users of insurance product require serious awareness about legislation of compulsory building insurance. Therefore, there is the urgent need of government assistance to create awareness and sensitization program to keep the users informed of compulsory building insurance stipulation with the help of the insurance regulatory body.

Lack of Proper Enforcement of the Act: According to Odeyinka (2000), it is the principal responsibility of contractors in the building industry to be at the forefront of compliance with the laid down H&S policies established by insurance. However, compulsory building insurance policy has been suffering from low enforcement by the regulatory body – NAICOM and thus, low compliance by contractors. Following from this background, Ameh and Farinde (2020) summarized the major barriers to the implementation of employees' insurance in construction projects to include: Cost implication of health and safety policies; Poor management commitment; Fear of not recouping investment in health and safety facilities; Poor leadership; Absence of health and safety plan; Poor safety discipline; Absence of clearly stated safety rules; Continuity in business; Time to time replacement of health and safety facilities; and Lack of awareness.

Afonne (2021), summarised the works of several authors and reported that a key reason raised by contractors for the low interest in taking up insurance cover is the inefficiency of insurance companies in giving immediate attention and assistance in the event of uncertainties; The absence of trust and confidence in the insurance companies due to lack of knowledge about the life insurance products; The long period taken to settle insurance-related problems between contractors and insurance companies were also reported as being part of the problems facing the implementation of insurance in the construction sector. In accordance with the submissions of

Ighomirenghian (2010) in Afonne (2021), Poorly developed distribution channels resulting from brokers interference; unwillingness to pay claims as at when due; poor perception by the public; lack of the capability to secure skied workforce, poor regulations of the sector, rigidity to follow trends and development in information and communication technology, low level of investment and capabilities to manage assets are the reasons for the persistent poor performance of the insurance policy implementation. Other factors are corporate governance issues, ignorance on the part of customers on the benefits of insurance products, lack of innovation in product development, poor assets quality, unethical practices, dearth of professionals, and non-enforcement of compulsory insurance, among others. While Obasi (2010) pointed out that the clauses in insurance policy documents still carry distrust items and have been given diverse interpretations by customers is part of the problem, Akinbola (2010) opined The high cost of the premium, complex language policy, inadequate companies willing to insure, Poor premium collection, ethical issues, low liquidity, solvency problems, poor management, lack of standards, lack of integrity, low information adoption level, lack of government support, attitudes and perception towards insurance, and motivation issues; as the problems affecting the implementation of insurance by construction firms. All of the above barriers were regrouped, classified and analysed under regulatory barriers; organisational barriers, financial barriers, operational barriers and cultural barriers.

## 3. Research methodology

This study assessed the perception of construction professionals, clients, contractors and insurance experts on the barriers to the implementation of insurance policy for site workers' safety in construction projects. The study's population is composed of the top 100 construction/insurance firms registered with the Corporate Affairs Commission (CAC) with Abuja's business address. A total of one hundred and fifty (150) construction practitioners (35 contractors, 55 consultants, 35 client's representatives and 25 insurance brokers) who were directly involved in the construction projects and who were randomly selected from the CAC list, took part in the study. The study employed the use of a well-structured closed ended questionnaire, administered on the above selected construction participants in Abuja by the researchers.

The questionnaire was designed using variables obtained from a detailed literature review and it contains two sections A and B. Section A captured the respondents' profile such as type of organization; organization structure; profession; years of experience; educational qualification and professional membership and this information also served as a quality check to data obtained in section B. Section B assessed the barriers to the implementation of insurance policies for the safety of site workers in construction projects in Abuja. Section B was measured on five (5) points Likert type scale in ascending order; Where 5 is the highest scale and 1 is the lowest scale (Scale1 represents Least important or very low, 2 represents Less important or Low, 3 represents Important or Average, 4 represents Very important or High and 5 represents Extremely important or Very high respectively).

The questionnaire forms were distributed by hand to 150 respondents. Only 120 sets were returned and after careful scrutiny, 3 were considered unusable (2 were not completely filled while 1 was not well filled). This gives a response rate of 78% showing the effectiveness of hand delivery questionnaire. Analysis of the data was done using frequency analysis in the form of percentages, Relative Importance Index (RII) and mean item score (MIS).

*Table 1a: Decision rule for RII analysis*

| Scale | MIS Cut-Off Point | Interpretation | | | |
|---|---|---|---|---|---|
| | | *Level of Importance* | *Level of Adoption* | *Level of Severity* | *Level of Significance* |
| 5 | 0.81 – 0.99 | Extremely Important | Very High | Extremely Severe | Extremely Significant |
| 4 | 0.61 – 0.80 | Very Important | High | Very Severe | Very Significant |
| 3 | 0.41 – 0.60 | Important | Fair | Severe | Significant |
| 2 | 0.21 – 0.40 | Less Important | Low | Less Severe | Less Significant |
| 1 | 0.01 – 0.20 | Least Important | Very Low | Least Severe | Least Significant |

Source: Adapted and Modified from Afonne (2021)

*Table 1b: Decision rule for MIS and analysis*

| Scale | MIS Cut-Off Point | Interpretation | | | |
|---|---|---|---|---|---|
| | | *Level of Importance* | *Level of Adoption* | *Level of Severity* | *Level of Significance* |
| 5 | 4.01 - 5.00 | Extremely Important | Very High | Extremely Severe | Extremely Significant |
| 4 | 3.01 - 4.00 | Very Important | High | Very Severe | Very Significant |
| 3 | 2.01 - 3.00 | Important | Fair | Severe | Significant |
| 2 | 1.01 - 2.00 | Less Important | Low | Less Severe | Less Significant |
| 1 | 0.01 - 1.00 | Least Important | Very Low | Least Severe | Least Significant |

Source: Adapted and Modified from Shittu *et al*. (2022)

## 4. Results and discussion

A total number of one hundred and twenty (120) questionnaires out of the distributed one hundred and Fifty (150) copies were returned. This represents 80% of the total number of questionnaires distributed which shows the effectiveness of self-administration and hand delivery. However, three (3) out of the one hundred and twenty returned questionnaires were rejected and considered unusable, leaving a total balance of one hundred and seventeen (117) returned questionnaires that were analysed.

### 4.1 Respondents' profile

Primarily, this section provides simple information regarding the details of respondent in relation to the type and structure of the organization, profession, and years of experience, educational qualification and professional membership of various building and civil engineering institutions that abounds in Abuja, Nigeria as presented in the frequency analysis result in table 2 below.

#### Type of Organisation

The retrieved data of analysis from the survey questionnaire as shown in table 2 shows that approximately 64.10% of the respondents were from the public sector working in Government ministries, parastatals, organization and institutions in Abuja while approximately 35.90% of the respondents were from the private sector.

#### Type of Respondents

The results from table 2 also shows that approximately 21.36% of the respondents were client representatives; 33.33% were from consultants, 28.21% were contractors and 17.09% were Insurance agents in terms of the types of the sampled respondents. This shows a fair representation of the parties involved in insurance in construction.

#### Profession

On information regarding the profession of the sampled respondents, the result in table 2 shows that approximately 17.09% were architects, 36.75% were Quantity Surveyors, 14.53% were Civil Engineers, 5.99% were Builders. While, 7.69% were Services Engineers and 17.95% of the sampled respondents were Insurance Brokers.

#### Years of Experience

On information regarding the years of working experience of respondents in the construction industry; the result of analysis revealed that 7.70% had less than 5 years working experience, 37.60% had 6-10 years working experience, 35.00% had 11-15 years working experience and 19.70% had above 15 years working experience. This implies that the respondents have enough experience in construction-related businesses.

#### Educational Qualification

Table 1 indicates that 16.24% had National diploma, 47.86% had HND / BSc. / B. Tech, 29.91% had MSc. / M. Tech and 5.98% had Ph.D. This implies that the respondents have the requisite educational qualification to contribute to this study.

#### Professional membership

On information regarding the professional membership of the sampled respondents, the results indicate that 82.91% were registered/corporate members of their various professional institutions, 17.09% were probationer members of their various professional institutions in the construction industry. This indicates that the respondents are professionally qualified to objectively aid in meeting the subject of this study.

*Table 2: demographic information of the respondents*

| S/N | Respondents' information | Frequency | Percentage |
|---|---|---|---|
| **1** | **Type of Organization** | | |
| A | Public | 75 | 64.10% |
| B | Private | 42 | 35.90% |
| | | | |
| **2** | **Type of Respondents** | | |
| A | Client | 25 | 21.36% |
| B | Consultant | 39 | 33.33% |
| C | Contractor | 33 | 28.21% |

| | | | |
|---|---|---|---|
| D | Insurance agents | 20 | 17.09% |
| | | | |
| **3** | **Profession** | | |
| A | Architect | 20 | 17.09% |
| B | Quantity Surveyor | 43 | 36.75% |
| C | Civil Engineer | 17 | 14.53% |
| D | Builder | 7 | 5.99% |
| E | Services Engineer | 9 | 7.69% |
| F | Insurance Broker | 21 | 17.95% |
| | | | |
| **4** | **Years of Experience** | | |
| A | Less than 5 years | 9 | 7.70% |
| B | 6 – 10 years | 44 | 37.60% |
| C | 11 – 15 years | 41 | 35.00% |
| D | Above 15 years | 23 | 19.7% |
| | | | |
| **5** | **Educational Qualification** | | |
| A | OND | 19 | 16.24% |
| B | HND / BSc. / B. Tech | 56 | 47.86% |
| C | MSc / M. Tech | 35 | 29.91% |
| D | Ph. D | 7 | 5.98% |
| | | | |
| **6** | **Professional Status** | | |
| A | Corporate/Registered | 97 | 82.91% |
| B | Probationer | 20 | 17.09% |
| | **Total** | **117** | **100%** |

Source: Field survey (2024).

### 4.2 Analysis of the barriers to the implementation of insurance policy in construction projects

Table 2 present the analysis on the barriers to the implementation of insurance policy in construction projects. The barriers were sub divided into five sections namely: Regulatory barriers; Organisational barriers; Financial barriers; Operational barriers and Cultural barriers.

The result from the analysis on *Regulatory barriers* shows that non or inadequate enforcement of compulsory insurance with RII of 0.843 was the most important barrier as it was ranked first with MIS of 4.214. The second most important barrier with RII of 0.826 and MIS of 4.128 is Poor or lack of clear regulations, guidelines and standards. This was followed by unethical practices including corruption and bureaucratic delays with RII 0.786 and MIS 3.932. Complexity in policy terms and conditions came fourth with RII of 0.749 and MIS of 3.744 while Inadequate infrastructure with RII of 0.744 and MIS of 3.718 was ranked the fifth most important barrier. Complexity in regulatory compliance with RII of 0.508 and MIS of 2.538 was ranked the sixth most important barrier while Lack of government support with RII of 0.458 and MIS of 2.291 came seventh and corporate governance issues with RII of 0.405 and MIS of 2.026 was ranked the 8$^{th}$ most important barrier to the implementation of insurance policy in construction projects. This implies that the respondents agreed that non or inadequate enforcement of compulsory insurance with Poor or lack of clear regulations, guidelines and standards as barriers to the implementation of insurance policy in construction projects in Abuja are very high since their MIS is between 4.01 to 5.00. The results also show that unethical practices including corruption and bureaucratic delays; Complexity in policy terms and conditions and Inadequate infrastructure as barriers to the implementation of insurance policy in construction projects in Abuja are high since their MIS is between 3.01 to 4.00. While the results of Lack of government support and that of corporate governance issues as barriers to the implementation of insurance policy in construction projects in Abuja proves them to be average since their MIS is between 2.01 to 3.00. The average RII of 0.665 indicates that all factors on regulatory barriers are important since their average MIS value of 3.324 is High.

On *Organisational barriers*, Low or total lack of awareness of the various insurance policies with RII of 0.884 and MIS of 4.419 was ranked first. Lack of awareness and understanding of insurance benefit with RII of 0.879 and MIS of 4.393 was ranked second. Insufficient risk management expertise with RII of 0.817 and MIS of 4.085 came third. And Poor management commitment with RII of 0.803 and MIS of 4.017 was ranked fourth while Poor leadership with RII of 0.779 and MIS of 3.897 was ranked fifth and Lack of integrity with RII of 0.769 and MIS of 3.846 was ranked sixth. Poor assets quality with RII of 0.733 and MIS of 3.667came seventh. While motivational issues with

RII of 0.617 and MIS of 3.085 was ranked eighth; Inadequate communication between stakeholders with RII of 0.576 and MIS of 2.880 was ranked ninth and Dearth of professionals with RII of 0.564 and MIS of 2.821 was ranked tenth. This result implies that Low or total lack of awareness of the various insurance policies; Lack of awareness and understanding of insurance benefit; Insufficient risk management expertise and Poor management commitment as barriers to the implementation of insurance policy in construction projects in Abuja are very high since their MIS is between 4.01 to 5.00. The results of Poor leadership; Lack of integrity; Poor assets quality and Motivational issues as barriers to the implementation of insurance policy in construction projects in Abuja are high since their MIS is between 3.01 to 4.00 while the results of Inadequate communication between stakeholders and that of Dearth of professionals as barriers to the implementation of insurance policy in construction projects in Abuja, proves that they are average since their MIS is between 2.01 to 3.00. The average RII of 0.716 indicates that all factors on organisational barriers are important since their average MIS value of 3.579 is High.

On *Financial barriers*; the respondents ranked High premium cost with RII of 0.781and MIS of 3.906 as first, this was followed closely by Inadequate funding for risk management with RII of 0.778 and MIS of 3.889 which was ranked second. Poor premium collection with RII of 0.764 and MIS of 3.821 was ranked third. Limited budg*et al*location of insurance with RII of 0.697 and MIS of 3.487 came fourth and Cost implication of health and safety issues with RII of 0.564 and MIS of 2.821 was ranked fifth while Low level of investment and capabilities to manage assets with RII of 0.559 and MIS of 2.795 was ranked sixth. This mean that High premium cost; Inadequate funding for risk management; Poor premium collection and Limited budg*et al*location of insurance as barriers to the implementation of insurance policy in construction projects in Abuja are high since their MIS is between 3.01 to 4.00 while Cost implication of health and safety issues and Low level of investment and capabilities to manage assets are at average level since their MIS is between 2.01 to 3.00. The average RII of 0.691 indicates that all factors on financial barriers are also important since their average MIS value of 3.453 is High.

On *Operational barriers;* the result shows that Unwillingness to pay insurance claims leading to long period taken to settle insurance related problems with RII of 0.848 and MIS value of 4.239 was ranked first by the respondents. Difficulty in identifying and assessing risks was ranked second with RII of 0.809 and MIS value of 4.043. This is followed by High-cost implication of health and safety policies with a RII of 0.783 and MIS value of 3.915 which was ranked third. Rigidity to follow trends and developments in information/communication technology with a RII value of 0.764 and MIS value of 3.821 was ranked fourth. Inadequate documentation and record keeping with RII value of 0.762 and MIS value of 3.812 came fifth while Lack of innovation in product development with a RII value of 0.562 and MIS value of 2.812 was ranked sixth and Limited access to foreign insurance market with a RII value of 0.559 and MIS value of 2.895 was ranked seventh. This implies that Unwillingness to pay insurance claims leading to long period taken to settle insurance related problems and Difficulty in identifying and assessing risks as barriers to the implementation of insurance policy in construction projects in Abuja are very high since their MIS value is between 4.01 to 5.00. While, High cost implication of health and safety policies; Rigidity to follow trends and developments in information/communication technology and Inadequate documentation and record keeping were rated high by the respondents as barriers to the implementation of insurance policy in construction projects in Abuja since their MIS is between 3.01 to 4.00. Lack of innovation in product development and Limited access to foreign insurance market were rated as barriers to the implementation of insurance policy having average presence in construction projects in Abuja since their MIS is between 2.01 to 3.00. The average RII of 0.727 indicates that all factors on operational barriers are important since their average MIS value of 3.634 is High.

On *Cultural barriers;* Lack of trust in insurance providers with a RII value of 0.911 and MIS value of 4.556 was ranked first. Customers ignorance on the benefits of insurance products with a RII value of 0.867 and MIS value of 4.333 came second while Lack of safety culture with a RII value of 0.750 and MIS value of3.752 was ranked by the respondents as third. Poor attitude and perception towards insurance with a RII value of 0.733 and MIS value of 3.667 came fourth. Risk tolerance and complacency with a RII value of 0.720 and MIS value of 3.598 was ranked fifth. While Resistance to change with a RII value of 0.706 and MIS value of 3.530 was ranked sixth. This implies that Lack of trust in insurance providers with Customers ignorance on the benefits of insurance products as barriers to the implementation of insurance policy in construction projects in Abuja were ranked by the respondents as very high since their MIS values are between 4.01 to 5.00. While lack of safety culture; Poor attitude and perception towards insurance; Risk tolerance and complacency as while as Resistance to change were rated high by the respondents as barriers to the implementation of insurance policy in construction projects in Abuja since their MIS is between 3.01 to 4.00. The average RII of 0.781 indicates that all factors on cultural barriers are also important since their average MIS value of 3.906 is High.

*Table 3: Analysis on the Barriers to the Implementation of Insurance Policy in Construction Projects*

| Code No. | Barriers to the Implementation of Insurance Policy in Construction Projects | RII | MIS | Rank |
|---|---|---|---|---|
| **1** | **Regulatory barriers** | | | |
| **RB1** | Non or inadequate enforcement of compulsory insurance | 0.843 | 4.214 | 1st |
| **RB2** | Poor or lack of clear regulations, guidelines and standards | 0.826 | 4.128 | 2nd |
| **RB3** | Unethical practices including corruption and bureaucratic delays | 0.786 | 3.932 | 3rd |
| **RB4** | Complexity in policy terms and conditions | 0.749 | 3.744 | 4th |
| **RB5** | Inadequate infrastructure | 0.744 | 3.718 | 5th |
| **RB6** | Complexity in regulatory compliance | 0.508 | 2.538 | 6th |
| **RB7** | Lack of government support | 0.458 | 2.291 | 7th |
| **RB8** | Corporate governance issues | 0.405 | 2.026 | 8th |
| | **Average RII/MIS** | **0.665** | **3.324** | |
| | **Organisational barriers** | | | |
| **OB1** | Low or total lack of awareness of the various insurance policies | 0.884 | 4.419 | 1st |
| **OB2** | Lack of awareness and understanding of insurance benefits | 0.879 | 4.393 | 2nd |
| **OB3** | Insufficient risk management expertise | 0.817 | 4.085 | 3rd |
| **OB4** | Poor management commitment | 0.803 | 4.017 | 4th |
| **OB5** | Poor leadership | 0.779 | 3.897 | 5th |
| **OB6** | Lack of integrity | 0.769 | 3.846 | 6th |
| **OB7** | Poor asset quality | 0.733 | 3.667 | 7th |
| **OB8** | Motivational issues | 0.617 | 3.085 | 8th |
| **OB9** | Inadequate communication between stakeholders | 0.576 | 2.880 | 9th |
| **OB10** | Dearth of professionals | 0.564 | 2.821 | 10th |
| | **Average RII/MIS** | **0.716** | **3.579** | |
| | **Financial barriers** | | | |
| **FB1** | High premium cost | 0.781 | 3.906 | 1st |
| **FB2** | Inadequate funding for risk management | 0.778 | 3.889 | 2nd |
| **FB3** | Poor premium collection | 0.764 | 3.821 | 3rd |
| **FB4** | Limited budg*et al*location of insurance | 0.697 | 3.487 | 4th |
| **FB5** | Cost implication of health and safety issues. | 0.564 | 2.821 | 5th |
| **FB6** | Low level of investment and capabilities to manage assets | 0.559 | 2.795 | 6th |
| | **Average RII/MIS** | **0.691** | **3.453** | |
| | **Operational barriers** | | | |
| **OpB1** | Unwillingness to pay insurance claims leading to long period taken to settle insurance related problems | 0.848 | 4.239 | 1st |
| **OpB2** | Difficulty in identifying and assessing risks | 0.809 | 4.043 | 2nd |
| **OpB3** | High cost implication of health and safety policies | 0.783 | 3.915 | 3rd |
| **OpB4** | Rigidity to follow trends and development in information / communication technology | 0.764 | 3.821 | 4th |
| **OpB5** | Inadequate documentation and record keeping | 0.762 | 3.812 | 5th |
| **OpB6** | Lack of innovation in product development | 0.562 | 2.812 | 6th |
| **OpB7** | Limited access to foreign insurance market | 0.559 | 2.895 | 7th |
| | **Average RII/MIS** | **0.727** | **3.634** | |
| | **Cultural barriers** | | | |
| **CB1** | Lack of trust in insurance providers | 0.911 | 4.556 | 1st |
| **CB2** | Ignorance on the part of customers on the benefits of insurance products | 0.867 | 4.333 | 2nd |
| **CB3** | Lack of safety culture | 0.750 | 3.752 | 3rd |
| **CB4** | Poor attitude and perception towards insurance | 0.733 | 3.667 | 4th |
| **CB5** | Risk tolerance and complacency | 0.720 | 3.598 | 5th |
| **CB6** | Resistance to change | 0.706 | 3.530 | 6th |
| | **Average RII/MIS** | **0.781** | **3.906** | |

Source: Field survey (2024).

## 5. Conclusion

The aim of this research work is to assess the perception of construction experts on the barriers to the implementation of insurance policy for site workers' safety in construction projects in in Abuja. In achieving this objective, extensive literature review of former writers in this field was undertaken and their various Barriers to the implementation of insurance policy were collated, sieved, reorganized and adapted for use. Thus, the data collected were subjected to examination by 117 respondents and the major findings pointed to the facts that Unwillingness to pay insurance claims leading to long period taken to settle insurance related problems; Lack of trust in insurance providers; Non or inadequate enforcement of construction insurance; Low or total lack of awareness of the various insurance policies; Poor management commitment; Lack of awareness and understanding of insurance benefits among others were the major barriers to the implementation of insurance policy in construction projects in Abuja, Nigeria. Thus, it is concluded that the barriers to the implementation of insurance policy for site workers' safety on construction sites as revealed by the findings above, is significant and it has a detrimental effect on the overall construction projects output if left unchecked. This is because, all the average MIS of this study are High and the RII of the study indicates very significant values.

Since insurance cover is very important in the delivery of all construction projects as it offers a level of protection to site operatives in the event of any eventualities; It is recommended that existing insurance policies and insurance institutions should be strengthened by Government to ensure that implementation and compliance are strictly followed and monitored. Customer sensitisation of the various insurance products, most especially on life insurance of site workers should be prioritized by insurance institutions so as to continue to build trust and confidence in the customers of insurance companies. There should be continuous training of insurance agents on the latest world best practices and techniques of handling uncertainties, speedily and effectively by the various insurance institutions. In addition, Insurance experts should develop a strategy that will address the issue of high premium cost so that adequate stringent steps are taken to ensure adequate rates are charged.

Since insurance cover provides protection; this study will benefit construction clients, contractors, site workers and other stakeholders that are impacted by the outcome of construction projects.

This study is very important as it adds to the scarce existing studies on insurance policy implementation in Nigerian and by extension other developing nations of the world. This study is limited to Abuja only. Further research should cover other major construction project cities in Nigeria or the entire country in order to be able to generalize the findings.

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