MANAGEMENT FUNCTIONS ON THE PERFORMANCE OF RETIREMENT BENEFITS SCHEMES IN KENYA

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ABSTRACT

The Security of Retirement benefits and pension is critical in ensuring sustainability of a decent quality of life for retirees after their years of work are over. This is affected by poor management, investment and misappropriation of remitted contributions or money set aside for this purpose. Failure to remit resources into the pension schemes deprives members off their expected benefits and interest thereof. The purpose of this study was to ascertain the relationship between management functions and retirement benefit schemes in Kenya. The researcher has reviewed the resource life cycle theory, dependency theory, portfolio theory, and the agency theory. However, the researcher has anchored this study on the agency theory. The study population was 260 employees from CPF pension's scheme. A sample size of 78 employees which is 30 % of the target population was selected under the stratified random sampling. This study was undertaken between the months of June 2022 and October 2022. The researcher used questionnaires primary data to collect data. Questionnaires administered personally to the respondents observing the Covid 19 guidelines. The participants were permitted time to peruse the questionnaires and see everything. Members were requested to respond to the questionnaires to the best of their knowledge. Statistical data analysis was computed through pivot charts, and represented through pivot tables and pivot charts. These findings show that planning and performance of retirement benefit schemes are primarily related. The findings of the study will assist with understanding the relationship between pension fund management practices and performance of retirement benefits schemes. This will hence contribute intensely to existing information and theory.

Keywords: Pension schemes, Management functions, Retirement benefit schemes.

INTRODUCTION

A retirement benefits scheme refers to savings platform which allows people to make regular contributions during their working years thus allowing the contributed funds to be invested in order to generate returns. Upon retirement, the members access their entire contributions plus net returns accrued during their time in the benefit scheme. Retirement schemes usually require their members to make regular contributions so that they can build up a large retirement pot. This thus allows them to take maximum advantage of compound interest.

Worldwide, retirement benefit schemes are important in contributing to the gross domestic product of countries and also a significant source of capital in financial markets. The pension funds stimulate capital and the development of financial market development which is done through substitution and complementary roles with other financial organizations especially the commercial and investment banks. Growth of the pension schemes has been witnessed of late which is happening around the globe. Owinyo (2017) asserted that many people depend on pension funds as their only source of income after retirement. In Kenya, this figure stands at slightly above 68% of the total retirement income. Bikker and Dreu (2011) assert that due to the large size of these schemes, the choice of investment has a key role in the financial markets and retirees' lives.

In explaining the nature of the crisis facing pension schemes in third world countries, Ngetich (2012) notes that the level of the older populace of 65 years and above compared to the functioning age of between 15 to 64 years, was 12% in 1950, 21% in 2000 and anticipated it to increase to 44% in 2050, along these lines compromising the supportability of the Pay as you go framework, i.e. pensions paid to current pensioners are financed from contributions paid by current workers. According to Wyatt (2017), the development of annuity reserve resources totals to 80% in Canada, 100% of the GDP in Australia, 10% in France, 36% in Hong Kong 12% in German, , half in Ireland, 75% in Japan, 147% in Switzerland, 130% in Netherlands, 98% in the United Kingdom and 108% in the United States of America in 2016.

The in Pension funds exerts both qualitative and quantitative effects on the financial markets (Njeru, 2014). Quantitative impacts identify with resource designation choices while subjective impacts identify with corporate administration choices. Benefits support increment seaward speculations, which develop worldwide monetary business sectors accordingly adding to more noteworthy solidness of the economies because of expanded capital streams (Njeru, 2014). Lungu (2011) recommend that since benefits subsidize face administrative necessities and are needed to dispense more assets to home-grown speculations, they are the main institutional financial backers inside a country. Moreover, the pooling of annuity reserve resources helps the financial exchange and builds the stock market's liquidity (Catalan, 2014).

According to a report released by OECD (2015), the five biggest countries in retirement benefits in the OECD) region as far as annuity finances' resources were the United Kingdom, United States, Canada the Australia, and the Netherlands by and large totalling USD 21.7 at least trillion than 85% of OECD pension funds' assets. Scholars have done various studies on various contexts in relation to the financial performance of pension funds hence leaving knowledge gaps in the developed and developing countries globally. According to Nazi, and Naas, (2010) on the determinants of Mutual Fund Growth in Pakistan reasoned that resources turnover, family extent, and cost proportion are emphatically driving the development of shared assets, interestingly with the board expense and hazard changed returns which are adversely connected with growth of mutual funds.

In Africa, South Africa has the largest members of pension funds with more than 1.2 million active members and close to 360 beneficiaries and pensioners (Bikker & Dreu, 2011). However, just like majority pension funds, the country's pension fund is tested with a decrease in dynamic enrolment and diminished income. This decrease in dynamic plan participation can considerably affect incomes and venture systems on the grounds that the yearly commitments might neglect to provide food for annuity benefits (Kigen, 2016). There has growth in the occupational schemes in terms of assets which have reached the present market value of more than 33 billion. However, this does not apply to all the African countries. In Bostwana with a workforce of 790,000 people, 84% have no access to occupational pension programs (Word Bank, 2012).

In Kenya, the Pension fund in Kenya was first put into practices in 1963 and that was the National Social Security Fund (NSSF), which came into existence in 1965 (RBA, 2016). Before the reforms came into being the pension scheme had a provision to the beneficiaries which took effect after their retirement age of 60 years (RBA. 2016). There was a fixed guarantee as the workers full basic salary in his entire life or that of the wife (widow) since the law did not have provision for the wife to support the husband but this was provided in the Pensions Act (Cap 189) and the NSSF Act.

Planning is to the establishment of goals, procedures and policies for a social-economic unit, business planning or city planning. Planning specifically helps to assess the goal in order to determine if it’s realistic or not. It facilitates quick decision making and also allows setting a time frame by predicting when the company can achieve its goal. Planning defines the measure of performance against the set goals in addition to whose responsibility it will be. It also sets standards and objectives for controlling, reduced uncertainties, eliminates overlapping of non-value adding activities. This function also ensures the efficient utilization of resources, improves decision making, promotes innovation, and boosts motivation and team spirit. Finally, planning helps to earn credibility and trust among stakeholders which gives a competitive edge and enhances strategic positioning among other benefits.

LITERATURE REVIEW

This chapter provides comprehensive survey of existing research and theoretical literature in fund management and performance. This is aimed at identifying gaps in knowledge and to show how this study is related to previous research studies. The section also contains the conceptual framework and operationalization of variable. The researcher has reviewed the resource dependency theory, portfolio theory, the life cycle theory and agency theory. Portfolio theory states that investors are risk averse. This means that, if given a chance to make a decision between two assets with equal rates of return, majority will choose the assets of lower risk level. Resource dependency theory contends that an organization has a goal to minimize it’s over dependence on other organizations for the supply of limited resources in its surround and to come up with ways of influencing them to make resources available. Agency theory discusses the relationship between shareholders principal and agents; the company executives and managers. The shareholders who are owners or principals of the company, on-board the agents to do the work. The life cycle theorists explains that human beings move through static set of phases which are beyond their control its model suggests that the life movement through a fixed sequence of irreversible stages which are cyclical in nature and may reoccur from one generation to the another (Settersten, 2003).

This theory was developed by Markowitz (1952). The basic assumption of this theory is that an investor wants to maximize the returns from investments for a given level of risk. The full spectrum of investments must be considered because the returns from all these investments interact, and this relationship between the returns for assets in the portfolio is important. Markowitz (1952) argues that there is generally a positive relationship between the rates of return on various assets and their measures of risk. Markowitz derived the expected rate of return for a portfolio of assets and an expected risk measure. Markowitz also showed that the variance of the rate of return was a meaningful measure of portfolio risk under a reasonable set of assumptions, and he derived the formula for computing the variance of a portfolio. This portfolio variance formula indicated the importance of diversifying investments to reduce the total risk of a portfolio and also showed how to effectively diversify. According to Markowitz (1952), a single asset or portfolio of assets is considered to be efficient if no other asset or portfolio of assets offers higher expected return with the same or lower risk, or lower risk with the same higher expected return. One of the best-known measures of risk is the variance, or standard deviation of expected returns. It is a statistical measure of the dispersion of returns around the expected value whereby larger variance or standard deviation indicates greater dispersion. The idea is that the more disperse the expected returns, the greater the uncertainty of future returns. The expected rate of return for a portfolio of investments is simply the weighted average of the expected rates of return for the individual investments in the portfolio. The weights are the proportion of total value for the investment. The variance, or standard deviation, is a measure of the variation of possible rates of return, from the expected rate of return.

Fund managers therefore diversify their investments to make sure that the returns to the pensioners are maximized (Litner, 1965). This theory is important in the management of pension funds in that it guides the fund managers on the diversification process, which they must do within the confines of the prevailing regulations.

This theory focuses on the role that directors play in providing or securing essential resources to an organization through their linkages to the external environment. Organizations attempt to manage their transactions with the environment to ensure access to the resources they depend on. The strength of one organization's dependence on another for a particular resource is a function of the following factors: how vital the resource is to the organization's survival and the extent to which other organizations control the resource. Retirement benefit schemes, for example, need the expertise of fund managers and custodians for the purposes of investing scheme assets. Actuaries are also necessary in providing advice on the funding position of the retirement benefit schemes and insurance companies are also important for the provision of annuities for members retiring from the scheme. The greater the dependence of one organization on another, the weaker it is and the more powerful organization can take advantage of the dependent one if it chooses to do so. Organizations thus attempt to manage their resource dependence and control their access to scarce resources through development of strategies (Jones, 2010).

The agency theory is one of the theories that has been applied in corporate governance. It was developed by Jensen and Meckling (1976). According to the researcher, corporate governance structure specifies various rights and responsibilities among the various participants in the organization such as the board, managers, shareholders and other stakeholders and spells out the rules and procedure for making decisions on corporate affairs. This hence provides the structure through which the company objectives are set and the means of attaining those objectives and to monitoring performance. The average shareholder, for example, has no in depth knowledge of the investments industry or how retirement benefit schemes are managed. They therefore appoint trustees who are presumed to be experts in the field to present their needs and interests. This delegation of authority to trustees creates an agency problem that is a problem determining managerial accountability. In delegating authority, the shareholders lose, to a large extent, their ability to influence managerial decision making. The trustees may prefer to pursue long term investment strategies for the security of retirement benefits while the shareholders may have preferred short term investment strategies of the scheme funds for short term gains. Trustees may also increase their remuneration while the shareholders would not have preferred the same.

Good corporate governance is recognized as an important aspect of an efficient private pension system, enhancing investment performance and benefit security (Stewart & Yermo, 2008). It is beneficial to corporations and also bolsters the level of market confidence and integrity and strengthens financial stability. In addition, good corporate governance can also have positive impact to the corporation such as creating trust amongst all stakeholders, reducing the costs of over regulation, and facilitates supervision. This theory is relevant to this study because the Trustees (who are in charge of managing the schemes in terms of ensuring compliance to the regulations and delegating the custodial, administration and investment roles to competent service providers to make decisions that will best enhance the members returns) , act in an agent capacity to the fund, and its ultimate beneficiaries.

The lifecycle theory by Modigliani, (1963) deals with economic decisions on retirement saving in particular the rationalization of an individual's income in order to maximize its utility over his lifetime. It stated that households accumulate savings during their working careers up to their retirement, and de-accumulate wealth thereafter. This type of saving behavior enables households to smoothen their marginal utility of consumption over the lifecycle. This model assumes the following assumptions about human behavior. They are forward looking across the span of their lifetimes; they can hence predict the financial resources they will have throughout their lifetime, they understand something about the financial resources they will need in successive periods of their lives, they make informed choices about the use of their financial resources. The underlying thesis in the life cycle approach is that individuals spend their first phase of life preparing for a professional career. They then begin to earn a wage which is initially insufficient for their needs. In the second phase of life, employees earn to accumulate wealth which they save for later use at retirement. Upon retirement, which is the third phase of life, individuals spend their accumulated savings to sponsor their consumption for the rest of their life. Hence, the individual's capacity to support their retirement period is incumbent upon their earlier saving culture. This theory is relevant to this study because the setting aside (contributing) and investment of funds is done through the working life of a member, to secure them a comfortable retirement when their income gets cut off at retirement. As much as the amount saved and eventually withdrawn at retirement, it depends on the income earned from active employment, it is ideally meant to sustain a member throughout their sunset years and their dependents for a considerable time when the member passes on. The researcher focuses on planning,

Shrader, Chacko, Herrmann and Mulford (2004) did a study on planning and firm performance: effects of multiple planning activities and technology policy using a survey of 150 manufacturing firms and information from top administrators. From the investigation it was tracked down that both formal and casual arranging affect execution and that both functional arranging and innovation strategy have huge impact on firm performance.

In a study to examine the effect of retirement schemes on performance of retirement benefit schemesin Ashaka Cement Plc, Gombe, Dugguh and Iliya (2018) used the survey research design and used the structured questionnaires and a sample of 266 staff. The collected data was analysed using the regression analysis. The research found out that a better retirement pension scheme has an impact on performance of retirement benefit schemes in cement firms in Nigeria. From the study, it was recommended that there is need for other plans which had influence staff productivity in the private firms in Nigeria (Dugguh & Iliya, 2018).

Karanja and Were (2017) did a study to explore the impacts of corporate procedures on the exhibition of retirement advantage assets in Kenya at Liberty Life Assurance (K) Ltd. The examination received an unmistakable exploration plan, and chose a proportionate example of the manager's staff utilizing defined irregular testing. Essential information was gotten utilizing self-controlled surveys and investigated utilizing the blended techniques including both descriptive and inferential data analysis.

From the study by Karanja and Were (2017) it was found that cost leadership and customer differentiation affect execution retirement advantage assets in Kenya to an extremely extraordinary degree while item advancement and market center influence execution retirement advantage assets in Kenya by and large. Market center was found to effectively affect execution retirement advantage assets in Kenya and that item separation technique had the best impact on the exhibition of retirement advantage store, trailed by cost authority, and afterward item advancement while market center procedure had minimal impact on execution of retirement benefit funds in Kenya (Karanja & Were, 2017).

Sophia and Owuor (2015) did a study to examine the effects of strategic planning activities on organizational growth using a descriptive research design and questionnaires filled by top chiefs, heads of office, center level administrators and general staff individuals from Kenya Medical and Research Institute Management. Delineated testing strategy was utilized to draw the Sample size of 50 workers from a populace of 200 and data analyzed by use of SPSS. From the study it was found that strategic planning if well implemented in the organization is effective towards growth.

DATA AND METHODS

A research design is a method used to carry out a specific research. This researcher used a descriptive research design as the variables in the study require both quantitative and qualitative methods of data analysis. Kothari (2004) points out that descriptive research methods are only limited to facts only though it may result in the formation of the key guidelines that solves the identified issues. This type of research design facilitates the description of the views, believes and employee perceptions. With the adoption of this research design, the research is able to collect data regarding the opinion, attitude and habits of the participants (Mugenda & Mugenda 2003). Descriptive research design offers in depth understanding of the subject matters by establishing solutions to the identified problems.

Cooper and Schindler (2016) define the target population as the entire group of persons that have some common characteristics. Target population is defined as all individuals from a genuine or theoretical arrangement of individuals, occasions or protests to which an examination wishes to sum up the aftereffects of the research study (Kothari, 2004). The target population was 260 staff including top management, middle level employees and support staff of CPF. Target Population were: Top managers (15) and Middle (245). Total sample was 78 respondents; 8 top managers and 70 Middle Managers.

Kothari (2004) defined a sample as a subject of a populace that is concentrated through an exploration study and summed up into the whole populaces. An example addresses a little extent of the designated populace which has been selected. This research study utilized defined stratified random sampling to select the sample size. Proportionate/defined testing configuration was utilized in this study. A sample size of 78 was drawn from the total target population. This is justified by Kothari (2004) that opines that (30%) of the target population is representative enough to be used as sample size in a study.

Table 1: Sample Size

Category	Target Population	Sample Size	Percentage
Top Management	15	8	3.1
Middle Level Employees	245	70	26.9
Total	260	78	30

Source: Author (2021)

These are tools that are used in research to collect data from the targeted participants in research (Cooper & Schindler, 2003). For primary data, questionnaires were used to collect data. Peil (2006) defines a questionnaire as a research instrument consisting of series of questions prepared to help in gathering information from respondents. The determination of the questionnaire to be used is based on the fact the target population are literate could successfully fill the questionnaires on their own without the assistance of the researcher. Further the questionnaires were used because as Kothari (2004) explains, questionnaires allow for measurement for or against a particular phenomenon and the ability to collect a large amount of information fast with limited time.

Questionnaires are less costly and consume less time and that is why they were preferred in collection of the data as per Franker (2006). The questionnaires were divided into two parts; part one contained the demographic information of the respondents while part two addressed specific objectives of the research study and the main objective of the study. The targeted respondents were identified and issued with the questionnaires for response. The 'drop & pick later' method was employed in administering the questionnaires. The research questionnaire shall adopt a Likert scale questions ranging from 1 to 5 in the 5-point Likert scale, to measure the level of the respondent agreement to specific constructs used to measure the independent variables and dependent variable adopted in this study (Kiess & Bloomquist, 2008).

A pilot concentrate for the instrument was done to guarantee that the things in the survey are expressed unmistakably, have similar importance to every one of the respondents, and give the scientist an idea of the time it will take to conclude the poll. This pilot study empowered the specialist to decide the unwavering quality and legitimacy of the instrument. As indicated by Connelly (2008) a decent report test for a pilot study ought to be at least 10% of the projected sample. Therefore, this pilot study was conducted using 10% of the total population. The pilot respondents as well as the data did not form part of the actual study. This research sought for the approval from Management University of Africa and NACOSTI permitting him to proceed with data analysis. Thereafter, the researcher administered the questionnaire personally to the respondents. The participants were permitted time to peruse the survey and see everything about. Members were permitted to fill the survey dependent on the best of their insight. The members were not needed to give their names, contacts or individual data in the survey to seal their identity.

This involves the interpretation the collected data from the participants when the questionnaires were completed by the participants. The researcher compiled them by use of data coding, data editing and data tabulation. Data analysis was carried out by use of Microsoft excel to obtain descriptive statistics that was put into comparison with the existing literature to arrive at the conclusion of the study. Analysed data was presented in tables and charts.

RESULTS AND DISCUSSION

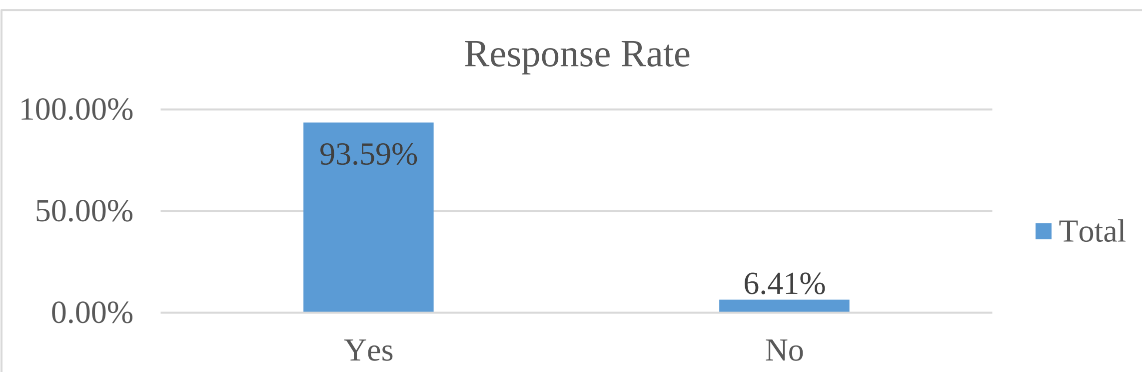
The researcher analysed the data using Microsoft excel. The findings are present in frequencies and Pivot charts using Pivot Tables. The researcher distributed 78 questionnaires to the target respondents who gave their opinions and responses.

Table 2: Response Rate

Responses to the Questionnaires	Count of Response Rate
Yes	73
No	5
Grand Total	78

Source: Research Data, (2022)

Figure 1: Questionnaires Response Rate



Source: Research Data, (2022)

Indicated that 73 respondents out of a total of 78 respondents completed and returned the questionnaires posting a success rate of 93.59%. This higher response rate was attained through constantly engaging the respondents through telephone calls and SMS reminders to fill and submit their questionnaire. 5 respondents did not return the questionnaires representing 6.41% were non-responsive. This could be attributed the health crisis occasioned by ministry of health protocols concerning Covid 19 pandemic and general reluctance of the respondents to take part in the study. The study' return rate of 93.59% is in line with recommendation of Kothari (2014) that a response rate of at least 50% is a good indicator for analysis and for drawing conclusions for generalization of the study. The researcher issued out questionnaires to 20 respondents as part of the pilot testing and the results of the testing were analysed as below.

Respondents of different age brackets have differing viewpoints/judgments on different topic of inquiry. In view of this critical dimension, interviewees were asked to state their age bracket. The analysis indicated that majority (24) of the respondents representing 30.8% of the sampled employees were aged between 20 to less than 30 years. These were followed by 22 employees representing 28.2% of the sampled employees. 11 respondents representing 14.1% indicated an age bracket of 50 years and above. Another 14.1 % of the sampled respondents did not respond to the research questions. 10 respondents representing 12% of the sampled respondents indicated that they were in the age category of 20 years to less than30 years.

Data analysis of the received questionnaires showed that 35 respondents were male while 35 respondents were female respondents were females with each representing 44.87% of the total questionnaires issued. 3 respondents representing 3.85% preferred not to disclose their gender. The results impliedly show that the two genders were well represented in this study and therefore the findings portrayed gender balance. However there was no response on the 5 questionnaires of 78 which were submitted to respondents. The researcher was also interested to determine the education level distribution of the interviewees as some level of education is considered in determining a person's understanding of issues. Indicates that 9 respondents representing 11.54% of the respondents had post graduate qualifications, while 31 respondents representing 39.74 % of the respondents had their highest education level as university degree, 22 respondents signifying 8.21 % had studied up to diploma qualification, and 9 respondents representing 14.10% of the respondents had attained high school certificate level. However, only a 6.41% of the interviewee did not indicate their level of education (KCSE). This outcome is an indication that the respondents had basic education that is important in helping the respondents understands issues regarding retirement benefit schemes and how they are managed. The individual's response is likely to be affected by their educational level and therefore it is important to study the educational background of the target respondents. According to Kothari and Grag (2015), education is among the most important features that determines and affects an individual's attitude and how they view and understand any particular social phenomenon. In a way, an individual's response is likely to be determined by the respondent's educational level and thus it becomes important to understand the educational background of the target respondents.

The researcher also furthermore was determined to find out the respondents years of experience with the CPF. 36 respondents representing 46.15% of the respondents had between 4 to less than 7 Years of experience with the firm. 19 respondents representing 24% of the respondents had experience of 7 years and above. 13 respondents representing 16.67% of the respondents did not indicate their years of experience. 9 respondents representing 11.54% of the respondents had 2 to less than 4 years' experience at CPF while 1 respondent representing 1.28% of the respondents had less than 2 years' experience. The study established that there were more business owners than managers and thus the quality of the opinions/views obtained was expected to be generally high. This means that majority of the managerial employees at CPF had been with the firm for a period of 4 Years and above. This also means that majority of the respondents had sufficient information on Performance of the pension scheme at CPF. According to Bryman and Bell (2011), respondents who have worked in an organization for a long are in a better position to understand its dynamics and answer research questions with an expert witness.

The study intentions were to examine the influence of planning on performance of retirement benefit Schemes. 37 respondents representing 47.4% of the questionnaires distributed to strongly agreed with the research statement that a better retirement pension plan has an impact performance on retirement Benefit Schemes 32 respondents representing 41.0 % agreed. 5 Respondents representing 6.4% did not respond to the research question. This study purposed to establish the effects of planning on performance of retirement benefit schemes. The instrument of the study required the respondents to use a five-point Likert scale. Further to this, the researcher sought to examine how effective planning affects the performance of retirement benefit schemes and the results are shown in the table below.

The study findings were discussed using descriptive statistics and inferential statistics to show the responses and the findings are as follows; the first statement under the study variable planning was if a better retirement pension plan has an impact on organization performance at CPF and the responses were as follows; 66% of the respondents agreed, 25% of the respondents strongly agreed, 7% of the respondents disagreed while 1% of the respondents decided to remain neutral with the research statement. None of the respondents strongly disagreed, the statement had a mean of 4.09 and standard deviation of 0.755.

Table 3: Cost leadership impact the execution of retirement advantage assets.

Cost leadership impact the execution of retirement advantage assets.	Frequency	% response rate
Agreed	47	60.3%
Strongly Agreed	19	24.4%
No response	9	11.5%
Disagreed	2	2.6%
Strongly Disagreed	1	1.3%
Total	78	100.0%

The second question inquired under planning variable was if cost leadership impact the execution of retirement advantage assets and the responses were as follows 47 respondents representing 60.3% of the respondents agreed, 19 respondents representing 24.4% of the respondents strongly agreed that market centricity has an effect on the execution of retirement advantage assets. 9 respondents representing 11.5% of the sampled respondents did not respond to this statement. However, only 2 of the respondents and 1 respondents disagreed with the research statement. 84.7% of the respondents were in agreement with the research statement and therefore there is a significant relationship between cost leadership and impact the execution of retirement advantage assets.

Table 4: Market centricity affects the execution of retirement advantage assets.

Market centricity affects the execution of retirement advantage assets.	Frequency	% response rate
Strongly Agree	38	48.7%
Agree	35	44.9%
No Response	5	6.4%
Grand Total	78	100.0%

The third statement that the study asked was if Market centricity affects the execution of retirement advantage assets, and the responses were as follows 38 respondents representing 48.7% strongly agreed, 35 respondents representing 44.9 agree, while 5 % did not respond to the research question. These results are illustrated in Table 5.

Table 5: Strategic planning

Strategic planning, when well implemented in an organization, will effectively drive growth.	Frequency
Strongly Agree	38
Agree	35
No Response	5
Grand Total	78

In the fourth statement under the variable, the respondents were asked if the Strategic planning, when well implemented in an organization, will effectively drive growth of retirement benefit Schemes and the responses were as follows 38 respondents representing 48.7% of the sampled respondents strongly agreed, 35 respondents representing 44.9% agreed, while 5 respondents representing 6.4% failed to respond to this research statement. None of the respondents were neutral, disagreed nor strongly disagreed with the research statements. Therefore all the 73 representing 100 % of respondents who returned the submitted questionnaire agreed with the research question.

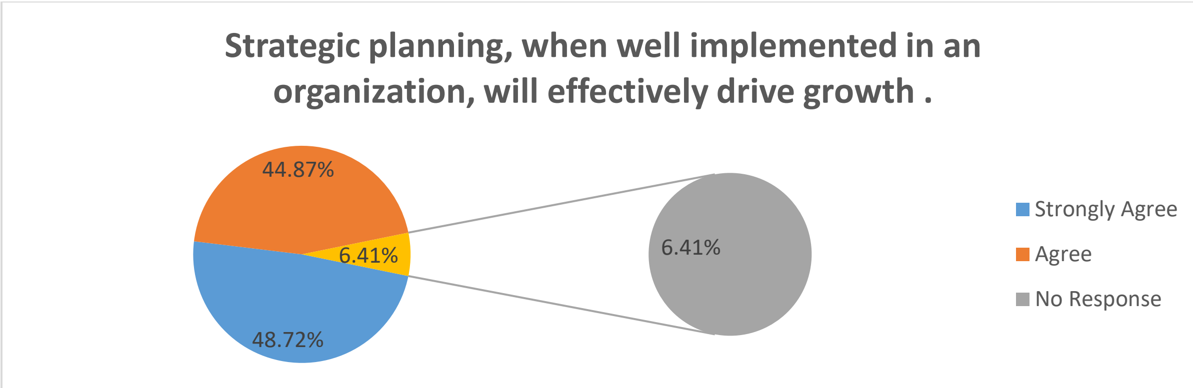


Figure 2: Strategic planning and performance of retirement benefit schemes.

The findings show that there exists a relationship between strategic planning and performance of retirement benefit schemes.

CONCLUSION AND RECOMMENDATIONS

The chapter gives the summary of study findings, a conclusion based on the study objectives, recommendations and suggestions for further studies. The main purpose of the project was to determine the relationship between management practices and performance of the retirement benefits schemes in Kenya.

The results obtained show that 94% of responded to the questionnaires distributed. This response rate was excellent as echoed by Kothari and Grag (2015). The study had 47.44% of the respondents being males while 46.15% were females. This therefore means that the gender representations of the targeted respondents was fairly balanced in the study. Therefore contributions towards the study findings cannot whatsoever be associated with any single-gender despite majority of the respondents being mail as recommended by Kothari and Grag (2015). Respondents were also required to indicate their age bracket in the questionnaire. The results indicated that the majority of the respondent’s age was between 30 to less than 40 years followed by 40 to less than 50 Years. This therefore represents a desirable age dispersion of the respondents and that the majority of them were at their middle stage of life. According to Kothari and Grag (2015) age also inferred that the level of maturity of a person becomes more important in examining their response.

The respondents had also been requested to indicate their top level of education. The data analysed showed that majority had attained at least a degree level of education. This therefore implies that respondents' highest education level was sufficient to answer and interpret the research statements. This shows that work CPF value professionalism. An individual’s response is likely to be determined by his or her educational level. It is therefore imperative to understand the educational background of the respondents. According to Kothari and Grag (2015), education is one of the most important features that might determine and affect an individual attitudes and the way of looking and understanding any particular social phenomenon. The variability of the education level of the respondents was investigated and data about their education level. The researcher also intended to understand the respondents' number of years they have worked in the organization. Majority of the respondents responded that they had work experience of between 4 years to less than 7 years at CPF. These research findings show that the most of the respondents had worked in the company for the quite a longer duration of time which therefore places them in a better position to understand and respond to the questionnaires in relation to their organization. According to Bryman and Bell (2011) respondents with a longer work experience are in a superior position to understand the organization's dynamics and answer research questions with an expert witness.

This study also aimed to determine the corresponding of planning function of management and performance of retirement benefit schemes. The questionnaires required the respondents to use a five-point Likert scale questionnaire and also examine how planning affects performance of retirement benefit schemes. There were four research statements under the Planning variable. Results of the first, second third and Fourth statements were as follows: 88.4% agreed, 84.7%, 93.6%, 93.5%. The rest other respondents were either indifferent, neutral or failed to participate to the research questions. These findings show that planning and performance of retirement benefit schemes are primarily related.

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