

**STRATEGIC MANAGEMENT PRACTICES AND
PERFORMANCE OF RETIREMENT BENEFIT SCHEMES IN
KENYA**

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THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER
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DECLARATION

I, Robert Mutahi hereby declare that this MBA project titled “Strategic Management Practices and Performance of Retirement Benefit Schemes in Kenya” is my original work and has not been submitted to any Institution, College or University for award of any Certificate, Diploma or Degree.

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DEDICATION

This project is dedicated to my Mum Milka Wangui, Dad Peter Mwangi, Fiancé Melody Kendi, and my two siblings Rehema and Pauline for their overwhelming support, encouragement and understanding even when the course was quite demanding.

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LIST OF ABBREVIATIONS

AUM	Assets Under Management
CEO	Chief Executive Officer
CSPS	Civil Servant Pension Scheme
DC	Defined Contribution
IRS	Individual Retirement Schemes
KCB	Kenya Commercial Bank
KPI	Key Performance Indicator
NSSF	National Social Security Fund
ORS	Occupational Retirement Schemes
RBA	Retirement Benefits Authority
RBS	Retirement Benefits Scheme
RBV	Resource-Based View
RDT	Resource Dependence Theory
SCA	Sustainable Competitive Advantage
SME	Small and Medium-Sized Enterprise
SPSS	Statistical Package for Social Science
TDR	Trust Deed and Rules
US	United States

ABSTRACT

The study aimed to identify the effects of strategic management practices on performance of Retirement Benefit Schemes in Kenya. The study was underpinned on three theories namely; the dynamic capability theory, resource based view theory and resource dependence theory. Appropriate strategies in resource management and planning can solve modern day firms' problems. Admissible strategies are increasingly recognized as key aspects of an efficient pension scheme, boosting investment performance and asset security. Therefore, to guarantee survival as well as success, the retirement benefit schemes ought to employ practices of strategic management which aim at continuously strike a balance amidst the firm and the business scenario. Descriptive research design was adopted in this study. The population for this study was the 1339 occupational defined contribution schemes published in the Retirement Benefits Authority. A population sample of 299 was obtained through the Kothari (2004) formula. Questionnaires were utilized for collecting the primary data. The questionnaire in use was conducted through drop and collect thereafter. Secondary data was obtained from News publications, organizations' strategic plans, and organizations human resource manuals. The analysis of the data collected was done using both quantitative and qualitative data analysis methods. Both descriptive and inferential analyses were utilized for analyzing the quantitative field data. Descriptive statistics like average, standard deviations, frequencies and percentages were utilized. Data from open-end questions was analyzed qualitatively using content analysis. Regression analysis was used to establish effects of strategic management practices on performance of Retirement Benefit Schemes in Kenya at 95% level of significance. Presentation was done using tables. The study found that each department was conversant with their role in achieving the organization's goals. The study also found that no real value is created by a brilliant strategy which cannot be implemented. Moreover, the firms had daily/weekly/monthly targets for key departments. The study also found that the firms practiced strategy control by: investing in staff training; suspending less productive projects; and increasing funds on productive projects. The research concluded that strategy control impacted highest on performance of retirement benefit schemes in Kenya, succeeded by strategy formulation, thereafter strategy evaluation while strategy implementation resulted to the most minimal impact to the performance of Retirement Benefit Schemes in Kenya. The research advocates that RBS in Kenya ought not to focus all their resources on the method in which the company develops, uses and integrates organizational structure, control systems, policies and organizational culture but should ensure that the right implementation processes are followed. To counter the challenges of resistance to change, it's recommended that Retirement Benefit Schemes' top management win the trust of the employees to own the change management process.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

In the recent past enterprises sector are growing rapidly, unstable, discontinuous, dynamic while extremely competitive. For a company to achieve success it comes up with strategies, inherent or emergent that helps them counter the changes and forces and takes advantage of the opportunities presented to them to acquire sustainable advantage over its peers and competitors and achieve a great performance for the company (Oliver, 2014). Strategic management sought to identify business resources and have them exploit market opportunities. Implementing proper strategies is important factors enabling an organization survives and increases and improve their performance (Price, *et al.*, 2016).

The study was grounded on theories pertaining to strategic management practices which include dynamic capability theory, resource based view (RBV) theory and resource dependence theory. Based on RBV theory, organizations have a portfolio of rare assets and potential which are beneficial, scarce, unmatched and non-complementary and are subject to furnishing a viable aggressive edge. Dynamic capability theory attempts to bridge gaps from the innovative forms of competitive advantage adopted by highlighting how things need be carried out within the firm through integration, continuous improvement, re configuring and business re-engineering. The resources dependency theory puts across characters missing crucial assets that indicate correlation amidst (i.e., rely on) so as to acquire required resources (Biermann & Harsch, 2017).

Retirement benefit schemes (RBS) across the globe are looking forward to acquiring success within their sectors thereby becoming victims of their own success which in turn call for request of diversification strategies. This creates a matrix of talents and (Thompson & Strickland, 2012). In Kenya, retirement benefit schemes are no different since they conduct their operations in very aggressive environments, the challenges include but not limited to issues of non-remittance of monthly contributions, trustee asset misappropriation, scheme funds loss through negligence of trustees and poor investments of scheme assets (Ansoff, 2010). Retirement benefit schemes continuously strike to achieve and accomplish sustainable competitive Advantage (SCA) above their industry peers. Therefore, to ensure survival and success, the retirement benefit schemes not only require to develop appropriate strategies which try to continually uphold fit in the business environment and its surrounding whereas ensuring proper strategy implementation at all points. Accomplishment thereby calls for aggressive way to a firm (Pearce & Robinson, 2017)

1.1.1 Strategic Management Practices

Practices under management practices incorporate being familiar with firms choosing strategic position for the future growth through managing action strategy includes being familiar with organizational strategic position and strategy choice for future and mitigating action strategy. The phrase strategic management highlights the relevance of senior managers with concern of steering and guiding the strategy through all phases. Based on prior encounters it is notable that strategies don't occur by sheer luck. Strategies comprise the labor force of a firm that draft appropriate decisions, define and implement right strategy (Johnson et al., 2010).

Pearce and Robinson (2017) explain the following factors: defining the mission, developing organizational structure, evaluation of interior and exterior situation, objective stipulation, establishing and strategy choice, implementation, strategy monitoring and evaluation. This phase require top management involvement and decision making. Adequate resources, future oriented, it should consider both internal and external environment, finally it is multi-functional and multi business consequences. Strategic management practices require mangers on all firm levels to integrate during planning, implementation and evaluation process. The entire process involves senior level managers, intermediate level managers as well as functional level managers, as well as support services individuals. At each stage the strategic activities are more constrict, specific, action oriented, short term period with lower risk but with higher level of opportunities.

Strategic management practices include a four basic element prototype, formulation of strategy, implementation of strategy, evaluation of strategy, and an effective control on strategy (Wheelen & Hunger, 2018). Based on the four practices in strategic management practices outlined and illustrated as the process in strategic management. The formulation of strategy is the incorporation of longstanding projects for efficient administration of opportunities in the environment and any possible external challenges, so as to include both strength and weakness. The entire process involves definition of organization's mission, highlighting attainable and key objectives, strategy development and stipulating the rules and regulations. Implementation of strategy is the action whereby strategies are actioned all through the firm by attaining short lived objectives from long lived targets and goals from long term aspirations further acquiring basic approaches from the organizational strategy. The action based

plays a key role to administrators by highlighting the clear-cut prompt role which need be undertaken in the lower level functional area to instrument the strategy of the business. Evaluation of strategy and control is basically the task of analyzing authentic results against the expected results. It involves stipulating the dominant task to frequently audit, appraise and respond to concerns arising from the strategies implemented to ascertain if the expected results have been attained and that curative measure need be undertaken when required (Hill & Jones, 2011).

1.1.2 Organizational Performance

Hill and Jones (2011) describes organizational performance as an appraising process of the efficiency and value of completed activities or the tasks of appraising how best a firm is controlled with the respective value delivered to both clients and participants. As per Weidinger and Platts (2012), assessing performance entails a series in which the performance of individuals, groups, organizations, or components are gathered, analyzed and reported. Lately organizations have tried to administer organizational performance using the balance score method. When measuring organizational performance as noted by Huber (2004) establish that tactical undertakings are associated to the respective strategic plan which promote improve the objective by decreasing the process costs and increasing efficiency and usefulness of the mission.

Performance measure contributes to the information required for key decision makers to plan, dominate and institute organizational activities. The process incorporates both financial and non-financial indexes' which are used during the growth evaluation of the organization, which are as a result of integration between external and internal organizational factors. Furthermore it allows the executive leadership ascertain output,

to enlighten and make aware stakeholders on the emphasis on results, and to concentrate on advancement measures through highlighting any discrepancies from the set specifications. Different schemes have been advanced to assist on goal setting, inclusive of the balance score card (Kaplan & Norton, 2008).

1.1.3 Retirement Benefit Schemes in Kenya

Kenyan pension funds are regulated and monitored by the Retirement Benefits Authority (RBA). RBA was founded in 1997 by a parliamentary act. Pension schemes are required to register with RBA after fulfilling a stringent set of requirements. The running and management of pension funds, however, is the onus of scheme trustees. In Kenya currently there're four types of pension schemes: the National Social Security Fund (NSSF), Civil Servant's Pension Scheme (CSPS), Occupational Retirement Schemes (ORS) and Individual Retirement Schemes (IRS). All the four types of pension schemes combined represents coverage of about 15% of the Kenya's workforce (KNBS, 2015).

The pension industry in Kenya has been expanding rapidly, majorly because of recent reforms in the sectors and proactive action by RBA to encourage individual and group savings. Assets held by pension schemes are growing with the total amount tipping Kes. 1 trillion (RBA, 2015). There are over 1200 schemes in Kenya operated by various employers today. The retirement benefit schemes suffer from many challenges including non-disbursement of member monthly contribution, trustee asset misappropriation, scheme funds loss through trustee negligence and poor asset investment thereby affecting firms' performance (Ansoff, 2010). Therefore, to guarantee survival as well as success, the retirement benefit schemes ought to employ

practices of strategic management which aim at continuously strike a balance amidst the firm and the business scenario. The study thereby intended to ascertain the strategic management practices impact towards output of retirement benefit schemes in Kenya.

1.2 Research Problem

Appropriate strategies in resource management and planning can solve modern day firms' problems. Admissible strategies are increasingly recognized as key aspects of an efficient pension scheme, boosting investment performance and asset security (Nduru, 2019). Trustees are under duress to minimize funding gaps against a business environment of demanding markets and stretched benefactor. With a large share of funds deficit, current day pension sector is an environment of extreme challenges which are being addressed with various management strategies (Simba, 2017). The increasing pension's gap is a commencement of dire financial pressure for sponsoring employers brings about need for trustees and benefactors to jointly maximize investment performance (Skyrme, 2012).

Benefactors are geared to protect long term firm's health; trustees also ought to make confident decisions on investment performance while ensuring that the sponsors are strong enough to meet scheme members' obligations. Both parties should strike to have similar priorities of improving pension schemes' solvency while ensuring cost is minimum (Simba, 2017). Prevailing market condition can make this task difficult to achieve. Erratic business performance and increasingly complicated range of investment option are steering a new style and standard for pension investment with view of innovative management strategies. Swift decision-making is vital to attainment

of desired investment performance making investment firms toil (Ambachtsheer, 2011).

The retirement benefits sector has been recording higher numbers of new entrants in Kenya over the recent years. Increased competition has signified that industry players ought to be differentiated in order to stand out in the pension industry. During the year 2015, fourteen (14) pension schemes were wound up an additional six (6) were placed on interim administration as of June 2011 (RBA, 2015.) Pensioners' funds are facing difficulties due to red ocean strategies' implementation with negligible products, action diversity and brand reengineering as imagined in its product and utilities. The retirement fund management schemes are encountering strict measures in ensuring there's versatility in customer base in the ever changing 21st century. Further, Ambachtsheer (2011) revealed that pension funds in Kenya are poorly managed with minimal diversification and hence do not use minimal resources. There have also been concerns over the misuse of funds by the management due to poor investment and management decisions for instance in Railway Corporation, National Social Security Fund, Postal Corporation and The University of Nairobi (RBA, 2015).

Reports from Kenyan pension schemes are linked with loss of pensioners' money on an annual basis. Funds flow has typically been positive but liquidity issues, portability and imminent retirement of a large cohort of members alters the scenario. Furthermore, reports shows that losses associated with retirement pension schemes lead into lower fiscal progress in a country's economy hence acts as hindrance to achieving the vision 2030 (RBA, 2015). According to the OECD (2015), the primary effect of poor returns

by pension funds is non-payments to retirees; further hindering the achievement of the millennium development goals.

Previously, Simba (2017) conducted a research focusing on practices for strategic planning on the achievement of large pension schemes in Kenya, Karanja and Were (2017) looked at the effects of corporate strategy on achievement of pension schemes endowment: the study focused on Liberty Assurance (K) Ltd while Nduru (2019) focused on the impact of practices for fiscal administration on suitability of pension resource administration by institutions in Kenya. From the above studies none has reviewed the linkage between practices of strategic management and results retirement benefit schemes. The research thereby focused on filling the niche through acknowledging the query: the research hence sought to close the rift by responding to the query; what's the impact of strategic management practices on achievements of retirement benefit schemes in Kenya?

1.3 Objective of the Study

The study aimed to identify the effects of strategic management practices on performance of Retirement Benefit Schemes in Kenya.

1.4 Value of the Study

This research would be vital from a standpoint of theory whereby it would give expertise on strategic management practices field. Based on the Kenyan context, most companies have been reporting dismal performance. This trend more often reverses when strategic management is practiced with some firms regenerating into productive entities. This research would generate information that might be useful to strategists and managers. The research would a symbolic impact to the top leadership of RBA as

it would highlight the effectiveness of their strategic management practices on their achievements.

The information might further help them formulate appropriate considered strategies that would enhance the organizational performance. Further the study would serve as a benchmark for other industry players as the results would be generalized beyond RBA. In particular where employees perform dismally and they desire improvement in performance and productivity. They would benefit as the study acts as a reference point to identify the best strategic management practice to adopt to remain competitive and accelerate sustainable performance.

The study would provide additional insight to future scholars and future researchers in the field of research as it would assist them identification of research gaps. Further, the findings would assist the policy makers to come up with advanced propositions with the objective of intensifying growth of organizations within the pension industry. This would thereby empower long term decision makers devise aligned policies to improve performance of firms.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter looks into admissible biography theories which are significant and compatible alongside the objective of the research reviewed. The chapter is critical since it evaluates the data which integrates the latest study and previous researches and how the future research would explore while improving knowledge. The relationship between contribution from scholars and strategic management practices is well covered in this chapter. The section is subdivided into theoretical foundation, empirical review, literature summary and research gaps and theoretical framework.

2.2 Theoretical Foundation

This section incorporates and defines the theories which describe the motive of the research problem under review is in existence. Consequently, the study was pegged on three theories namely; the dynamic capability theory, resource based view theory and resource dependence theory.

2.2.1 Dynamic Capability Theory

The theory was advanced by Teece, Pisano and Shuen (1997). It stipulates that dynamic capabilities are the capability of developing, integrating and configuring both interior and exterior expertise in order to highlight the dynamic evolving market. The approach of dynamic capability was developed based on shortcomings arising from a resource based organizational view. RBV has been castigated for overlooking key issues in context to the available assets; it assumed that they basically prevail. Discussion as to the best way funds can be conceptualized, how best they can be incorporated in a firm

set up while ensuring they are properly utilized have been under researched in the biography

Dynamic Capability Theory tries to close down the gap by laying across a continuous approach through identifying how best activities need be undertaken in a firm over correlative, review, reconstruct and re-engineering. Ability position is arranged in two aspects, both internally and externally (Mintzberg, Quins & Ghoshal, 2014). An interior array describes how the firm in-house assets such as physical portfolios, complimentary assets, financial instruments and assets, rotational assets, institutionalized assets and structure assets on the other hand exterior assets define how the firm institution and the exterior markets relate (Duck, 2013). Organizations strive at attaining higher performances and achieve a sustainable competitive advantage. However firms face a challenge to on how to create a long lasting sustainable competitive advantage attributable to the dynamic changing environment. The nature of the anticipating, embracing, reengineering managerial dynamic capabilities and how their integration impact on organizational performance. The interconnection of different clusters of dynamic capabilities impact firms performance. Further the role of dynamism in talent development while implying Paradigm shifts in the area of sustainable competitive advantage (Gathungu JM & Mwangi JK 2012).

Path strategy identifies the substitute action accessible to an organization, its historical and path dependents. The dependents identify currently where the firm future belongs basing it on the current and past trends. High tech innovation further defines how quickly the market will evolve and dynamic it can achieve new scientific breakthrough (Kroon, 2015). Volatility of the variables include the most critical dynamic capability

theories. While ascertaining the capability to respond to assorted market turbulences on resources which assist an organization restructure its resource matrix thereby sustaining the firm's aggressive edge of which it can be quickly destroyed (Chowdhury & Quaddus, 2017).

According to Wade and Hulland (2013), strategic management practices can adopt different attributes of dynamic capabilities, thereby be very important to businesses operating in fast changing environments. Even though strategic management practices don't directly ensure organizations are at a superior sustained competitive advantages they are however of great importance to a businesses' long term goal and objective of effectiveness in unbalanced environments when they assist advance, improve, assimilate and discharge other key capitals over time.

2.2.2 Resource-Based View Theory

The resource – based view (RBV) of Wernerfelt (1984) advocates for effectiveness which can be accomplished through imaginatively distributing greater value to clients. The actual literature mostly looks into the strategic description and maximum consumption of resources by an organization for creating a bolstered competitive edge (Pappas et al., 2017). The success and downfall of firms over the borders is further explained by international business scholars by taking into consideration of the subsidiaries attractiveness or local dealings in unindustrialized markets. Local expertise developed by a subordinate or local association, become a significant resource for value conceptualization as per the necessities of the local market (Mintzberg, Quins & Ghoshal, 2014).

The RBV theory in strategic management research emerges as theoretical perspective that can be adopted to expound persistency between inter firm performance variation. Based on RBV theory retirement benefit schemes do have assortment of distinctive assets, experiences and resources that are worthwhile, scarce, unmatched and can't be compared thus offering a sustainable competitive advantage Burnes (2010). Resources owned by the firm are either tangible or intangible assets whereas the firm competences refer to ability of firm to utilize and resources' use so as to routinely achieve its objective. In this study administering RBV theory, its paramount to find out how both interior and exterior resources can be affected by competitive strategy and enabling the organization's competencies to improve performance (Dubey, Gunasekaran, Childe, Blome & Papadopoulos, 2019).

2.2.3 Resource Dependence Theory

The resource dependency theory was developed by Pfeffer and Salancik in 1978. Firms accomplishment is resource dependency theory (RDT) is stipulated as firms' ability to maximize its capability. Research on the power basis within a firm started early in (1985) and included quite much of early tasks undertaken by social exchange theorist, political scientists. RDT symbolizes the links between firm power set of power relation founded on resource exchanges.

RDT exposes the tendency to link (i.e. depend on), other critical resources insufficient to achieve the necessary resources. Other companies attempt, by reducing their own dependence and increasing other companies' dependence on them, to alter their relations of reliance. The environment in which an organization lies does recognize the impact of external factors on an organizational behaviour. Managers are tasked to

reduce environmental uncertainties. Firms require different unmatched resources to undertake their daily businesses. These resources determine how firm use inputs to give maximum output of goods and services. In the informal sector the government ought to distribute more resources in the sector of office furniture and focus more on local furniture rather than imported furniture. Various factors have been outlined as deterrents to success in the sector. They include lack of experience on level managers, inadequate human capital, inadequate entry and exit market barriers, insufficient capital and non-aggressive market. (Gathungu & Kithusi, 2018). Achieving external resources required by an organization requires them to decrease the firm's dependency on others and/or by increasing other firm's dependency on it, that is, customizing a firm's capabilities with other firms. However RDT was initially put across to describe the link amongst firms, the theory is relevant to links among organizational units. RDT remains committed to the corporate environmental and institutional theories where companies are viewed as permanent organizational structures under continuous reinvention and agreement, convergence with the intermediate surroundings of turbulence and many challenges (Biermann & Harsch, 2017).

Resource dependency theory has connection on maximum divisional structure of a firm, employee and board member recruitment, production of strategies', contractual structure, exterior administrative relationship, and other various administrative approach aspects (Oliver, 2014). The theory postulates that the organization relies on resources that come from its environment to a substantial degree and that it includes other organizations with the resources that an enterprise requires, that resources are a capabilities-based basis, that legally independent firms can depend on capabilities and that resources are directly related (Pearce & Robinson, 2017). Companies are dependent

on multi-dimensional resources: capital, labor and commodities. Companies may not be in a position to develop a compensating multi-resource initiative. Companies have to move across the criticality concept and scarcity principle (Wheelen & Hunger, 2018). Critical resources are resources a firm ought to have in order to function. A firm is subjected to adopt assorted countervailing strategies' like close links with suppliers, or through vertical or horizontal integration (Sherer, Suddaby & Rozsa de Coquet, 2019).

Resource dependence is more concerned than the external firm's which administer, allocate, manage and contest with a firm. While management decisions are more significant than non-executive decisions, in general, non-executive decisions have more managerial repercussions. Managers in a company understand that their success is linked to customer requirements. Administrators career blossom when customer base demand expands. This puts across the fact that customers are a key driver of resources a firm relies on. However this is viewed in revenue terms, it's basically an organizational incentive which make management view clients as a great resource (Cao, Li & Wang, 2017). Proper utilization of resources by the scheme managers, some of whom aren't familiar with restricted leadership expertise, tends to miss appropriate or not even outline which works contrary to their firm's effectiveness. Thereby practices of strategic management are destined to put the retirement benefit schemes in a competitive position for remaining above in the ever increasing and aggressive environment of the business.

2.3 Effects of Strategic Management Practices on performance of Retirement Benefit Schemes

Proper strategic management practices often devote to better and desired achieved desired results through generation of desired data and information, creation of a harmonious and improved knowledge about the market environment thereby shortening uncertainties'. The study focused on implementation of formulation strategy, evaluation of strategy and strategy control in practices of strategic management.

2.3.1 Strategy Formulation

Strategy formulation comprises defining of corporate mission, stipulating realizable and desirable goals, initiating suitable policies and finally emerging policy and evaluation procedures. This was attained by appraising the key strategies and key objectives of the firm, stipulating existing alternatives as well as decision making on the most effective and suitable alternatives. The strategic formulation process essentially takes place in three levels: corporate, corporate and functional. Team leaders pursue purposeful approaches that are ideally short-term and link exclusively to a working area (Oliver, 2014).

Firms' outlay is developed to check of enlarged activities and resource usage. A firm's outlay is the organizational formal configuration. It defines the aspects, agendas, mechanism of governance and the decision making mechanism. Firms' outlay is characterized by the organizational life, age and size and its framework action, this replicates what the company does and how duties are accomplished, based on the proposed strategy. Firms' structure ought to be concurrent with the defined strategy which is there and be fit amongst them (Price et al., 2016).

Based on Kroon (2015) the selection of a firm's structure is based on the business strategy. Structure succeeds strategy and the two ought to coordinate in order to achieve desired results. Organizational structure resulting into the most operative strategy execution need be industrialized, considering the business size, product diversification range, rate of environmental change and information desire (Malhotra, Majchrzak, & Niemiec, 2017). Kroon further argues that firms' goals need be derived from the firm goals and strategies. The business as well as content of goals extent establishes the manner in which structure of the company is outlaid. Kroon (2015) put across the organizational structure to be established must be acceptable and practical in nature, which must also follow the laid down business strategy in order to achieve goals and objective (Adobor, 2019). The firms' structure does incorporate both formal and informal sections. The formal firm's structure is described through serious planning and it does indicate the tasks of the firm's employees. On the other hand informal organization is defined as the creation of informal groups by employees of an organization. They are developed spontaneously resulting from interaction amongst the staff. Kroon further emphasized that the informal groups existing due to social needs of the staff. The informal outlay of a firm may have positively and significantly impact on the activities of the business (Satyro, Sacomano, Contador, Almeida, & Giannetti, 2017).

2.3.2 Strategy Implementation

Based on Mintzberg, Quins and Ghoshal (2014), up to 90% of properly executed strategies don't sail through at the stage of implementation and only about 10% of properly framed strategies are effectively executed. Effective implemented strategy is reliant on full engagement of organizational shareholders. During this stage

communication with stakeholders is vital as it helps them determine if a corrective action is needed. Nagi and Kombo (2014) did examine the strategy implementation effect on the Kenyan commercial banks performance. They concluded that indeed there was a great link between implementation of strategy and achievement of the organization.

Burnes (2010) advocated for strategic management change is indeed essential in a culture and intellectual phenomenon' rather than an investigative, balanced task. Clarke (2013) indicated that the bottom line of justifiable changes is familiarizing with organizational culture that need be adjusted. If the expected change does contradict cultural biasness and organizational traditions, it's an indicator that there will be impossible in fixing the organization. As per Sharma (2017) he put across that organizational culture may indicate in assorted ways and norms adopted by the firm like existing physical structure, existing convectional behavior, language, rituals and equity at payment.

Formulation of a proper work structure consumes a lot of time. Culture is evident to people via symbols, values, physical outlook, and language and hence substitutes the rational tool of management such as innovation and technology and also structure. Okumus (2013) considered firm's culture as the mutual employees' agreement on how they undertake tasks within the firm. Okumus observed that key matters in culture of the firms and structure and subculture and the impact they have during the implementation phase, the organizational culture impact on engineering as well as unifying amongst various leadership and functional levels, advanced action plan

towards the firms' perception, subculture, struggles and tasks towards altering general firms culture and subgroups and capable encounters

2.3.3 Strategy Evaluation

This is a technique which incorporates control setting which over time reviews, evaluates and issue a appropriate feedback with regards to the strategy executed and ascertain if the desirable findings are being achieved in order corrective measures can be incorporate if need be. Ondera (2013) considered practices of strategic management at the Mbagathi District Hospital, Nairobi, Kenya. In his study he put across the institution indeed does formulate, implement and evaluate plans of work which do involve hospital employees and the management does allocate funds founded on task plan to establish the development of achieving strategies is indeed smooth.

Study by Abdalla (2015) argues that more often establishments ought to attain the top notch training and performance enhancement possible. In the modern day competitive environment does require a labor-pool which not only learn quickly, but also rapidly and consistently reengineer new learning into improved on self-performance, unit and organizational performance. The source discovers that the basis for endless improvements and is vital to exonerating the culture's dire power to enhance results is a thorough work-efficient and successful evaluation.

Chepkwony (2016) shares similar sentiments when an assessment is held as sacred in an organization. Both scholars agreed that when a future assessment is performed there's always the sense that an individual needs to perform than when no assessment is made. For this reason, the strategy assessment affects performance in both cases as it increases the need for high performance and impresses during assessment. The

evaluation effect can however be divided into two of a formative and summative assessment. Duck (2013) highlighted that there is a universal link that management is at the fore front of implementation of strategy; he stated that whereas strategic plan may outline great concepts and guidance, the threat of transforming the concepts and adhering the rules that results to intensive proper directed efforts to spearhead the change. Based on Kroon (2015) management is a human trait that spearheads firms towards achieving its goals and objectives via spontaneous integration of the employees in the firm. A great business prospers or faces downfall based on existence and absence of proper leadership.

Kroon (2015) stipulated that leadership include the interrelationship between identity and scenario as defined in a group. A specific relationship exists between a leader and his immediate followers. This links do indicate that juniors are willing to achieve the leader's goals and objective and those leaders do influence their subordinate's. Leaders also stipulate how juniors need to undertake their respective task. On such cases juniors are urged to be up par to levels that they themselves couldn't figure out if they're achievable. Administrators have a role to use power in such a way as to motivate juniors to pursue a common goal. Leadership depends on the ability of both positional and personal sources to achieve and use power. The emphasis of the strategic planning process is emphasized by the fact that the new tactic is being formulated and institutionalized (Biermann & Harsch, 2017).

As per Goleman (2010), he stipulated that there are six styles of leadership which comprise of: coerciveness, authoritative, affiliative, democratic, pace setter, and coaching. Despite Goleman emphasis that a competent leader is experienced in basic

leadership style and he has resilience to change between various scenarios as a circumstance may indicate. Leadership by itself an act of strategy translation into desired findings and is key in essential engagement the hearts as well as people's minds involved. Idealist leaders do create efficiency by spearheading decision and taking responsibility to the fore front. Saka (2013) noted that the implementing strategy achievement is basically incorporated with the ones steering the change action.

2.3.4 Strategy Control

Extensive analysis of monthly, quarterly, semiannual/ half year reports and annual report is a paramount task for management in their routine evaluation, appraisal and review of a strategy. The analysis checks for example at the profit margins, sales, cash flow sequences, cost analysis returns on capital invested to allow easier administration on strategy effectiveness which is being pipelined. Pappas et al. (2017) researched on the link impact of strategy overview and the environment instability on results of strategic nature in revenue driven businesses. The outcome achieved on the analysis of revenue steered firms it does indicate that self, expert based, activity and control output system had a different impact on inclusion in strategic actions.

During the account process of strategy implementation, resources ought to rightfully apportion and the firm structured and developed in a way it's possible to undertake out a strategic action. Alexander (2010) noted that "implementation of a strategy focuses on the concern on how best to ensure strategy is properly aligned with time constrain, budgetary limit and labor resource, and its abilities". During the strategy execution process, firms do utilize available resources for maximum desirable results and undertake a strategic plan on an endless basis through the laid down lice cycle. Without

a proper action - plan and adequate resources which are required to execute an action – however equally the best reengineered action plan is barely a conversation (Thompson & Strickland, 2012).

Sterling (2013) indicated that dire resource inadequacy, capital requirements or otherwise is a deterrent to achieving strategy goal. Budgeting and budgeting controls are a key and fundamental part of any action plan, more- so when capital intensive projects are involved. It's paramount to incorporate financial decisions when drafting the strategic plan. Heightened attention should allow executive leaders to disburse adequate reserves intensive to the action plan while ensuring available funds aren't depleted and to the extent investor returns on capital aren't imperiled. Furthermore it's vital in the expectation of other crucial assets such as employees and time management. Service provider companies are most prone to particularly strain in the event resources are inadequately apportioned.

2.4 Empirical Studies and Knowledge Gaps

The section reviews literature about studies conducted by other scholars with regards to practices of strategic management and corresponding firm's achievement. These studies include Muogbo (2013) studied impacts of strategic management practices about development and expansion of an organization among selected Anambra state manufacturing companies. The recommendation disclosed that most manufacturing companies failed to apply strategic management, that the firm's competitiveness was significantly influenced by strategic management, that performance of the employees was affected by strategic management, that organizational productivity of the firms had

increased magnificently due to strategic management and that manufacturing firms' structural development has been improved by strategic management.

Onyango in (2014) conducted a research on practices of strategic management incorporated by Kenya Commercial Bank Limited. Target correspondents were chief administrators at KCB who were precisely tasked with strategy implementation activities. The main context being practices of strategic management embraced by KCB, research disclosed the leading management at KCB had different practices of strategic management implemented by the bank whereas they had dedicated much time, manpower, technology and innovation and funds amid the whole process of the management. Research further revealed that strategic management practices were implemented by the senior management following the six steps that are description of the bank's mission and vision statement, strategy implementation, conviction of the strategic objective, situation analysis, strategic evaluation strategic scrutiny, control and alternative.

Maroa and Muturi in (2015) focused on the impact of practices in strategic management with regards to results of flower growing companies in Kenya: a review of Kiambu County, Kenya. A definitive research design was put across while the target audience was 21 floriculture companies from which 10 were preferred through randomly sampling them, and 5 members each from the 10 companies selected by design. Structured questionnaire were in use for collecting primary data. Chi- square(X²) validation was also utilized while trying to evaluate the 4 hypotheses to identify the relationship level. Results identified most companies had a defined and implemented strategic plan, strategy evaluation task and exercise authority on practices for managing

the strategies. Furthermore, that formulation of strategy, implementation of strategy, evaluation of strategy and control procedures had indeed a big impact on the flower companies' outcomes to a greater degree.

Kimani (2018) researched on the impacts of practices for managing strategy towards a firm's results Fintech in Africa: a research study of Cellulant Corporation. The clear cut aimed if the research was to define the impact of formulation of strategy, execution of strategy, and evaluation of the organizational outcomes of Cellulant Corporation. The study allowed a definitive correlational research design whereby it targeted on the strategic management team at Cellulant Corporation (country managers, finance managers, product development team managers and implementation engineers). It was concluded that strategy formulation practices at Cellulant Corporation were not up to expectations and there is much to be done in this regard to facilitate the enhancement of organizational performance. It was also concluded that strategy implementation practices were partly the reason that causes dismal performance as reflected by annual and other periodic KPIs. The study equally revealed that evaluation of a strategy had a compelling influence on a firm's results but needed to be substantially improved for it to make an impact at Cellulant Corporation.

Daudi and Mbugua (2018) highlighted the impact of practices of strategic management with his insights reviewing achievements of transport Sacco's in the Nairobi County, Kenya. The key goal to the study was to establish the impact of formulation of strategy on the achievements of transport sector in Nairobi County, Kenya: to assess implementation of strategy influence on success of public transport Sacco's in Nairobi County, Kenya; to evaluate how strategy assessment impact results on public transport

Sacco's in Nairobi County, Kenya. It established that practices for managing of strategy have to a great extent much impact on achievements. It found out, strategy formulation had the highest effect on performance trailed by strategic implementation and strategic evaluation respectively.

2.5 Chapter Summary

The study explored at length three theories namely the dynamic capability theory, resource-based view theory and resource dependence theory. There is an extensive review of literature about the impact of practices of strategic management about their results with regards to Retirement Benefit Schemes. Furthermore the research examined in detail the independent variables that may affect performance of Retirement Benefit Schemes. The variables discussed were formulation, execution, assessment, control and monitoring of strategies.

A clear action plan offers clear objectives and direction for the organization resulting to higher effectiveness and better performance (Skyrme, 2012). Decisions are arrived at faster as a quick check is how this decision fits into the strategy of the company. Such a cooperation and integration is useful in tackling problems and exploiting opportunities. With employees knowing what tasks need to be done, by whom, when and why acts as a motivation mechanism and a psyche tool which improves employee satisfaction. Therefore, from the reviewed literature it could be concluded that indeed strategic management practices have an impact on achievements Retirement Benefit Schemes in Kenyan market.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter presents adopted study design for the research, data collection methodologies, and data analysis methods. It describes the technique utilized in investigating the strategic management practices effect on RBS performance in Kenya.

3.2 Research Design

Lewis (2015) describes research design as the major method to frame data collection and analysis methods and procedures, generating a systemic approach to research requirements. Research design is a strategy to select information types and thereafter sources to respond to questions about the study. It assists to advance a framework to specify links among variables. Descriptive research design was adopted in this study. The study aimed to collect all-inclusive data through explanations that would be useful for variables identification. This approach therefore was appropriate for this research. A descriptive design aimed to provide data which identifies prevailing phenomena through queries concerning individual opinions and experiences.

3.3 Population of the Study

According to Gorard (2013), target population class of people, events and articles which the researcher wishes to generalize on the research results in real or hypothetical terms. The study population was the 1339 occupational defined contribution schemes published in the Retirement Benefits Authority (RBA, 2015).

3.4 Sample Size

A sample population of 299 was established through computing utilizing Kothari (2004) formula.

$$n = \frac{z^2 \cdot N \cdot \partial_p^2}{(N - 1)e^2 + z^2 \partial_p^2}$$

$$n = \frac{z^2 \cdot N \cdot \partial_p^2}{(N - 1)e^2 + z^2 \partial_p^2} n = \frac{z^2 \cdot N \cdot \partial_p^2}{(N - 1)e^2 + z^2 \partial_p^2}$$

Where; n = Size of the sample; $N = 1339$ (Population Size); $e = 0.05$ (Acceptable Error); $\partial_p = 0.5$ (Population standard deviation) and $Z = 1.96$ (Standard variation at 95% level of confidence).

3.5 Data Collection

The researcher sought authorization letter from the Retirement Benefits Authority for the collection of data after getting University letter of introduction. In improving the rate of response, the ethical issues were put into deliberation in this research. The researcher explained the respondents the study significance. The staff at RBA was assured by the researcher of the confidentiality and identity anonymity.

Questionnaires were utilized for collecting the primary data. The questionnaires were given using the following method. The newsletters, strategic plans and manuals on human resources provided secondary data. The data collected from the secondary sources for supplementing the data collected from the questionnaires for providing detailed reports on the strategy management practices and the effect on RBS in Kenya.

The staff at RBA was chosen since they are engaged unswervingly in RBS strategic management in Kenya.

3.6 Data Analysis

Analysis of the collected data was done using both quantitative and qualitative data analysis methods. Both descriptive and inferential analyses were used for analyzing the quantitative data. Descriptive statistics like mean, standard deviations, frequencies and percentages were utilized and presentation was done using tables. Data from unrestricted questions was evaluated qualitatively using content analysis. Regression analysis was used to establish strategic management practices effects on results of Retirement Benefit Schemes in Kenya at 95% significance level. Below is the regression model is illustrated as follows:

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

Where:

Y= performance of Retirement Benefit Schemes in Kenya

β_0 = Constant Term

$\beta_1, \beta_2, \beta_3$ and β_4 = Beta coefficients

X_1 = Strategy Formulation

X_2 = Strategy Implementation

X_3 = Strategy Evaluation

X_4 = Strategy Control

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The chapter highlights on the collected data scrutiny, results and discussion. Main aim of the research was to identify effects of strategic management practices on performance of Retirement Benefit Schemes in Kenya. The researcher utilized descriptive and inferential statistics and presentation was done in tables.

4.1.1 Response Rate

Purpose of the research was to gather primary data from respondents. For this purpose, 299 respondents received questionnaires, out of which 212 completely filled questionnaires were returned. This corresponds to a 70.9 per cent response rate. This means that the response rate was good and it allowed the results to be generalized as is the case for Gorard (2013), who noted that over 50 percent of the reactions are good for the analysis of the data. The feedback pattern is as shown on table 4.1.

Table 4. 1: Response Rate

Response Rate	Frequency	Percentage
Response	212	70.9
Non-response	87	29.1
Total	299	100.0

Source: Field Data (2020)

Table 4. 2: Response Rate based on Demographic Characteristics

Demographic Characteristics	Response	Response rate
Gender		
Female	125	59.0
Male	87	41.0
Highest Level of education		
Certificate	22	10.4
Diploma	34	16.0
Degree	28	13.2
Masters	108	50.9
PhD	20	9.4
Age bracket		
20-30 yrs.	32	15.1
31-40 yrs.	43	20.3
41-50 yrs.	34	16.0
51–60 yrs.	103	48.6

Source: Field Data (2020)

Table 4.2 presents the demographic characteristics of the respondents based on their gender, highest educational level and age bracket.

4.1.2 Reliability Analysis

The testing of the reliability of the questionnaires was carried out by a pilot study. Reliability analysis was then conducted using Cronbach's Alpha that also benchmark in house flexibility through determining whether particular elements are the same construct in a scale. Outcome for reliability are outlined in Table 4.3.

Table 4. 3: Reliability Statistics

Performance Indicators	Cronbach's Alpha
Strategy Formulation	.882
Strategy Implementation	.903
Strategy Evaluation	.879
Strategy Control	.848
Performance of RBS	.726

Source: Field Data (2020)

Table 4.3 presents Cronbach's Alpha which was developed for each target stipulated on a scale. Strategy implementation had the highest constant response with a corresponding alpha value of 0.903, next is strategy formulation with 0.882, then strategy evaluation with 0.879, strategy control had 0.848 while performance of RBS had the least reliability with a corresponding alpha value of 0.726. Based on the information it's an indicator that all the five variables were dependable as their reliability values did exceed the recommended threshold of 0.7 as stated by Lewis (2015). This shows that the research tool was dependable and thus no changes needed.

4.2 Background Information

The research desired to determine respondents' history data inclusive of gender, highest educational level and age bracket. Their feedback were as shown on the consecutive subsections.

4.2.1 Gender of the Respondent

Asked the respondents to indicate their gender specific. This was to identify the distribution of the respondent in term of gender. The outcome is stipulated in Table 4.4.

Table 4. 4: Gender of the Respondent

Gender of Respondents	Frequency	Percent
Female	125	59.0
Male	87	41.0
Total	212	100.0

Source: Field Data (2020)

Table 4.4 indicate that, (125) 59.0% of the responds were female while (87) 41.0% were male. This means that the study was non-biased because both men and women considered the necessary information for the study to be obtained. The results also imply that the female counterparts participated more in retirement benefit schemes.

4.2.2 Highest Educational Level of the Respondent

The responds were also tasked on specifying their uppermost educational level. The results are illustrated in Table 4.5.

Table 4. 5: Highest Level of Education of the Respondent

Educational Level	Frequency	Percent
Certificate	22	10.4
Diploma	34	16.0
Degree	28	13.2
Masters	108	50.9
PhD	20	9.4
Total	212	100.0

Source: Field Data (2020)

Table 4.5 reveal that (108) 50.9% of the respondents had attained a Masters, (34) 16.0% had attained a Diploma, (28) 13.2% had attained a Degree, (22) 10.4% had attained a Certificate while (20) 9.4% had attained a PhD. In other words, all the participants were adequately learnt and therefore gave correct information to understand the subject under research.

4.2.3 Age Bracket of the Respondent

Further the responds were expected to reveal their age bracket. The results are illustrated in Table 4.6.

Table 4. 6: Age Bracket of the Respondent

Age	Frequency	Percent
20-30 yrs.	32	15.1
31-40 yrs.	43	20.3
41-50 yrs.	34	16.0
51–60 yrs.	103	48.6
Total	212	100.0

Source: Field Data (2020)

Table 4.6 indicated that, (103) 48.6% of the respondents were aged between 51–60 years, (43) 20.3% were aged between 31-40 years, (34) 16.0% were aged between 41-50 years while (32) 15.1% were aged 20-30 years. It shows therefore that around the required age bracket was covered by the study, so that the information was obtained from a wide range and therefore accurate and reliable.

4.3 Strategic Management Practices and Performance of Retirement Benefit Schemes in Kenya

The aim of the study was to highlight the effects of strategic management practices on the results of Retirement Benefit Schemes in Kenya. The following subsections present the findings on the effect of formulation, implementation, evaluation and control of strategies on performance of Retirement Benefit Schemes.

4.3.1 Strategy Formulation

The researcher queried the respondents on their concession level with remarks on effects of strategy formulation on performance of the Retirement Benefit Schemes in Kenya. Table 4.7 illustrates the findings.

Table 4. 7: Effect of Strategy Formulation on Performance of the RBS

Strategy Formulation	N	Mean	Std. Dev.	Coefficient of variation
The management is conversant with the business climate	212	4.226	0.921	0.218
The organization has long-term objectives/goal	212	4.142	0.881	0.213
There is a clear course of action to guide the organization towards achieving goals	212	2.948	1.115	0.378
Each department is conversant with their role in achieving the organization's goals	212	4.354	1.236	0.284
The firm has set quantitative targets towards their goals	212	4.156	1.380	0.332
It is very important for a firm to make strategic decisions and define strategy in terms of its function to the environment	212	3.566	1.524	0.427
The goals/objectives are based on the business climate	212	3.609	1.442	0.400

Source: Field Data (2020)

Table 4.6 reveals that the responds were in consensus that every department is conversant with their role in attaining the firms objectives as illustrated by an average of 4.354; management is conversant with the business climate as shown by a mean of 4.226; the firm has set quantitative targets towards their goals as indicated by an average of 4.156; the firm has a longstanding target/goal as indicated with an average of 4.142; goals/objectives are based on the business climate as shown by a mean of 3.609; and In terms of environmental function, a company must take strategic decisions and define strategy indicated with an average of 3.566. The responds also stipulated that they were

fair-minded on the way to help the organization achieve objectives is clear as indicated with a mean of 2.948. As illustrated with a coefficient variation of 0.213, there was overall accord that most organizations have long-term objectives/goal.

The study sought the respondents' opinions on other strategy formulation practices that the organization could adopt to enhance the organization's performance. The respondents indicated that the firms could adopt staff training for capacity building. Others indicated that they could offer frequent performance feedback. They also recommended monitoring of feedback/results and changes in the external and internal environment; research, data analysis and business intelligence to make data based strategies; an upscale efficient customer service especially that it was global customers (customer service week). The respondents also indicated that by understanding all stakeholders within the operation and the environment.

4.3.2 Strategy Implementation

The researcher queried the respondents on their concession level with remarks on effects of the strategy implementation effect on performance of the Retirement Benefit Schemes. Table 4.8 shows the results.

Table 4. 8: Effect of Strategy Implementation on Performance of the RBS

Strategy Implementation	N	Mean	Std. Dev.	Coefficient of variation
There is a clear structure of operation to achieve set goals	212	2.887	1.446	0.501
We have enough resources availed to enable the departments to work towards their goals	212	3.038	1.410	0.464
We have policies that encourage staff to work towards set goals	212	3.642	1.439	0.395
We have a reward structure to recognize accomplished results	212	2.929	1.457	0.497
The firm has leadership in place to ensure the ultimate goals are achieved	212	3.627	1.469	0.405
Implementation is an important component of the strategic marketing planning process	212	3.797	1.561	0.411
A brilliant strategy that cannot be implemented creates no real value	212	4.561	1.071	0.235

Source: Field Data (2020)

Table 4.8 indicated that the responds are in accord that no real value is created by a brilliant strategy which cannot be implemented as shown by an average of 4.561; execution is a key part of the marketing strategic planning process as shown by an average of 3.797; the firms have policies that encourage staff to work towards set goals as shown by an average of 3.642; and the firm has leadership in place to ensure the ultimate goals are achieved as shown by an average of 3.627. The findings also reveal that the respondents were neutral that the firms have enough resources availed to enable

the departments to work towards their goals as shown by an average of 3.038; the firms have a reward structure to recognize accomplished results as shown by an average of 2.929; and there is a clear structure of operation to achieve set goals as shown by an average of 2.887. As shown by a coefficient variation of 0.235, there was general consensus that a luminous strategy that can't be implemented creates no real equivalent.

The respondents' opinions on other strategy implementation practices that the organization could adopt to enhance the organization's performance was sought. The respondents indicated that they could put everything that needs to be done on a timeline. The organizations could establish annual objectives. They also indicated that through allocation of resources; and formulation of policies for execution of strategies. Further, through liaising with stakeholders and external factors; involve the staff (real manpower) since at the end of the day it is their role to deliver; having a continuous review of strategy implementation; and conducting strategy monitoring and review at all strategy stages.

4.3.3 Strategy Evaluation

The researcher queried the respondents on their concession level with remarks on effects of strategy evaluation on performance of the Retirement Benefit Schemes in Kenya. Table 4.9 indicates the feedback.

Table 4. 9: Effect of Strategy Evaluation on Performance of the RBS

Strategy Evaluation	N	Mean	Std. Dev.	Coefficient of variation
We have daily/weekly/monthly targets for key departments	212	4.882	0.542	0.111
We regularly compare business performance against set quantitative goals	212	3.920	1.443	0.368
The firm has structures to correct undesired performance	212	2.802	1.410	0.503
Strategy evaluation is a critical tool for managers to understand the reasons behind failures and success of certain objectives	212	4.755	0.777	0.163
Evaluation is used as a strategic learning tool and has continued to play a role in strategy formulation and implementation	212	3.915	1.360	0.347
Strategy evaluation involves setting control processes to continuously review	212	3.538	1.513	0.428

Source: Field Data (2020)

Table 4.8 indicates that the respondents strongly agreed on that firms have daily/weekly/monthly targets for key departments as shown by an average of 4.882; and strategy evaluation is a crucial tool for management to learn why particular goals fail and succeed as shown by an average of 4.755. The respondents agreed that their firms regularly compare business performance against set quantitative goals as shown by an average of 3.920; evaluation has continued to serve as a strategic learning tool in the achievement of organizational goals as shown by an average of 3.915; and strategy evaluation incorporates putting up control procedures to regularly look into as shown by an average of 3.538. The respondents were neutral that the firm has structures

to correct undesired performance as shown by an average of 2.802. As shown by a coefficient variation of 0.111, there was general consensus that employees have daily/weekly/monthly targets for key departments.

The researcher also required the respondents' opinions on other strategy evaluation practices the organization could adopt to enhance the organization's performance. The responses included that the firms could involve the team so as to buy into the planning process and the resulting strategic plan; identifying management objectives in concept and representation; identifying a broad range of uncertainties to which the strategy should be robust; empowering the risk and compliance department as well as make it independent.

4.3.4 Strategy Control

The researcher queried the respondents on their concession level with remarks on effects of strategy control on performance of the Retirement Benefit Schemes in Kenya. The results are displayed on Table 4.10.

Table 4. 10: Effect of Strategy Control on Performance of the RBS

Strategy Control	N	Mean	Std. Dev.	Coefficient of variation
Investing in staff training	212	4.830	0.722	0.149
Increasing funds on productive projects	212	4.618	0.959	0.208
Suspending less productive projects	212	4.656	0.963	0.207
Increasing/reducing labor force	212	3.741	1.412	0.378

Source: Field Data (2020)

Table 4.10 indicates that the respondents strongly accorded that firms practiced strategy control by: investing in staff training as shown by an average of 4.830; suspending less

productive projects as shown by an average of 4.656; and increasing funds on productive projects as shown by an average of 4.618. Further, the respondents agreed that their firms increased/reduced labor force as shown by an average of 3.741. As shown by a coefficient variation of 0.149, there was general consensus that there is investment in staff training

The respondents further gave their opinions on other strategy control practices that the organization could adopt to enhance the organization's performance. They indicated that by continually evaluating the strategies as they are being implemented to take necessary steps to adjust the strategies to the requirements; Management and recognition preventive; regular meetings to debate results and outcomes management; forecasting the business climate; managing support, cost cutting measure; and by having regular analysis of strategy implementation by an outsider will help in control measures.

4.3.5 Performance of Retirement Benefit Schemes

The respondents were further required to specify the tendency of the following features of performance of Retirement Benefit Schemes in Kenya for the last five years. Their responses were as shown in Table 4.11.

Table 4. 11: Trend Aspects of Performance of Retirement Benefit Schemes in Kenya

Performance Trend	N	Mean	Std. Dev.	Coefficient of variation
Contributions received	212	4.948	0.326	0.066
Investment income	212	3.943	1.507	0.382
Benefits payable	212	4.637	0.931	0.201
New membership registration	212	3.085	1.451	0.470
Level of return on investments	212	4.104	1.306	0.318
Administrative expenses	212	2.481	1.315	0.530
Assets under management	212	1.429	1.030	0.721

Source: Field Data (2020)

Table 4.11 indicates that the contributions received as illustrated by an average score of 4.948; and benefits payable as illustrated by an average score of 4.637 had greatly improved for the last five years. The participants as well showed that the level of return on investments as outlined with an average grade of 4.104; and investment income as showed by an average grade of 3.943 had enhanced over the last five years. Further, the responds revealed that new membership registration as illustrated by an average score of 3.085 had been constant for the last five years. The respondents also indicated that administrative expenses as showed by an average score of 2.481 had decreased while assets under management as illustrated by an average score of 1.811 had greatly decreased for the last five years.

Further, the respondents gave their recommendations to improve performance of Retirement Benefit Schemes in Kenya. They recommended that RBA should be more aggressive to ensure all the newly introduced government policies relating to retirement benefits are fully implemented. They also indicated that RBA should be more

aggressive to promote the sector to ensure high penetration of pension in the industry. They indicated that they should set clear regulations that regulate the industry and a strict follow up on implementation of the same. They should also ensure trustees of schemes are educated on the activities in the scheme, that is, suitable investments. Proper monitoring and evaluation should be present to hold those in authority accountable. They also indicated that there is need to encourage small schemes to join umbrella funds because of economies of scale. Also, they indicated that diversification to other asset classes that the traditional assets will improve scheme performance; and creating awareness of the need for retirement savings.

The research needed to examine on the trends of performance aspects of Retirement Benefit Schemes in Kenya for the last eight years (2012-2019) including contributions received, investment income, benefits payable, new membership registration, level of return on investments, administrative expenses and assets under management.

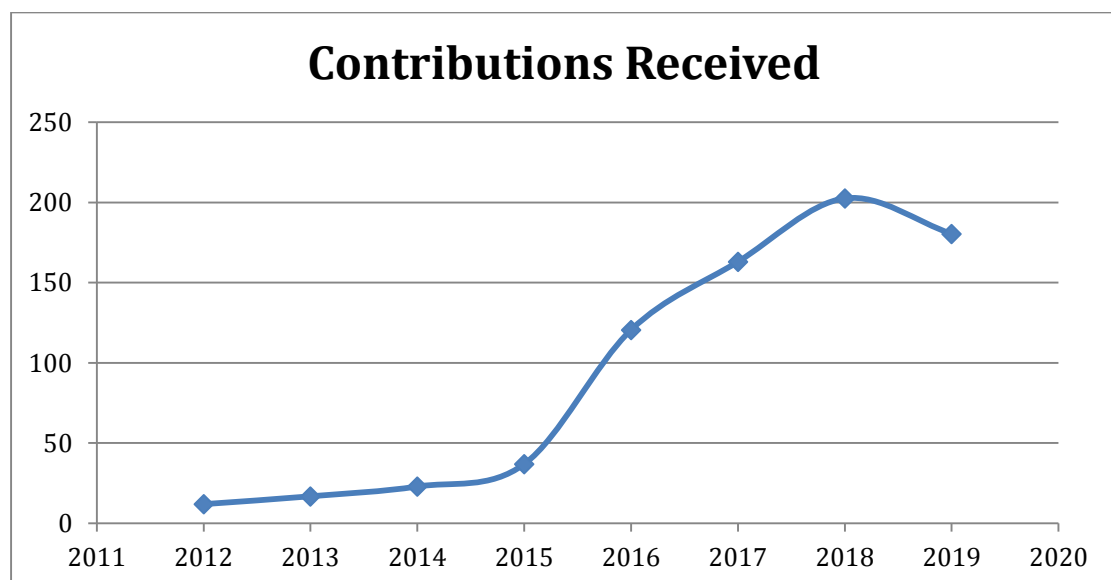


Figure 4. 1: Trend of Contributions Received

Source: Field Data (2020)

Figure 4.1 indicates that the contributions received have been increasing gradually between 2012 and 2018 and decreased slightly in 2019. This shows that the performance of the companies has been increasing due the increase in the contributions received over the years.

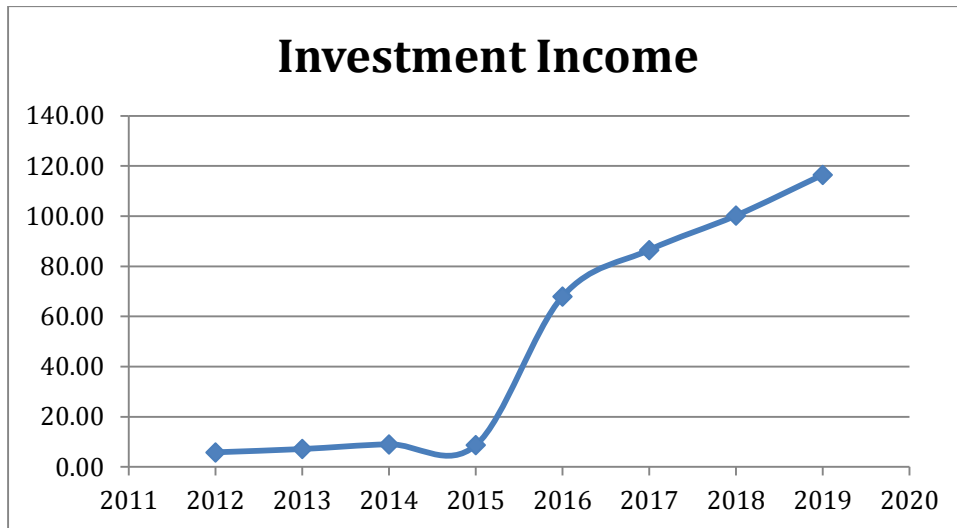


Figure 4. 2: Trend of Investment Income
Source: Field Data (2020)

Figure 4.2. Reveals that the investment income has been increasing over the years. This implies that the Retirement Benefit Schemes in Kenya have had an increase in capital assets which includes investment by business and investment in property.

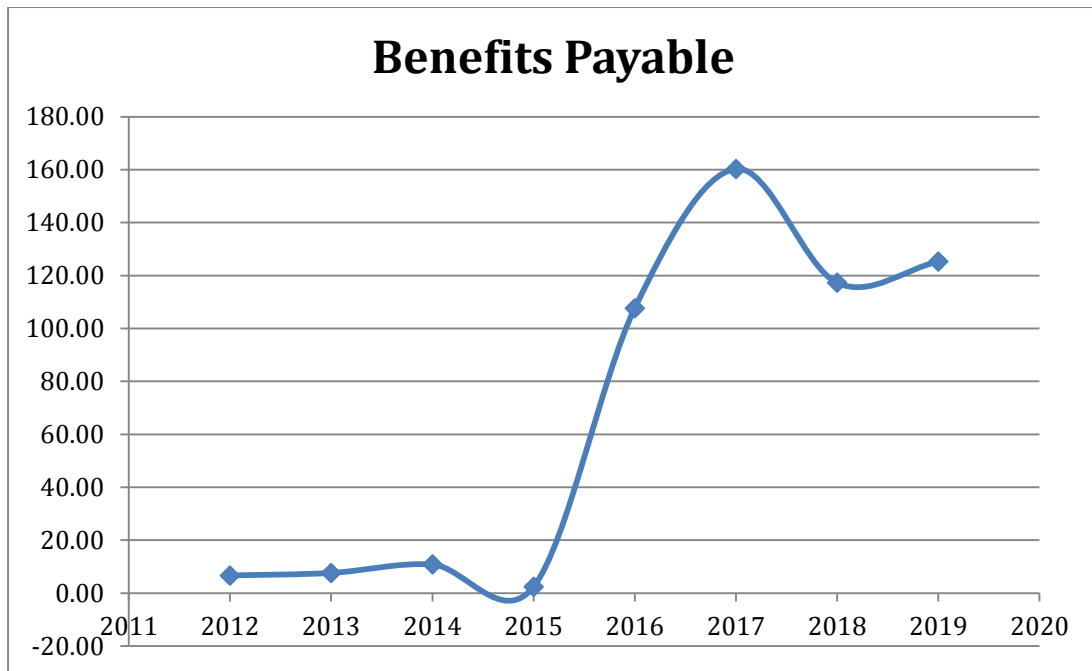


Figure 4. 3: Trend of Benefits Payable

Source: Field Data (2020)

Figure 4.3 illustrate that the benefits payable had been increasing gradually between 2012 and 2014, but gradually decreased between 2014 and 2015. It also increased tremendously between 2015 and 2017 but decreased slightly between 2017 and 2018. Between 2018 and 2019, it increased gradually. This implies that the benefits payable has been fluctuating and also that the companies have been buying more goods or services on credit, rather than paying cash.

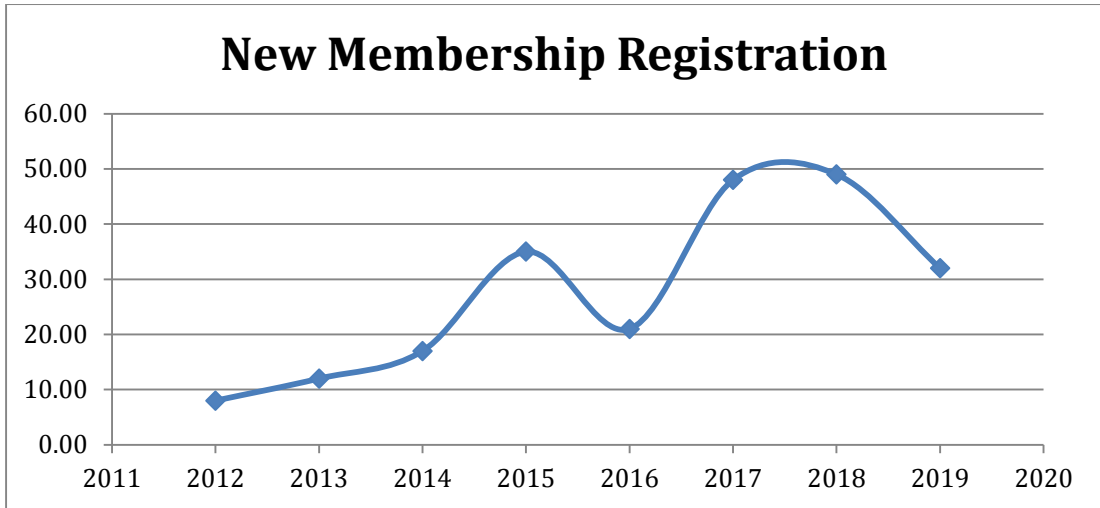


Figure 4. 4: Trend of New Membership Registration

Source: Field Data (2020)

Figure 4.4 show that the number of new members registering at Retirement Benefit Schemes in Kenya had increased between 2012 and 2015 but decreased between 2015 and 2016. Between 2016 and 2018, the number of registered new members had increased but had a sharp decrease between 2018 and 2019. This implies that the performance of the Retirement Benefit Schemes in Kenya has also been fluctuating.

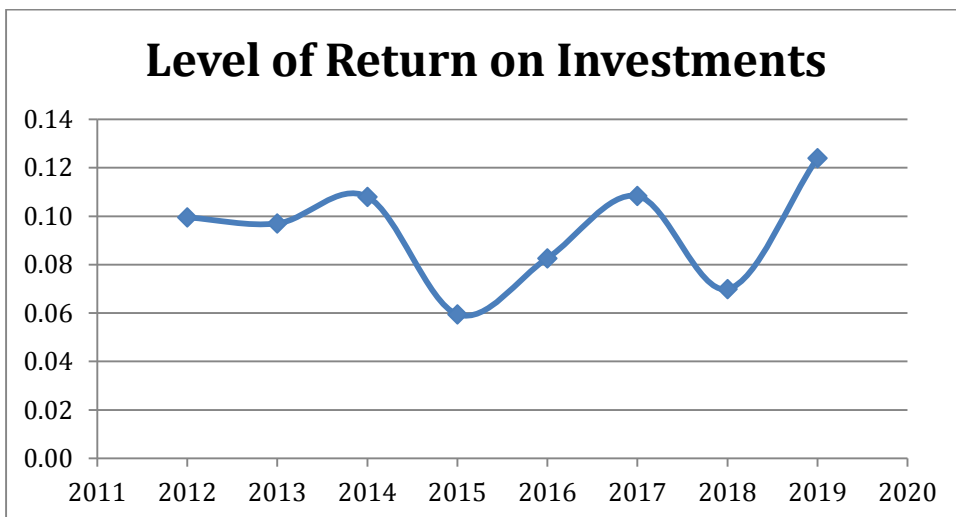


Figure 4. 5: Trend of Level of Return on Investments

Source: Field Data (2020)

Figure 4.5, the level of return on investments has been fluctuating over the years. With the level of return on investments between gradually decreasing between 2012 and 2013, then having a slow increase between 2013 and 2014, a decrease in 2014 and 2015. In between 2015 and 2017, there was a sharp increase which was followed by a decrease between 2017 and 2018 and an increase between 2018 and 2019. This implies that though there was a fluctuation over the years, the firms were successful at using investments to generate high returns.

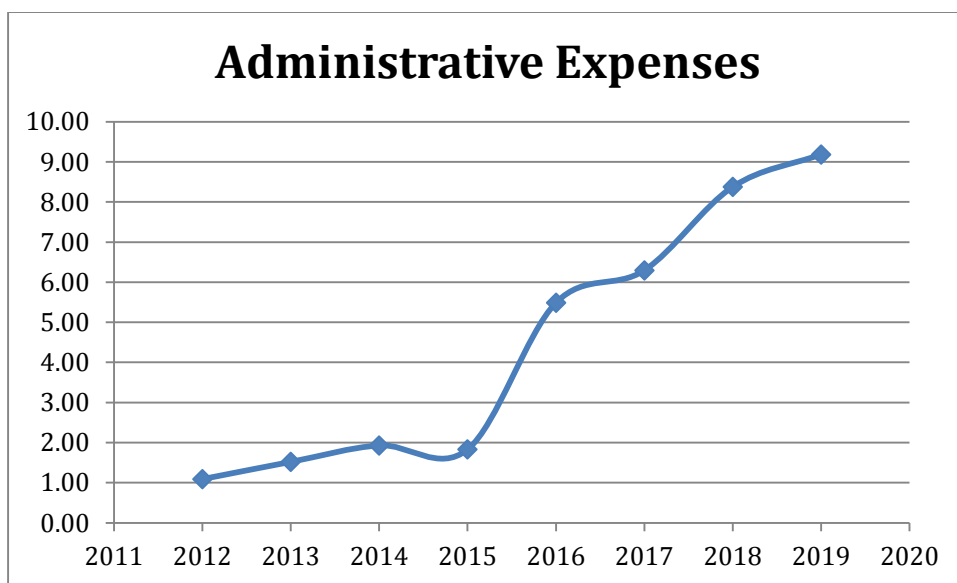


Figure 4. 6: Trend of Administrative Expenses

Source: Field Data (2020)

Figure 4.6 shows that the administrative expenses had increased over the years but had a slight decrease between 2014 and 2015. Potential reasons for administrative cost increases include adjustments to the legal and regulatory environment (such as reporting and organizational requirements for forward-looking payments systems), increased usage review demands, and greater demands on reduced fees for payers. This

implies that an increase in operating expenses means less profit for Retirement Benefit Schemes.

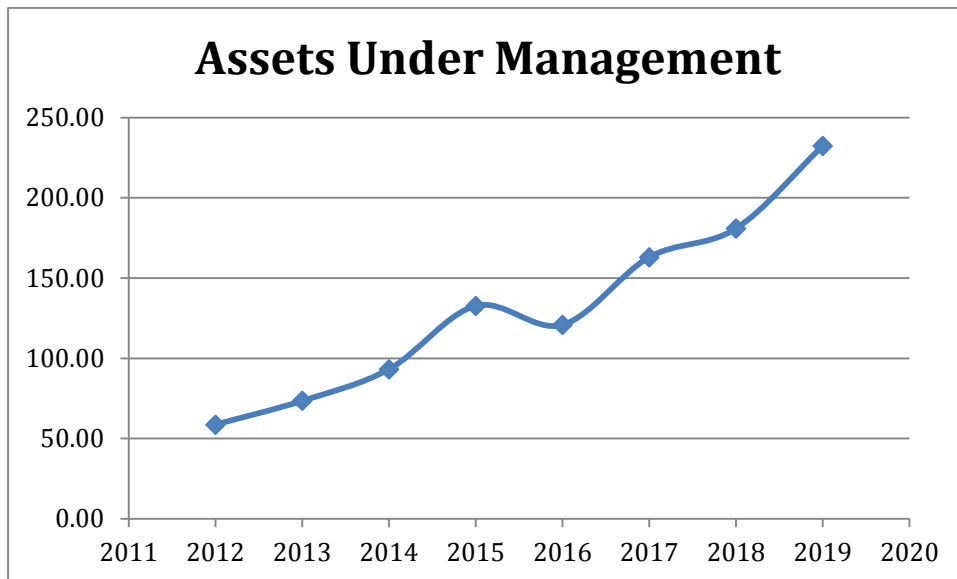


Figure 4. 7: Trend of Assets Under Management

Source: Field Data (2020)

Figure 4.7 show that the assets under management have been increasing over the years. There was however a slight decrease between 2015 and 2016. This implied that new customers and their assets had been acquired over the years. This also implies that the Retirement Benefit Schemes in Kenya have had larger revenue in the form of management fees.

4.4 Multiple Regression Analysis

The results and discussions on regression results in this section of the study. To assess the impact of the interaction between strategy formulation, strategy implementation, strategic assessment, and retirement benefit systems strategy management and performance in Kenya, regression model was estimated. Table 4.11, 4.12 and 4.13 displays the findings.

Table 4. 12: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.859	0.738	0.733	0.518

Source: Field Data (2020)

Table 4.11 the result showed that R-Square value (determination coefficient) was 0.733 and shows that 73.3 per cent (retirement benefits in Kenya) can be defined as the independent variables (strategy formulation, strategy execution, strategy evaluation and strategy control).

Table 4. 13: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	158.81	4	39.703	145.9	0.00
	Residual	56.32	207	0.272		
	Total	215.13	211			

Source: Field Data (2020)

Table 4.13 show a predictive value of the model and it was therefore significant. The p-value of $p=0.00$ was significantly larger than the critical F-value (2,4153). F was calculated as less than 5 per cent.

Model coefficients provide unstandardized and standardized coefficients for the guidance and significance of the research variables to explain the significance of the regression model. Results are shown in Table 4.13.

Table 4. 14: Regression Coefficients

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	1.123	0.217		5.175	.000
Strategy formulation	0.783	0.249	0.760	3.145	.003
Strategy implementation	0.661	0.196	0.641	3.372	.002
Strategy evaluation	0.746	0.334	0.724	2.234	.031
Strategy control	0.817	0.281	0.792	2.907	.006

Source: Field Data (2020)

The regression model was:

$$Y = 1.123 + 0.783X_1 + 0.661X_2 + 0.746X_3 + 0.817X_4$$

Table 4.14 indicated that all aspects (formulation of strategy, implementation of strategy, evaluation of strategy, and control of strategy) were held constant at zero, performance of Retirement Benefit Schemes in Kenya will be 1.123. The findings revealed that unit change under formulation of strategy would result to 0.783 element changes in results of Retirement Benefit Schemes in Kenya. Since p-value=0.003<0.05, the variable was significant.

Results showed that changes in strategy implementation would result to a 0.661 changes in results of Retirement Benefit Schemes in Kenya. Since p-value=0.002<0.05, the variable was symbolic. Further, results showed that unit change in strategy evaluation would incline a 0.746 unit changes in results of Retirement Benefit Schemes in Kenya. Since p-value=0.031<0.05, the variable was symbolic. The research further illustrated

that a unit change strategy control would lead to a 0.817 unit changes on results of Retirement Benefit Schemes in Kenya. Since $p\text{-value}=0.006<0.05$, the variable was significant.

Generally, all the variables were significant since their p-values were not more than 0.05. The study inferred that strategy control had the greatest effect on the performance of Retirement Benefit Schemes in Kenya, followed by strategy formulation, then strategy evaluation while strategy implementation had the least effect to the performance of Retirement Benefit Schemes in Kenya.

4.5 Discussion of Results

The section outlines the in Chapter four in relationship to the literature review. The study discusses findings about the effect of formulation, implementation, evaluation and control of strategies on performance of Retirement Benefit Schemes and link the findings to theories and empirical literature.

4.5.1 Strategy Formulation

The study found that each department was conversant with their role in achieving the organization's goals; the management was conversant with the business climate. The results are in line with Oliver (2014) who stated that team leaders pursue purposeful approaches that are ideally short-term and link exclusively to a working area. The findings however differed with that of Price et al. (2016) who stated that the firms' outlay is only characterized by the organizational life, age and size and its framework action, this replicates what the company does and how duties are accomplished, based on the proposed strategy.

The study also found that the firm had set quantitative targets towards their goals; the organization had long-term objectives/goal; the goals/objectives were based on the business climate; and it's very critical for an organization to undertake key choices while it defines its environmental strategy. The study also found that that there was a clear course of action to guide the organization towards achieving goals. The study conforms to Kroon (2015) who put across the organizational structure to be established must be acceptable and practical in nature, which must also follow the laid down business strategy in order to achieve goals and objective. He stated that the firms' structure does incorporate both formal and informal sections. On the other hand, informal organization is defined as the creation of informal groups by employees of an organization. They are developed spontaneously resulting from interaction amongst the staff. Kroon further emphasized that the informal groups existing due to social needs of the staff. The informal outlay of a firm may have positively and significantly impact on the activities of the business.

4.5.2 Strategy Implementation

The study found that no real value is created by a brilliant strategy which cannot be implemented. This conforms to Mintzberg, Quins and Ghoshal (2014) who state that up to 90% of properly executed strategies don't sail through at the stage of implementation and only about 10% of properly framed strategies are effectively executed. In relation to the finding, Clarke (2013) also states that formulation of a proper work structure consumes a lot of time. Culture is evident to people via symbols, values, physical outlook, and language and hence substitutes the rational tool of management such as innovation and technology and also structure.

The research found that implementation was an key part of the strategic marketing planning process. This differs with Nagi and Kombo (2014) who examined the strategy implementation effect on the Kenyan commercial banks performance. They concluded that there was no a great link between implementation of strategy and achievement of the organization.

The study found that the firms had policies that encouraged staff to work towards set goals; and the firm had leadership in place to ensure the ultimate goals were achieved. The study also found that the firms had enough resources availed to enable the departments to work towards their goals; the firms had a reward structure to recognize accomplished results; and there was a clear structure of operation to achieve set goals. These results are as per Sharma (2017) who put across that organizational culture may indicate in assorted ways and norms adopted by the firm like existing physical structure, existing convectional behavior, language, rituals and equity at payment. Further, Okumus (2013) considered firm's culture as the mutual employees' agreement on how they undertake tasks within the firm. Okumus observed that key matters in culture of the firms and structure and subculture and the impact they have during the implementation phase, the organizational culture impact on engineering as well as unifying amongst various leadership and functional levels, new strategy impact on the firms culture, subculture, struggles and tasks of altering the general firms culture and subgroups and capable encounters.

4.5.3 Strategy Evaluation

The study found that the firms had daily/weekly/monthly targets for key departments; and strategic assessment has been a critical tool for management to know why particular

goals objectives have failed and achieved success. This correlates with Ondera (2013) who considered practices of strategic management at the Mbagathi District Hospital, Nairobi, Kenya. Ondera (2013) put across that the hospital indeed does formulate, implement and evaluate plans of work which do involve hospital employees and the management does allocate funds founded on task plan to ensure the process of implementing strategies is indeed smooth. Biermann and Harsch (2017) supported this by adding that administrators have a role to use power in such a way as to motivate juniors to pursue a common goal. Leadership depends on the ability of both positional and personal sources to achieve and use power. The emphasis of the strategic planning process is emphasized by the fact that the new tactic is being formulated and institutionalized.

The research found that their firms regularly compared business performance against set quantitative goals; evaluation was used as a strategic learning tool and has continued to play a role in strategy formulation and implementation; and strategy evaluation involved setting control processes to continuously review. This is in line with the study by Abdalla (2015) stipulates that often organizations ought to attain top notch training and development for results to improve where applicable. In the modern day competitive environment does require a labor-pool which not only learn quickly, but also rapidly and consistently reengineer new learning into improved on self-performance, unit and organizational performance. The research found that the firm had structures to correct undesired performance. Duck (2013) further highlighted that there is a universal link that management is at the fore front of implementation of strategy; he stated that whereas strategic plan may outline great concepts and guidance, the threat of transforming the concepts and adhering the rules that results to intensive proper

directed efforts to spearhead the change. Saka (2013) also noted that the implementing strategy achievement is basically incorporated with the ones steering the change action. These findings are in accordance with Wade and Hurland (2013) who state that strategic management practices can adopt different attributes of dynamic capabilities, thereby be very important to businesses operating in fast changing environments. Even though strategic management practices don't directly ensure organizations are at a superior sustained competitive advantages they are however of great importance to a businesses' long term goal and objective of effectiveness in unbalanced environments when they assist advance, improve, assimilate and discharge other key capitals over time.

4.5.4 Strategy Control

The research found that the firms practiced strategy control by: investing in staff training; suspending less productive projects; and increasing funds on productive projects. These findings concur with Alexander (2010) who noted that implementation of a strategy focuses on the concern on how best to ensure strategy is properly aligned with time constrain, budgetary limit and labor resource, and its abilities. He states that during the strategy execution process, firms do utilize available resources for maximum desirable results and undertake a strategic plan on an endless basis through the laid down lice cycle. Without a proper action - plan and adequate resources which are required to execute an action – however equally the best reengineered action plan is barely a conversation. The results relate to Muogbo (2013) who stated that budgeting and budgeting controls are a key and fundamental part of any action plan, more- so when capital intensive projects are involved. Further, it's paramount to incorporate financial decisions when drafting the strategic plan. Heightened attention should allow executive leaders to disburse adequate reserves intensive to the action plan while

ensuring available funds aren't depleted and to the extent investor returns on capital aren't imperiled. Furthermore, it's vital in the expectation of other crucial assets such as employees and time management.

Further, the research found that the firms increased/reduced labor force. Thompson and Strickland (2012) supported these findings as they mentioned that extensive analysis of monthly, quarterly, semiannual/ half year reports and annual report is a paramount task for management in their routine evaluation, appraisal and review of a strategy. The analysis checks for example at the profit margins, sales, cash flow sequences, cost analysis returns on capital invested to allow easier administration on strategy effectiveness which is being pipelined.

The findings also conform to Dubey, Gunasekaran, Childe, Blome and Papadopoulos (2019) who assert that the RBV theory in strategic management research emerges as theoretical perspective that can be adopted to expound persistency between inter firm performance variation. They also state that retirement benefit schemes do have assortment of distinctive assets, resources and experiences that are, scarce, unmatched and don't have close substitute thus offering a sustainable competitive advantage. Therefore, it's paramount to find out how both interior and exterior resources can be affected by competitive strategy and enabling the organization's competencies to improve performance.

4.6 Chapter Summary

This chapter gives findings that try identifying the effects of strategic management practices on performance of Retirement Benefit Schemes in Kenya. The research presents findings for background information, formulation of strategy, implementation

of strategy, evaluation of strategy, and control of strategy on performance of retirement benefit schemes. Multiple regression analysis method will be used to establish the relationship between the variables.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter implies the summary, conclusion and discussions of the data research and the effects of strategic management practices of (formulation of strategy, implementation of strategy, evaluation of strategy and control of strategy on the performance of Retirement Benefit Schemes in Kenya. The chapter also entails summary and recommendations drawn. Finally, the suggestions for further studies are also outlined.

5.2 Summary of the Study

The research aimed at examining the effect of strategy formulation on performance of the Retirement Benefit Schemes in Kenya. The research identified that department was conversant with their role in achieving the organization's goals; the management was conversant with the business climate; the firm had set quantitative targets towards their goals; the organization had long-term objectives/goal; the goals/objectives were based on the business climate; and it's very critical for an organization to undertake strategic choices and outline its environmental strategy. The study also found that that there was a clear course of action to guide the organization towards achieving goals. The study also found that strategy formulation had an $r=0.783$ and was significant since $p\text{-value}=0.003<0.05$.

The research sought the impact of strategy implementation on results of the Retirement Benefit Schemes. The study found that no real value is created by a brilliant strategy which cannot be implemented; implementation was an a critical aspect of the strategic

marketing planning process; the firms had policies that encouraged staff to work towards set goals; and the firm had leadership in place to ensure the ultimate goals were achieved. The study also found that the firms had enough resources available to enable the departments to work towards their goals; the firms had a reward structure to recognize accomplished results; and there was a clear structure of operation to achieve set goals. The study also found that strategy implementation had an $r= 0.661$ and was quite symbolic since $p\text{-value}=0.002<0.05$

Research aim was to establish the effect of strategy evaluation on performance of the Retirement Benefit Schemes in Kenya. The study found that the firms had daily/weekly/monthly targets for key departments; and Strategic assessment has been a critical tool for management to know why particular goals objectives have failed and achieved success. The research found that their firms regularly compared business performance against set quantitative goals; evaluation was used as a strategic learning tool and has continued to play a role in strategy formulation and implementation; and strategy evaluation involved setting control processes to continuously review. The research found that the firm had structures to correct undesired performance. The research also found that strategy evaluation had an $r= 0.746$ and was significant since $p\text{-value}=0.031<0.05$.

The research also aimed to establish the effect of strategy control on performance of the Retirement Benefit Schemes in Kenya. The research found that the firms practiced strategy control by: investing in staff training; suspending less productive projects; and increasing funds on productive projects. Further, the research found that the firms

increased/reduced labor force. The study also found that strategy control had an $r=0.817$ and was significant since $p\text{-value}=0.006<0.05$.

The research also sought the trend of the aspects of performance of Retirement Benefit Schemes in Kenya. The study found that the contributions received; and benefits payable had greatly improved for the last five years. The study also found that the level of return on investments; and investment income had improved for the last five years. Further, the research found that new membership registration had been constant for the last five years. The study also found that administrative expenses had decreased while assets under management had greatly decreased for the last five years.

5.3 Conclusions of the Study

The study concluded that strategy formulation affects the performance of the Retirement Benefit Schemes in Kenya emphatically and was symbolic. The study concluded that the procedure by which a company develops and selects the most applicable action course in order to accomplish its defined target and objectives, will in turn enhance its organizational performance. The study also concluded that a right section of the problems faced during implementation emanate from the fact that there was inadequate consultation during the formulation of a strategy. This is especially so when the actual handlers of the implementation process are locked out of deliberations to formulate and plan company strategies.

The study concluded that strategy implementation affects the performance of the Retirement Benefit Schemes in Kenya positively and significantly. The research concluded that the manner in which an organization transforms the different strategies and plans into actions so as to attain its strategic targets and goals do not affect the

organization's ultimate performance. The research also concluded that one of the significant problems associated with strategy implementation is the mismatch between those who formulated the strategies and those that are implementing it. When goals are not clear, it is an indication that formulators did not take enough time to interact with implementers for purposes of providing directions. This ensures that structure is in line with their strategy and will therefore result in improving profitability and reducing cost. The organizational structure is the most important ingredient in the strategic implementation.

The study also concluded that strategy evaluation affects the performance of the Retirement Benefit Schemes in Kenya significantly. The research concluded that the review of internal and external aspects, which are the pedestals for existing organizational strategies, measurement of performance, and carrying out restorative activities does not affect the performance Retirement Benefit Schemes.

The study deduced that strategy control affects the performance of the Retirement Benefit Schemes in Kenya significantly. The study concluded that where multiple strategies are deployed, it is often quite difficult to establish which of the strategies contributed to the level of performance attained in the end. Because it is rather impracticable for an organization to implement each element of a strategy at a time, it stands as a substantial bottleneck to evaluators to determine which element had the most impact.

5.4 Implications for Policy

The information might further help them formulate appropriate considered strategies that would enhance the organizational performance. Further the study would serve as a

benchmark for other industry players as the results would be generalized beyond RBA. The findings will inform policies for that aims at formulating structures in a way that they allow career progression for the employees and limit multitasking of jobs. This could be achieved through adoption of wider organizational structure. It's recommended that mechanisms that engage the employees throughout the change process be developed and encourage bottom up approach to communication whilst maintaining the top bottom approach to communication.

5.5 Recommendations

The study recommends that retirement benefits schemes in Kenya create an environment conducive to effective strategy formulations, such as ensuring that every player participates in the formulation of strategies to realize the organizational vision and thus improve their performance. Leadership level of involvement, proper use of budgeting and thorough scrutiny of internal and external environmental analysis at the strategy formulation stage is critical in determining the success of a company strategy management process.

The study recommends that Retirement Benefit Schemes in Kenya should not focus all their resources on the method in which the company develops, uses and integrates organizational structure, control systems, policies and organizational culture but should ensure that the right implementation processes are followed. To avoid time lapses in implementing change and formalizing such changes in the organizational structure, it's recommended that discussions on organizational structure should start at the same time change is anticipated.

The study consequently recommends that establishing the effectiveness of a particular strategy of an organization through evaluation should not supersede the importance of formulating the right strategies. The processes that involve the determination of effectiveness of a particular strategy in achieving company's goals should therefore not supersede the importance of strategy formulation. It is also imperative that there should be a stricter adherence to formative evaluation criteria and recommendations made, so the results in summative evaluations are devoid of major inconsistencies with expectations.

More operational staffs need to be admitted into the strategic teams for a more comprehensive strategy formulation process. There should be a definite formula that is objective and simplifies the issues surrounding what is to be funded and how much such initiatives should be allocated organizational resources.

To counter the challenges of resistance to change, it's recommended that Retirement Benefit Schemes' top management win the trust of the employees to own the change management process. The Fund leadership should strengthen communication and employee participation and ensure that information flows effectively between decision makers and implementers. High priority should be given to training of employees to reduce resistance to change. The public culture could be addressed by putting in place strategies that necessitates culture change in the organization. The human resource and administration department can communicate culture change theme for the organization on each employees computer screen. The Fund can also engage the firms in consultancy services to gauge the need for culture change in the organization and give an independent opinion on the way forward. Trainings should be conducted to all employees to enhance culture.

The study recommends that management within Retirement Benefit Schemes in Kenya should develop adequate strategic formulation processes that are inclusive as a way of developing performance objectives. Performance evaluation systems which are objective with key performance aspects and indicators for each and every employee and their respective job category need be advanced. There is also need to ensure that periodic and regular strategic audits are conducted by the Retirement Benefit Schemes. This will not only enhance objectivity, but ensure environmental and operational factors are well assessed, and realigned with desired organizational performance.

5.6 Limitations

The study found that respondents were unwilling to reveal confidential data. The researcher assured interviewees of proprietary measures to counter this limitation whereby the results would be granted and utilized. The researcher also guaranteed that information provided by the respondents was to be kept confidential and only utilized solely for educational aim.

Some respondents did not follow the dates of the questionnaires, whereas some provide incorrect information which could undermine the research results. To counter this the researcher stipulated the importance of the study to the respondents.

5.7 Areas Suggested for Further Research

Although the research found that strategic management enhances the performance of the pension schemes in Kenya, the research found no ideal point that would employ them. The research also failed to combine the different forms of strategic management

mix. This study recommended further studies to determine the optimal point or index of strategic managers for the pension schemes.

Finally, the study relied mainly on self-reported information from a single industry perspective and utilized a single industry environment. Further research aimed at addressing this constraint by using multiple industries for conducting research, thereby increasing the validity and generalizability of the findings from the research.

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APPENDICES

Appendix I: Letter of Introduction from UON



**UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS**

Telephone: 020-8095398	Tel: 020 8095398
Telegrams: "Varsity", Nairobi	Nairobi, Kenya
Telex: 22095 Varsities	
Cnr Ref: D61/50332417	Date: 5 th October, 2020

TO WHOM IT MAY CONCERN

The bearer of this letter, Robert Mutahi Mwangi of Registration Number **D61/10984/2018** is a Master of Business Administration (MBA) student of the University of Nairobi.

He is required to submit as part of his coursework assessment a research project report. We would like the student to do his project on **Practices and performance of retirement benefit schemes in Kenya**. We would, therefore, appreciate if you assist him by allowing him to collect data within your organization for the research.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organization on request.

Thank you



PHILIP NGIGI

FOR: DEAN, SCHOOL OF BUSINESS

Appendix II: Introduction Letter

Dear Respondent,

Re: Request Questionnaire Responses

I am a Master of Business Administration student at University of Nairobi, I am carrying out a research study on **STRATEGIC MANAGEMENT PRACTICES AND PERFORMANCE OF RETIREMENT BENEFIT SCHEMES IN KENYA**

You have been identified as one of the people that could be of assistance with the research and I thus request your participation in the research. Essentially, you would be required to complete a questionnaire. You will be treated anonymously and your responses will be treated with utmost confidentiality. The information you provide will be used only for academic purposes.

The questionnaire is strictly for academic purposes and any information given shall be treated with strict confidentiality; please give the information as accurately as possible.

Thank you very much.

Yours faithfully,

Robert Mutahi Mwangi

Appendix III: Research Questionnaire

Kindly indicate your response to the following questions by filling in the appropriate place or indicating the appropriate response where required. Please note the information provided will be used solely for academic purposes and utmost confidence will be exercised.

Section A: Background Information

1) Please indicate your gender: Female Male

2) State your highest level of education

Certificate Diploma Degree Masters PhD

Others (Specify) -----

3) Please Indicate your age bracket 20-30 yrs. 31-40 yrs.

41-50 yrs. 51 – 60 yrs.

Section B: Strategy Formulation

4) Using a scale of 1 to 5 where 5 = Strongly Agree, 4 = Agree, 3= Neutral, 2 = Disagree, 1 = strongly disagree; indicate your level of agreement with the following statements on the effect of strategy formulation on performance of the Retirement Benefit Schemes in Kenya.

Strategy Formulation	1	2	3	4	5
The management is conversant with the business climate					
The organization has long-term objectives/goal					
The way to help the organization achieve objectives is clear					
Each department is conversant with their role in achieving the organization's goals					
The firm has set quantitative targets towards their goals					
In terms of environmental function, a company must take strategic decisions and define strategy					
The goals/objectives are based on the business climate					

- 1) In your own opinion, what other **strategy formulation practices can the organization adopt to enhance the organization's performance?**

Section C: Strategy Implementation

2) Using a scale of 1 to 5 where 5 = Strongly Agree, 4 = Agree, 3= Neutral, 2 = Disagree, 1 = strongly disagree; indicate your level of agreement with the following statements on the effect of strategy implementation on performance of the Retirement Benefit Schemes.

Strategy Implementation	1	2	3	4	5
There is a clear structure of operation to achieve set goals					
We have enough resources availed to enable the departments to work towards their goals					
We have policies that encourage staff to work towards set goals					
We have a reward structure to recognize accomplished results					
The firm has leadership in place to ensure the ultimate goals are achieved					
Execution is a key part of the marketing strategic planning process					
No real value is created by a brilliant strategy which cannot be implemented					

3) In your own opinion, what other strategy implementation practices can the organization adopt to enhance the organization's performance?

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Section D: Strategy Evaluation

4) Using a scale of 1 to 5 where 5 = Strongly Agree, 4 = Agree, 3= Neutral, 2 = Disagree, 1 = strongly disagree; indicate your level of agreement with the following statements on the effect of strategy evaluation on performance of the Retirement Benefit Schemes in Kenya.

Strategy Evaluation	1	2	3	4	5
We have daily/weekly/monthly targets for key departments					
We regularly compare business performance against set quantitative goals					
The firm has structures to correct undesired performance					
Strategy evaluation is a crucial tool for management to learn why particular goals fail and succeed					

Evaluation has continued to serve as a strategic learning tool in the achievement of organizational goals					
Strategy evaluation involves setting control processes to continuously review					

5) In your own opinion, what other strategy evaluation practices can the organization adopt to enhance the organization's performance?

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Section E: Strategy Control

6) Using a scale of 1 to 5 where 5 = Strongly Agree, 4 = Agree, 3= Neutral, 2 = Disagree, 1 = strongly disagree; indicate your level of agreement with the following statements on the effect of strategy control on performance of the Retirement Benefit Schemes in Kenya.

Strategy Control	1	2	3	4	5
Investing in staff training					
Increasing funds on productive projects					
Suspending less productive projects					
Increasing/reducing labor force					

7) In your own opinion, what other strategy control practices can the organization adopt to enhance the organization's performance?

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Section F: Performance of Retirement Benefit Schemes

8) What is the trend on in the following aspects of performance of Retirement Benefit Schemes in Kenya for the last five years? Where; 1= Greatly decreased; 2= Decreased; 3=Constant; 4= Improved and 5= Greatly improved.

Performance of Retirement Benefit Schemes	1	2	3	4	5
Contributions received					
Investment income					
Benefits payable					
New membership registration					
Level of return on investments					
Administrative expenses					
Assets under management					

9) In your own opinion, what is your recommendation on what should be done to improve performance of Retirement Benefit Schemes in Kenya?

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Appendix IV: Secondary Data Collection Sheet

Contributions Received								
	2012	2013	2014	2015	2016	2017	2018	2019
Minet	11.9 m	16.8 m	22.9 m	36.9 m	48.3m	59.7m	77.8 m	95.3m
Madison					272m	361.6m	458 m	334m
Kenya Orient					41.4m	67.7m	71.7 m	111.9 m
Investment Income								
	2012	2013	2014	2015	2016	2017	2018	2019
Minet	5.84 m	7.15 m	9.04 m	8.67 m	13.7m	20.8m	26.0 4m	38.2m
Madison					178.9 m	219m	251 m	284m
Kenya Orient					11.4m	19.8m	23.7 m	27.4m
Benefits Payable								
	2012	2013	2014	2015	2016	2017	2018	2019

Minet	6.64 m	7.61 m	10.8 m	2.37 m	4.44m	22.35m	44.2 m	24m
Madison					280m	441m	234 m	248.7 m
Kenya Orient					38.5m	17.5m	73.5 m	103m
New Membership Registration								
	2012	2013	2014	2015	2016	2017	2018	2019
Minet	8	12	17	35	21	48	49	32
Madison								
Kenya Orient								
Level of Return On Investments								
	2012	2013	2014	2015	2016	2017	2018	2019
Minet	9.4%	9.4%	9.6%	5.9%	4.8%	11.5%	- 0.03 %	17.2%

Madison	10.5%	10%	12%	6%	8%	10%	10%	10%
Kenya Orient					12%	11%	11%	10%
Administrative Expenses								
	2012	2013	2014	2015	2016	2017	2018	2019
Minet	1.09m	1.52m	1.93m	1.83m	1.96m	2.99m	3.83m	5.46m
Madison					12.9m	13.8m	16m	17.9m
Kenya Orient					1.6m	2.1m	5.3m	4.2m

Assets under management								
	2012	2013	2014	2015	2016	2017	2018	2019
Minet	58.7m	73.5m	93.2m	132.7m	183.4m	242m	278m	400m
Madison					2.4B	2.5B	2.8B	3.2B
Kenya Orient					176.8m	244.6m	261.9m	294m

Strategic management

ORIGINALITY REPORT

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