AI-Driven Workforce Reskilling and Organizational Performance of Insurance Companies in South-South Nigeria

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Abstract
This study examined the relationship between AI-driven workforce reskilling and organisational performance among insurance companies in South-South Nigeria. A cross-sectional survey research design was adopted, with primary data collected through structured questionnaires. The study population comprised 20 selected insurance companies in South-South Nigeria, and a census sampling technique was employed. The respondents consisted of managers from the selected companies. AI-driven workforce reskilling served as the predictor variable, while organisational performance was measured using operational efficiency, service quality, and innovation performance. The instrument's validity was established through academic supervisors' assessments, while reliability was confirmed using Cronbach's alpha coefficients exceeding 0.70. The hypotheses were tested using Spearman's rank-order correlation at a 0.05 significance level. The findings revealed significant relationships between AI-driven workforce reskilling and all three dimensions of organisational performance. The study concluded that AI-driven workforce reskilling significantly predicts organisational performance among insurance companies in South-South Nigeria. The study recommended that insurance companies establish continuous AI reskilling programmes to equip employees with practical competencies in AI-enabled systems, data analytics, automation, and digital process management. Companies should also provide targeted training in AI applications for customer relationship management, claims processing, customer enquiries, and personalised service delivery. Furthermore, insurance companies should develop structured AI innovation and reskilling initiatives that encourage employees to explore emerging technologies and generate innovative ideas for insurance products, operational processes, and service delivery.

Keywords: *AI-Driven Workforce Reskilling, Organizational performance, Operational Efficiency, Service Quality and Innovation Performance*

1.0 Introduction

The need for workforce reskilling is particularly significant because AI does not simply eliminate existing jobs; it also changes the tasks, competencies and responsibilities associated with existing jobs. Employees increasingly need to understand digital technologies, interpret data, work with AI systems and exercise human judgement in areas where technology provides automated recommendations. The World Economic Forum (2025) reports that 77% of employers globally plan to reskill or upskill their existing workforce in response to AI, making workforce reskilling one of the major organisational responses to AI-driven transformation. The report also identifies skills gaps as one of the major barriers to business transformation.

The insurance industry provides an important context for examining AI-driven workforce reskilling because insurance companies operate in a highly information-intensive environment. Insurance organisations depend heavily on data for underwriting, risk assessment, claims management, customer profiling, pricing and fraud detection. AI can process and analyse such information at a speed and scale that may exceed traditional human-based processes. The increasing application of AI therefore has implications not only for technological infrastructure but also for the capabilities of employees who interact with these systems. The National Association of Insurance Commissioners notes that AI is being used across insurance activities including underwriting, pricing, customer service, claims handling, marketing and fraud detection. The transformation of insurance work consequently creates a need for organisations to develop employees whose competencies correspond with emerging technological requirements. Workforce reskilling can be understood as the process through which employees acquire new knowledge, competencies and capabilities that enable them to perform existing or emerging roles under changing organisational and technological conditions. In an AI-enabled insurance environment, reskilling may involve developing employees' digital literacy, data analytical capabilities, AI literacy, technological problem-solving skills and ability to collaborate effectively with AI systems. Reskilling is therefore not merely a training activity but a strategic workforce-management mechanism through which organisations can align employee capabilities with technological transformation.

Evidence from the Nigerian insurance industry indicates that this issue deserves particular attention. Ganiyu, Aina, and Oloriegbe (2023), in their study of the Nigerian insurance industry, found that digital transformation was creating significant changes in insurance workforce skill requirements. Their study identified cybersecurity, customer relationship management, digital marketing, agile development and user-experience design among important emerging skills. They also reported concerns regarding the adequacy of existing workforce skills, training investment and the ability of insurance companies to attract and retain the required talent. These findings suggest that technological transformation may be progressing faster than the development of the workforce capabilities needed to exploit it effectively.

The South-South region of Nigeria presents an important setting for examining this issue. The region contains a substantial concentration of economic activities associated with the oil and gas sector, commerce, transportation, maritime activities and financial services. Insurance companies operating within this environment provide services to individuals and organisations whose operations are increasingly becoming digitally enabled. Consequently, insurance companies in states such as Rivers, Delta, Akwa Ibom, Cross River, Bayelsa, Edo and Edo's neighbouring economic markets face the need to provide responsive, technology-enabled and data-driven insurance services. The effectiveness of these organisations may increasingly depend on whether their employees possess the competencies required to operate in an AI-supported environment.

Organisational performance is therefore an important outcome in examining AI-driven workforce reskilling. Organisational performance refers broadly to the extent to which an organisation achieves its intended objectives through effective utilisation of its resources and capabilities. In insurance companies, performance may be reflected through operational efficiency, service quality, productivity, innovation, customer satisfaction and financial outcomes. AI may potentially improve organisational performance through automation, faster data processing, improved risk analysis and enhanced decision support. However, the availability of AI technology does not necessarily guarantee improved organisational performance if employees lack the capabilities to use, interpret and manage such technologies effectively.

This makes workforce reskilling an important link between technological investment and organisational performance. An insurance company may invest substantially in AI-based underwriting, claims management or customer-service technologies, but the expected organisational benefits may be constrained when employees lack the skills necessary to interact effectively with those systems. Conversely, employees who are appropriately reskilled may be better positioned to integrate AI into their work, identify opportunities for process improvement, interpret AI-generated information and make informed decisions. Thus, the effectiveness of AI adoption may depend partly on the organisation's capacity to develop a workforce capable of working alongside AI.

Recent evidence from the Nigerian banking sector provides further support for this argument. Ronnie et al. (2026), in a study of 765 respondents from Nigerian Deposit Money Banks, found relatively high adoption of AI-driven HRM practices, including AI-driven training and development and AI-driven performance management, and examined their relationship with employee performance. Previous studies by Obibhunun and Bassey (2026) have demonstrated the growing relevance of artificial intelligence in human resource management, particularly in performance management and organisational resilience. Similarly, Obibhunun (2022) established the importance of human capital investment in improving organisational performance. These studies provide a basis for further examining how AI-driven workforce reskilling can contribute to organisational performance in contemporary organisations. The study demonstrates that AI-driven HR practices are becoming relevant to workforce management in Nigerian organisations. Although banking differs from insurance, the finding provides contextual evidence that AI-enabled HR practices are becoming increasingly important within Nigeria's financial-services sector.

AI-driven workforce reskilling uses AI to identify skill gaps, personalize learning, and equip employees with competencies to meet evolving job and organizational demands (Samuel, 2025). Therefore, AI-driven workforce reskilling can be viewed as a strategic HRM response to technological transformation. It involves using AI-informed approaches to identify emerging skill gaps, personalise learning, analyse employee competencies, recommend relevant training and continuously align employee capabilities with changing organisational requirements. This approach moves reskilling beyond conventional, generalised training programmes towards a more data-driven and targeted development process. In the insurance industry, such an approach could potentially enable companies to identify employees whose skills are becoming obsolete and provide targeted opportunities for developing competencies required by AI-enabled insurance operations.

The relationship between AI-driven workforce reskilling and organisational performance therefore deserves empirical investigation. While existing literature has established the importance of digital transformation, AI adoption and workforce skills, less attention has been given to how AI-driven reskilling of employees relates specifically to organisational performance within insurance

companies in South-South Nigeria. The study is consequently positioned to examine whether AI-driven approaches to workforce reskilling are associated with improvements in the performance of insurance companies and to provide evidence that can inform strategic human resource management in the Nigerian insurance sector.

2.0 Statement of the Problem

The rapid adoption of artificial intelligence is changing the nature of work and the skills required by employees across industries. Insurance companies are particularly exposed to this transformation because their operations depend extensively on data, information processing, risk assessment, customer interaction and decision-making. AI is increasingly being applied to underwriting, claims management, fraud detection, pricing and customer service, thereby changing the tasks traditionally performed by insurance employees. While these technologies may provide opportunities for improved efficiency and service delivery, they also create a workforce challenge: employees must acquire new competencies to remain effective in AI-enabled work environments. The central problem is that technological adoption may advance faster than workforce capability development. The World Economic Forum (2025) estimates that 39% of existing worker skills could be transformed or become outdated between 2025 and 2030 and reports that 77% of employers intend to reskill or upskill their workforce in response to AI. This creates a strategic challenge for organisations because failure to reskill employees may result in skill gaps, ineffective utilisation of technological investments, employee displacement and difficulties in achieving expected improvements in organisational performance.

The problem is particularly relevant to the Nigerian insurance industry. Ganiyu et al. (2023) found evidence of significant changes in the skills and workforce requirements of the Nigerian insurance industry as a result of digital transformation. Their study identified several emerging digital competencies while also reporting concerns about the adequacy of existing workforce skills and training investments. This suggests that Nigerian insurance companies may face a mismatch between the technological capabilities being introduced into their operations and the competencies available within their workforce.

The situation may be more challenging in the South-South region, where insurance companies operate within a complex business environment characterised by substantial commercial, industrial, energy, maritime and service-sector activities. Employees are increasingly expected to provide faster, more accurate and technology-enabled services. Where employees do not possess adequate AI, digital, analytical and problem-solving competencies, the benefits expected from technological investment may not be fully realised. Consequently, the issue is not simply whether insurance companies acquire AI technologies, but whether their workforce is sufficiently reskilled to work effectively with those technologies. Another aspect of the problem concerns organisational performance. Although AI has the potential to improve efficiency, productivity, decision-making and service delivery, technology alone does not automatically translate into improved organisational outcomes. The value generated by AI depends partly on employees' ability to understand, use and integrate the technology into organisational processes. An organisation may therefore experience limited performance improvements when AI systems are introduced without corresponding investments in workforce reskilling.

Furthermore, existing Nigerian studies have tended to focus on digital transformation, technology adoption or the general importance of digital skills, while relatively limited empirical attention has been directed specifically at AI-driven workforce reskilling and organisational performance in insurance companies in South-South Nigeria. The study by Ganiyu et al. (2023), for example,

provides useful evidence of changing workforce skill requirements in the Nigerian insurance industry, but its geographical focus was Lagos State rather than the South-South region. This creates a contextual gap that warrants further investigation.

There is also a conceptual gap concerning how AI can be used not merely as a technology for automating insurance processes but as an instrument for identifying and addressing workforce skill gaps. The increasing importance of AI and big-data skills, combined with the growing demand for technological literacy, analytical thinking, flexibility and lifelong learning, suggests that conventional approaches to employee training may require significant transformation. However, insufficient empirical evidence exists on whether AI-driven approaches to workforce reskilling are associated with improved organisational performance among insurance companies operating in South-South Nigeria. The problem addressed by this study, therefore, is the uncertainty concerning the extent to which AI-driven workforce reskilling contributes to organisational performance of insurance companies in South-South Nigeria. Specifically, it is necessary to determine whether developing employees' AI-related and digitally relevant competencies through systematic, technology-informed reskilling translates into better organisational outcomes. Addressing this problem will provide empirical evidence for insurance managers, HR professionals, regulators and other stakeholders on how workforce development can be aligned with AI-driven transformation in the Nigerian insurance industry.

3.0 Conceptual framework

Conceptual Framework is a structured outline that identifies and defines the key concepts, variables, and relationships within a study, providing a foundation for understanding the research focus and guiding data collection and analysis (Ravitch & Riggan, 2017). The conceptual framework as presented in Figure 1.1. in left shows the relationships between predictive variables and its dimension, while on the right hand is the criterion variables, and its measured below.

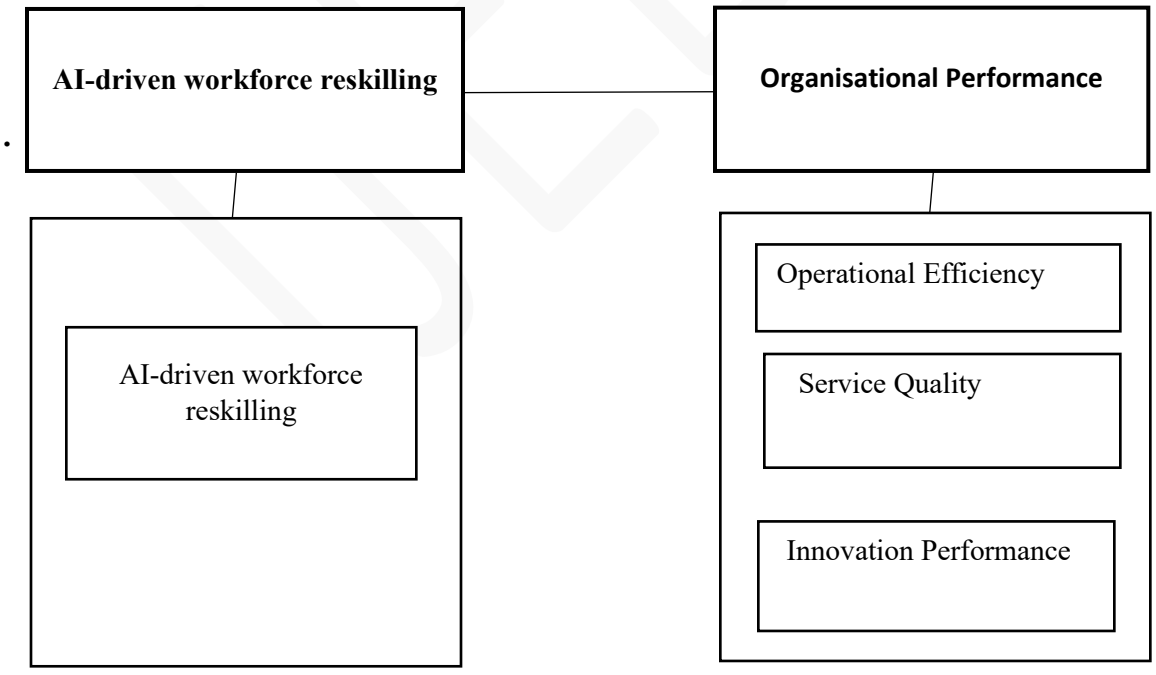


Figure 1.1 Conceptual Framework AI-Driven Workforce Reskilling and Organisational Performance of Insurance Companies in South-South Nigeria

Source: Conceptualized by Researcher (2026) based on the dimensions of AI-Driven Workforce Reskilling sourced from Mandago (2019) and the measures of Organisational Performance of Insurance Companies were sourced from McNamara (2016).

4.0 Purpose of the Study

The purpose of this study is to examine the relationship between AI-driven workforce reskilling and organisational performance in insurance companies in South-South Nigeria

The specific objectives were thus:

i. Examine the relationship between AI-driven workforce reskilling and operational efficiency in insurance companies in South-South Nigeria.
ii. Examine the relationship between AI-driven workforce reskilling and service quality in insurance companies in South-South Nigeria
iii. Examine the relationship between AI-driven workforce reskilling and Innovation performance in insurance companies in South-South Nigeria.

5.2 Research Hypotheses

Base on the above research questions the following null hypotheses were formulated for validation or refutation of the problem under investigation.

Ho_1: There is no significant relationship between AI-driven workforce reskilling and operational efficiency in insurance companies in South-South Nigeria.

Ho_2: There is no significant relationship between AI-driven workforce reskilling and service quality in insurance companies in South-South Nigeria

Ho_3: There is no significant relationship between AI-driven workforce reskilling and Innovation performance in insurance companies in South-South Nigeria

6.1 Literature Review

Theoretical Foundation

Resource-Based View (RBV)

Human Capital Theory

Human Capital Theory, principally developed by Becker (1964), views employees' knowledge, skills, competencies, and abilities as forms of capital in which organisations can invest to generate economic and organisational returns. According to the theory, education, training, and skills development increase employees' productive capabilities, which can subsequently improve individual and organisational outcomes (Becker, 1964).

AI-driven workforce reskilling represents a contemporary extension of this logic. Rather than relying exclusively on conventional training approaches, organisations can employ AI technologies to analyse employee competencies, identify skill deficiencies, recommend personalised learning pathways, and provide adaptive learning experiences. These processes can facilitate continuous development of human capital in response to technological and environmental changes. The relevance of Human Capital Theory to organisational performance lies in the assumption that improved employee capabilities can increase the efficiency and effectiveness with which organisational tasks are performed. Reskilled employees may be more capable of using emerging technologies, solving complex problems, adapting to new work processes, and contributing to innovation. Consequently, investment in AI-supported reskilling can potentially translate into improved productivity, operational effectiveness, innovation, and other dimensions of organisational performance (Becker, 1964; Crook et al., 2011).

6.2 Dynamic Capabilities Theory

The Dynamic Capabilities Theory developed by Teece et al. (1997) provides another important theoretical foundation for the study. Dynamic capabilities refer to an organisation's ability to integrate, build, and reconfigure internal and external competencies in response to rapidly changing environments. In contemporary organisations, technological developments, particularly AI and automation, continuously change the nature of jobs and the skills required to perform them. AI-driven workforce reskilling can support an organisation's dynamic capabilities by enabling it to identify emerging skill requirements and rapidly develop employees to meet those requirements. Instead of treating employee skills as static resources, organisations can continuously renew their workforce capabilities. This is particularly important where technological changes make existing knowledge and skills obsolete or less relevant. From this perspective, reskilling enables organisations to sense emerging skill and technological requirements, seize opportunities through employee development, and reconfigure workforce capabilities to support changing business processes. These activities can strengthen organisational adaptability and responsiveness and may consequently contribute to improved organisational performance (Teece et al., 1997; Teece, 2007 & Samuel 2024). For insurance companies in South-South Nigeria, this theoretical argument is particularly relevant because technological transformation is changing the skills required for underwriting, claims management, customer service, risk assessment, fraud detection, data analysis, and other insurance activities. AI-driven reskilling can therefore be viewed as a mechanism through which insurance organisations develop workforce capabilities that may support improved organisational performance.

6.3 AI-Driven Workforce Reskilling

In simple terms: AI-driven workforce reskilling means using AI to determine what employees need to learn, provide or recommend the appropriate learning, and prepare them with new skills for changing organisational work. Reskilling generally involves helping employees acquire new knowledge and competencies that enable them to perform different or substantially changed roles, particularly when technological or organisational changes make existing skills less relevant. The World Economic Forum (2025) identifies skills disruption and technological change, including AI, as major factors increasing the need for workforce upskilling and reskilling.

AI makes reskilling more data-driven and personalised. For example, AI systems can analyse employees' current competencies and job requirements to identify skill gaps and recommend appropriate learning activities. AI can also provide personalised learning content, monitor employees' progress, generate learning materials, and identify emerging skills that organisations may need in the future. This can help organisations develop their workforce more efficiently and align employee capabilities with changing business requirements (Teece, 2007).

6.4 Organisational Performance

Organisational performance refers to the extent to which an organisation achieves its established goals and objectives through the effective and efficient utilisation of its available resources. It reflects how well an organisation converts its human, financial, technological, and other resources into desired outcomes. According to Richard et al. (2009), organisational performance encompasses outcomes that measure the effectiveness and efficiency of an organisation as well as its ability to achieve relevant objectives. Organisational performance is a multidimensional concept because organisational success cannot be adequately assessed using only financial outcomes. Venkatraman and Ramanujam (1986) explain that organisational performance can

include both financial and operational dimensions. Financial performance may involve profitability, sales growth, and return on investment, while operational performance may include productivity, product or service quality, market performance, and innovation.
In the context of AI-driven workforce reskilling, organisational performance represents the outcomes that may result when organisations continuously develop employees' skills to meet technological and changing business requirements. When employees acquire relevant competencies through AI-supported reskilling, they may be better equipped to use emerging technologies, solve work-related problems, improve processes, and respond to customer needs. These improvements can contribute to organisational effectiveness and efficiency (Becker, 1964; Barney, 1991).

6.5 Operational Efficiency

Operational efficiency refers to an organisation's ability to produce goods or deliver services effectively while making the best possible use of available resources such as employees, time, technology, materials, and finances. It focuses on how well organisational processes convert inputs into outputs while minimising unnecessary costs, delays, waste, and errors. According to Drucker (1994), efficiency is concerned with doing things correctly and making effective use of organisational resources, while effectiveness focuses on doing the right things. Operational efficiency therefore emphasises the improvement of organisational processes so that desired outputs can be achieved with fewer resources or within a shorter period. Porter (1985) explains that organisational activities and processes are important sources of competitive advantage. Improving the way activities are performed can reduce costs, improve service delivery, and create greater value for customers. Thus, operational efficiency can be enhanced when organisations redesign processes, improve employee competencies, adopt appropriate technologies, and eliminate activities that do not add value.

6.6 Service Quality

Service quality refers to the extent to which a service delivered by an organisation meets or exceeds customers' expectations and satisfies their needs. It reflects customers' perceptions of how effectively, reliably, promptly, and professionally an organisation provides its services. Parasuraman et al. (1988) describe service quality as the customer's assessment of the overall excellence or superiority of a service. Service quality is particularly important in service-oriented organisations because customers generally evaluate not only the final outcome of a service but also the process through which the service is delivered. Grönroos (1984) explains service quality in terms of both technical quality—what the customer receives—and functional quality—how the service is delivered. Thus, an organization may provide technically satisfactory services but still experience poor perceived service quality if the delivery process is slow, unreliable, or insensitive to customer needs.

6.7 Innovation Performance

Innovation performance refers to the extent to which an organization is able to generate, adopt, develop, and successfully implement new or improved products, services, processes, technologies, or organizational practices. It reflects an organisation's capacity to convert new ideas and knowledge into useful outcomes that improve its operations, competitiveness, and ability to respond to changing market conditions. According to Crossan and Apaydin (2010), organisational innovation involves the production or adoption, assimilation, and exploitation of value-added

novelty in economic and social spheres. Innovation performance therefore concerns the extent to which an organisation's innovation activities produce meaningful outcomes. Similarly, Damanpour (1991) explains that innovation can involve new products, services, technologies, processes, or administrative practices introduced within an organisation..

7.0 Empirical Review

Tambe (2025) examined the relationship between workforce reskilling and AI adoption, focusing on the importance of domain expertise and algorithmic literacy. The study found that AI and algorithms create greater value when workers possess the knowledge required to interpret and apply them in their specific areas of expertise. The evidence suggests that organisations benefit more from AI investments when algorithmic capabilities are distributed among employees rather than concentrated only among technical specialists. The study therefore highlights workforce training and organisational design as important mechanisms for realising productivity gains from AI. This finding is relevant to the present study because insurance employees require both insurance-domain knowledge and new AI-related competencies to translate technological investments into improved organisational outcomes.

Oladejo, Obadare, and Olayemi (2026) investigated AI adoption and human resource upskilling among SMEs in Oyo State, Nigeria. The study used 135 respondents from approximately 72 SMEs and examined organisational AI integration, AI training programmes, and data-driven decision-making support in relation to employee skill enhancement. The results showed a significant positive association between AI adoption dimensions and employee skill enhancement, with the overall relationship reported as $R = 0.750$, $R^2 = 0.562$, $p < .001$. Although the study focused on SMEs rather than insurance companies, it provides Nigerian empirical evidence that AI integration and AI-focused training can be associated with improved workforce capabilities.

Ronnie et al. (2026) examined AI-driven human resource management and employee performance in Nigerian deposit money banks using 765 respondents. The study considered AI-driven recruitment and selection, training and development, performance management, and compensation and reward management. Its regression results showed that the AI-HRM dimensions jointly explained 53.4% of the variance in employee performance ($R^2 = .534$, $p < .001$). AI-driven training and development had the strongest bivariate relationship with employee performance among the dimensions examined. Although the study investigated banking rather than insurance, its findings support the proposition that AI-enabled employee development can contribute to improved performance outcomes. Similarly, a 2026 study of AI-driven HR practices and sustainable workforce performance found significant positive effects for AI-enabled learning and development ($\beta = .214$, $p = .003$) and employee digital adaptability ($\beta = .471$, $p < .001$). The study also reported that digital adaptability mediated the relationship between AI-driven HR practices and sustainable workforce performance. This finding is particularly relevant to workforce reskilling because it suggests that the performance benefits of AI-related HR practices may depend partly on employees' ability to develop and adapt their digital capabilities.

8.0 Methodology

Research Design

Biriowu and Lucky (2021) conceptualized research design as a systematic and structured arrangement of procedures for data collection and analysis, aimed at ensuring that the research. This study employed a cross-sectional survey research design. A cross-sectional design involves the systematic collection of data from a defined population at a single point in time for the purpose

of examining relationships among variables as they naturally occur, without manipulation by the researcher (Creswell & Creswell, 2018).

8.1 Population of the Study

The population of the study comprises selected insurance companies operating in the South-South geopolitical zone of Nigeria. The South-South zone consists of Akwa Ibom, Bayelsa, Cross River, Delta, Edo and Rivers States. For the purpose of the study, ten insurance companies were selected from the six states, with five managers selected from each company. The managers were considered appropriate respondents because of their involvement in human resource management, workforce development, employee performance and organisational decision-making. Consequently, the study has a total population of 20 managers drawn from the selected insurance companies. The insurance companies were identified with reference to the National Insurance Commission (NAICOM), which maintains official registers of licensed insurance companies in Nigeria. NAICOM's 2026 directory provides separate registers for all insurers, general insurers, life insurers and composite insurers.

8.2 Method of Data Collection

The study employs primary method of data collection through the administration of a structured questionnaire to managers of the selected insurance companies in South-South Nigeria. The questionnaire was designed in line with the objectives, research questions and hypotheses of the study. It contains statements measuring the dimensions of AI-driven workforce reskilling and organisational performance. The questionnaire was administered to 20 managers selected from the ten insurance companies, with five managers drawn from each company. The respondents will be managers who possess relevant knowledge of employee development, workforce reskilling, human resource practices and organisational performance. This approach is considered appropriate because managers are directly involved in decisions concerning employee training, skills development, technology adoption and organisational performance. A five-point Likert scale ranging from *Strongly Agree (5)* to *Strongly Disagree (1)* was used to measure respondents' perceptions of the study variables.

8.3 Operational Measurement of the Variables

In the investigation of organizational phenomena, the measurement and operationalization of variables are essential for translating abstract concepts into observable and quantifiable attributes. Generative AI operationalized and was measured using a set of multi-item instruments with five indicators, all scaled on a five-point Likert scale ranging from 5 = strongly agree, 4 = agree, 3 = neutral, 2 = disagree, and 1 = strongly disagree.

Workforce Transformation was operationalized using three measures: Reskilling, Job Redesign and Human-AI collaboration. Each measure is examined using a set of multi-item instruments with five indicators, all scaled on a five-point Likert scale ranging from 5 = strongly agree, 4 = agree, 3 = neutral, 2 = disagree, and 1 = strongly disagree.

8.4 Validity of the Instrument

Test of Reliability Coefficient Alpha (α) of Study Variables

S/N	Dimensions/ Measures	No. of Items	Alpha(α)
1.	Organisational Performance	5	0.876
2.	Operational Efficiency	5	0.845
3.	Service Quality	5	0.777
4.	Innovation Performance	5	0.810

Source: SPSS Version 23.0 Output

8.5 Method of Data Analysis

Data collection for this study was conducted by the researcher through a field survey, which involved the direct, personal distribution of questionnaire to the deposit money Insurance companies operating in South-south. In addition to in-person administration, questionnaire was also distributed via the official email addresses of the companies. In total, twenty (20) questionnaires were distributed to respondents in Insurance companies operating in South-South Nigeria.

8.6 Administration and Retrieval of Questionnaire

	Number of Cases
Copies of Questionnaire Administered	20
Copies of Questionnaire Retrieved	19
Copies of questionnaire not returned	2
Copies of questionnaire not Usable	1
Completed and Usable Copies of Questionnaire	17

Source: Field Work (2026)

8.7 Distribution of Gender amongst Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	7	41.2	41.2	41.2
	Female	10	58.8	58.8	100
	Total	17	100	100	

Source: SPSS Output 2026

Age Distribution amongst Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18–24 years	2	11.8	11.8	41.2
	25–34 years	11	64.7	64.7	76.5
	35–44 years	3	17.6	17.6	94.1
	45–54 years	1	5.9	5.9	100
	55 years and above	0	0	0	100
	Total	17	100	100	

Source: SPSS 2026.

8.8 Distribution of Academic Qualifications amongst Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Secondary School Certificate (SSCE/WAEC/NABTEB)	0	0	0	0
	National Diploma (ND)/Higher National Diploma (HND)	5	29.4	29.4	29.4
	Bachelor's Degree (B.Sc/B.A/B.Tech)	7	41.2	41.2	70.6
	Master's Degree (M.Sc/MBA, etc.)	3	17.6	17.6	88.2
	Doctoral Degree (Ph.D.)	2	11.8	11.8	100
		17	100	100	

Source: SPSS 2026

8.9 Distribution of Job Position amongst Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Branch Manager	3	17.6	17.6	6.7
	Operations Manager	8	47.1	47.1	64.7
	Duty Managers/Supervisors	6	35.3	35.3	100
		17	100	100	

Source: SPSS Output, 2026

8.10 Distribution of Work Experience amongst Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1 year	1	5.9	5.9	5.9
	1–3 years	4	23.5	23.5	29.4
	4–6 years	8	47.1	47.1	76.5
	7–9 years	4	23.5	23.5	100
	10 years and above	0	0	0	100
		17	100	100	

Source: SPSS, 2026

8.11 Distribution of Employment Status amongst Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Full-time permanent	10	58.8	58.8	58.8
	Contract/Temporary	0	0	0	58.8
	Part-time	7	41.2	41.2	100
		120	100	100	

8.12 Description on Range of correlation (rho) values and the corresponding level of association

Range of r with positive and negative sign values	Strength of Association
± 0.80 – 0.99	very strong
± 0.60 – 0.79	Strong
± 0.40 – 0.59	Moderate
± 0.20 – 0.39	Weak
± 0.00 – 0.19	Very weak

Source: Researcher Desk, 2026**.**

AI Workforce Reskilling and Measures of Organizational Performance

Table below shows the result of correlation matrix obtained AI workforce Reskilling and the measures of organizational performance. Also displayed in the table is the statistical test of significance (p - value), which enables us to answer our research question and generalize our findings to the study population.

Correlation matrix for AI workforce Reskilling and the measures of organizational performance

			AI-Driven Workforce	Operational Efficiency	Service Quality	Innovation performance
Spearman's rho	AI-Driven Workforce	Correlation Coefficient	.000	.668**	.679**	.650**
		Sig. (2-tailed)	.	.000	.000	.000
		N	17	17	17	17
	Operational Efficiency	Correlation Coefficient	.668**	1.000	.705**	.677**
		Sig. (2-tailed)	.000	.	.000	.000
		N	17	17	17	17
	Service Quality	Correlation Coefficient	.679**	.705**	1.000	.659**
		Sig. (2-tailed)	.000	.000	.	.000
		N	17	17	17	17
	Innovation performance	Correlation Coefficient	.650**	.677**	.659**	1.000
		Sig. (2-tailed)	.000	.000	.000	.
		N	17	17	17	17

**. Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output version 23.0

RQ1: What is the relationship between AI workforce Reskilling and operational Efficiency of Insurance companies operating in South-South Nigeria?

The correlation coefficient (rho) result in table above was used to answer the research question 1. The table shows a Spearman Rank Order Correlation Coefficient (rho) of 0.668 on the relationship between AI workforce reskilling and operational efficiency. This value implies that a strong

relationship exists between the variables. The direction of the relationship indicates that the correlation is positive; therefore, there is a strong positive correlation between AI workforce Reskilling and operational Efficiency of Insurance companies operating in South-South Nigeria.

RQ2: What is the relationship between AI workforce Reskilling and Service Quality of Insurance companies operating in South-South Nigeria?
From the table it shows a Spearman Rank Order Correlation Coefficient (rho) of 0.679 on the relationship between AI workforce Reskilling and Service Quality of Insurance companies operating in South-South Nigeria. This value implies that a strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive. Therefore, there is a strong positive correlation between AI workforce Reskilling and operational Service Quality of Insurance companies operating in South-South Nigeria

RQ3: What is the relationship between AI workforce Reskilling and innovation performance of Insurance companies operating in South-South Nigeria?
The result from the table shows a Spearman Rank Order Correlation Coefficient (rho) of 0.650 on the relationship between AI workforce Reskilling and innovation performance of Insurance companies operating in South-South Nigeria. This value implies that a very strong relationship exists between the variables. The direction of the relationship indicates that the correlation is positive. Therefore, there is a strong positive correlation between AI workforce Reskilling and Service Quality of Insurance companies operating in South-South Nigeria.
Therefore, to enable us accept or reject hypotheses 1, 2, and 3 as well as generalize our findings to the study population the p- value was used as shown below:

H_{o1}: There is no significant relationship between AI workforce Reskilling and operational performance of Insurance companies operating in South-South Nigeria
The result in the table indicates that the calculated significance value is less than the 0.05 level of significance ($p < 0.001 < 0.05$). when the *p*-value is less than the predetermined significance level, the null hypothesis should be rejected.

H_{o2}: There is no significant relationship between AI workforce Reskilling and Service Quality of Insurance companies operating in South-South Nigeria
The displayed in the table above is the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained from table the sig- calculated is less than significant level ($p = 0.000 < 0.05$). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld
H_{o3}: There is no significant relationship between AI workforce Reskilling and innovation performance of Insurance companies operating in South-South Nigeria
The displayed in the table above is the statistical test of significance (p-value) which makes possible the generalization of our findings to the study population. From the result obtained from table the sig- calculated is less than significant level ($p = 0.000 < 0.05$). Therefore, based on this finding the null hypothesis earlier stated is hereby rejected and the alternate upheld

9.0 Discussion of Finding
There is no significant relationship between AI workforce reskilling and operational efficiency of insurance companies operating in South-South Nigeria

The result of the Spearman Rank Order Correlation analysis revealed a strong positive relationship between AI workforce reskilling and operational efficiency of insurance companies operating in South-South Nigeria, with a correlation coefficient of $\rho = 0.668$**.** This implies that higher levels of AI workforce reskilling are associated with higher levels of operational efficiency. The finding is consistent with OECD (2026)**,** which reported that employees who receive training related to AI are more likely to experience positive outcomes from AI adoption, including improved job performance. Similarly, Andrews et al. (2025) established a positive relationship between workforce skill levels and labour productivity, suggesting that investments in employee capabilities can contribute to improved productivity outcomes. The finding is also supported by the World Economic Forum (2025)**,** which identified reskilling and upskilling employees to work effectively alongside AI as a major workforce strategy for organisations responding to technological transformation. Therefore, the present finding suggests that developing AI-related competencies among employees may enhance their ability to utilise AI-enabled systems and adapt to changing work processes, thereby supporting operational efficiency in insurance companies in South-South Nigeria. Nevertheless, the correlation indicates association rather than establishing a causal relationship. There is no significant relationship between AI workforce reskilling and service quality of insurance companies operating in South-South Nigeria

The result of the Spearman Rank Order Correlation analysis revealed a strong positive relationship between AI workforce reskilling and service quality of insurance companies operating in South-South Nigeria, with a correlation coefficient of $\rho = 0.679$**.** This indicates that higher levels of AI workforce reskilling are associated with higher levels of service quality. The finding is consistent with Al Ali et al. (2018), who established that employee training contributes to customer service quality through the transfer of training and job satisfaction. The finding is further supported by OECD (2026), which reported that employees who receive employer-funded AI-related training are more likely to experience positive outcomes from AI adoption, including improved job performance. Similarly, OECD (2025) emphasised that upskilling and reskilling are essential for preparing employees for changes associated with AI adoption. Green (2024) further established that AI is changing the tasks performed by workers and the skills required to perform those tasks, thereby underscoring the importance of continuous skills development. In the insurance industry, AI is increasingly applied to customer service, claims handling, underwriting, pricing and fraud detection, making employee competence in AI-enabled systems increasingly relevant to service delivery. Therefore, the present finding suggests that insurance companies that invest in AI workforce reskilling may be better positioned to improve the speed, accuracy, responsiveness and personalisation of services delivered to customers.

There is no significant relationship between Generative AI and Hunan AI collaboration of Deposit Money Banks Operating in Rivers State

The result of the Spearman Rank Order Correlation analysis revealed a strong positive relationship between AI workforce reskilling and innovation performance of insurance companies operating in South-South Nigeria, with a correlation coefficient of $\rho = 0.650$**.** This implies that insurance companies that place greater emphasis on developing employees' AI-related knowledge and skills tend to demonstrate higher levels of innovation performance. The finding is consistent with Sung and Choi (2014), who found that organisational investment in training and development promotes learning practices, which subsequently enhance innovative performance. Similarly, Neirotti (2013) established that training facilitates the acquisition and assimilation of new knowledge and makes organisations more capable of undertaking technological and organisational changes and developing new competencies. The finding is further supported by OECD (2026), which identifies

digital skills, data analysis, problem-solving, creativity and innovation as increasingly important skills in the AI-driven workplace and reports that organisations are increasingly responding to changing skill requirements through workforce retraining and upskilling. OECD (2025) also emphasises that reskilling and upskilling are essential for preparing existing employees for changes associated with AI adoption. Therefore, the present finding suggests that AI workforce reskilling may provide insurance employees with the knowledge, digital capabilities and creative capacity required to develop new ideas, improve existing processes and support technological and organisational innovation. However, the correlation coefficient indicates an association rather than a causal **r**elationship; therefore, the result does not by itself establish that AI workforce reskilling causes innovation performance.

10.0 Conclusion

The study concludes that AI-driven workforce reskilling is significantly associated with organisational performance of insurance companies operating in South-South Nigeria. The findings indicate positive relationships between AI workforce reskilling and the three dimensions of organisational performance examined in the study: operational efficiency, service quality, and innovation performance. Specifically, the correlation coefficients of $\rho = 0.668$ for operational efficiency, $\rho = 0.679$ for service quality, and $\rho = 0.650$ for innovation performance indicate strong positive associations across the three dimensions. These results suggest that developing employees' competencies to understand, use, and work effectively with artificial intelligence can strengthen their capacity to perform technology-enabled tasks, improve service delivery, enhance work processes, and support innovative activities within insurance organisations.

Overall, the study establishes that AI workforce reskilling represents an important human-resource capability in the changing insurance environment. As insurance companies increasingly adopt AI for activities such as customer service, claims processing, underwriting, data analysis, and other organisational processes, employees require continuous opportunities to acquire and update relevant digital and AI competencies. The findings therefore suggest that insurance companies in South-South Nigeria can benefit from systematic reskilling programmed that enable employees to adapt to AI-enabled work processes while maintaining effective human judgement and customer interaction. However, the correlation results demonstrate association rather than causation; consequently, the findings should be interpreted as evidence that higher AI workforce reskilling is strongly associated with better operational efficiency, service quality, and innovation performance, rather than as proof that reskilling alone causes these outcomes.

11.0 Recommendations

Based on the findings and conclusion of the study, the following recommendations are made:

i. Operational Efficiency: Insurance companies operating in South-South Nigeria should establish continuous AI workforce reskilling programmes that equip employees with practical skills in AI-enabled systems, data analytics, automation, and digital process management. Regular training should focus on how employees can use AI tools to reduce processing time, minimise errors, automate repetitive tasks, and improve the efficient use of organisational resources. Management should also periodically evaluate employees' AI competencies to identify skill gaps and provide targeted reskilling where necessary.

ii. **Service Quality:** Insurance companies should reskill employees in the use of AI technologies

that support customer relationship management, claims processing, customer enquiries, and personalised service delivery. Employees should be trained not only to operate AI systems but also to interpret AI-generated information and combine it with human judgement and effective communication. This will enable employees to respond more promptly and accurately to customers while maintaining the human interaction required for sensitive insurance matters. Management should also use customer feedback and service-quality indicators to identify areas where additional AI-related training is required.

iii. **Innovation Performance:** Insurance companies should create structured AI innovation and reskilling programmes that encourage employees to experiment with emerging technologies and develop new ideas for insurance products, processes, and service delivery. Employees should be encouraged to participate in cross-functional teams, innovation workshops, and AI-related projects where they can apply newly acquired skills to organisational challenges. Management should also provide opportunities for employees to share innovative ideas and recognise useful innovations arising from AI-enabled work. Such an environment can help transform workforce reskilling into new products, improved processes, and innovative approaches to meeting changing customer needs.

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