Determinants of retirement benefits schemes financial performance in Kenya

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Abstract

The pension industry has been growing over the years. This is majorly because of the concern of social security after retirement concerns for the Kenyan work force. This has been so because a large task force of the Kenyan population is increasingly being employed in the private sector which has designated occupational pension schemes for the employees. This has been so because there is need to replace income after the active working years for a person who has been used to a pay check at the end of every month. Therefore pension has come in handy to secure the future of the working population. The contributions being made to the pension scheme need to be prudently invested so as to generate good returns for the members which then form part of their benefits. The study sought to examine the determinants of retirement benefits scheme financial performance in Kenya through the use of regression model that related the determinants and retirement benefits schemes financial performance in Kenya. The findings of the study suggest that all the determinants had a positive relationship with the schemes financial performance. The study thus suggests that all the determinants play a role in determining the schemes financial performance and more research should be done on the efficiency of the capital markets operations.