OPERATIONS MANAGEMENT PRACTICES AND PERFORMANCE OF COUNTY PENSION FUND FINANCIAL SERVICES IN KENYA

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DECLARATION

To the best of my knowledge, this project is my original work and has not been earlier on published or presented for the award of a degree in any other university.

Signature ………… Date :28th November,2022

GLADYS CHEPTOO

D61/29356/2019

Approval by Supervisor

This project has been submitted to me for presentation with my approval as the university supervisor.

Signature: …………. Date: …08/12/2022……...

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DEDICATION

I truly dedicate this project to Almighty God, my loving and caring grandfather Mr. Henry Mugun and My late grandmother Mrs. Marcella Mugun, continue resting in peace. To my fiancé Maiyo and daughter Adelle, my parents Joshua and Emily, my siblings Caren, Faith, Alfayo, Obed, Levis and Joash, my aunties Caroline, Romance, Irene and Betty.To my uncles Philip and family, Amos and Alfred and his family, to my cousins Dennis, Winnie, Immaculate, Anjela, Yvonne and Calistus and to all my friends and champions, Phoebe, Viola, Sharon and Audiah.

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ABBREVIATIONS AND ACRONYMS

CBD:	Central Business District
CFI:	Corporate Finance Institute
CPF:	County Pension Fund
HoD:	Head of Department
HRM:	Human Resource Management
NACOSTI:	National Commission For Science Technology And Innovation
SME:	Small And Medium Enterprise
SPSS:	Statistical Packages For Social Science
TQM:	Total Quality Management

ABSTRACT

The performance of a company depends on many internal factors which are within the realm of the organization especially operational management practices. Customers have been demanding for greater services and with the emergence of cut-throat competition, organizations must come up with mechanisms and interventions that will improve efficiency and effectiveness of organizational operations. County pension fund has experienced various challenges which in turn have affected its operations. There is acute non-remittance of the monthly contributions by the sponsors, delayed payments of insurances, weak enforcement of pension laws, low coverage by the scheme, high demands from customers, and existing regulatory framework in the country which has not been effective as there have been delays in resource allocation. Negative attitude to save for retirement by citizens, stiff competition amongst pension providers, lack of access to financial services and fewer jobs in the informal sector have greatly affected the growth of pension funds. Study objectives were: to examine the practices of operations management utilized by the County Pension Fund Financial Services in Kenya; to examine the effects of operations management practices on performance of County Pension Fund Financial Services in Kenya; and to determine the challenges faced in the adoption of operations management practices by the County Pension Fund Financial Services in Kenya. Resource based view theory as well as dynamic capability theory are the two theories that guided the study. The descriptive research design was applied in this research. The population targeted encompassed all the 47 counties in Kenya. Heads of human resource departments and CPF county representatives in all the Counties were respondents. Questionnaires were utilized in collecting data. Quantitative data was used while both descriptive and inferential statistics were applied. Conclusions of the study were founded on the study findings. The study concluded that operations management practices used by the County Pension Fund in maintaining and increasing performance were inventory management, quality management, job design as well as innovation strategies. The study further concluded that operations management practices have significant effects on performance of County Pension Fund. The study further concludes that CPF financial services is experiencing challenges in the adoption of operations management practices. The key challenges were identified to be insufficient resources in addition to inadequate personnel. The study recommendation is made on determination of the effect of operations management practices on the performance of pension funds in Kenya. This will allow for a wider scope on the pension industry. A further study is recommended on the influence of operational decisions on the operational performance of pension funds in Kenya. A further suggestion is recommended on research on operational management practices and operational efficiency in other sectors other than pension sector.

CHAPTER ONE: INTRODUCTION

1.1 Background to the Study

Performance of a company depends on many internal factors which are within the realm of the organization especially operational management practices. Customers have been demanding for greater services and with the emergence of cut throat competition, organizations must come up with mechanisms and interventions that will improve efficiency and effectiveness of organizational operations (Wafula, 2016). Even though operational management practices for long time has not been emphasized, but in the recent years, operations management practices have gained prominence among scholars as well as many field researchers. Consequently, operations management has become a major concern for managers at all cadres. The need to have quality management systems in the organization, supply chain management systems, proper inventory management systems as well as risk management interventions has made operations management practices a critical component of a successful organization.

Resource based view theory as well as dynamic capability theory are the two theories that guided the study. Resource based view theory was founded by Barney (1991) and he found out that resources that are valuable, rare, and inimitable will enhance the ability of a firm to attain sustainable competitive advantage. Valuable resources are those that facilitate the increment of a firm's operational efficiency and effectiveness by maintaining or improving an organization's performance. The resources that are valuable and available to the organization include inventory, information, quality management as well as supplies management. These elements forms the basic components of operations management practices. Dynamic theory presumes that, a company's capabilities must be reconfigured to match the current chaotic situation (Gathungu & Corvera, 2015). It additionally indicates that corporations can actually utilize their operational management practices so that they can be more efficient and effective by simply coming up with interventions that can improve day to day activities.

Operations management helps an organization to produce quality products or services which would suit customers on and after delivery hence giving it an edge compared to its competitors (Omwaka & Malenya, 2020). Effective operations management ensures appropriate staffing of employees to resources and hence resulting to increased productivity .This significantly improves operations management performance through increased customer satisfaction coupled

with quality products and/services, reduced costs and waste, higher returns, increased efficiency as well as effectiveness(Exeed College,2012). Retirement benefits through pension schemes have become a vital element in not only economic development but also an effective source of income to retired employees. Since the establishment of County Pension through the County Pension Act 2016, many employees have benefited as well as their families through trickle-down effect. With the high workforce of county officers and water management officers there is need to determine the level of performance of county pension scheme. Despite the high number of employees eligible to be members, county pension fund is faced with a lot of challenges which in the end affects the operational performance.

1.1.1 Operations Management Practices

Operations management is management of all the processes which convert inputs to outputs with a value addition aimed at giving customer satisfaction. It is very vital to any organization as it drives it into the attainment of its long-term survival. According to Kate Eby(2017), Planning, implementation, in addition to supervising the production of goods or services are all part of operations management. It entails a set of cross-functional tasks that connect marketing, finance, and sales divisions. It takes part in the establishment, advancement, manufacturing as well as distribution of a product or service. It basically connects the dots across the entire value chain. Operations management practices refers to the business decisions and practices that are made that involve day to day activities that are meant to put forth a higher degree of efficiency in the corporation. Irrespective of where such business practices are coming from, as long as they are meant to determine how operations are conducted then they are operational management practices. Consequently, operations management practices entail the conversion of both material and labour into required goods or services in the most efficient manner that will ensure maximization of organizational profits (Alamro, 2014).

According to Corporate Finance Institute (CFI), (2015-2021), operations management is a branch of business that involves overseeing a firm's operations to make sure project implementation efficiency. This means that those in charge of the department(s) will be expected to perform a variety of strategic functions, such as product/service design, which entails introducing new ideas or expanding on current ones in a process that leads to the new products creation. According to Magutu & Nyamwange(2013), elements of operational performance

practices include forecasting, planning the of firm's capacity ,scheduling, management of inventory, quality assurance, motivation of employee, location, and supply chain management. Operations management practices involves those activities such as management of quality, supply chain management, management of inventory as well as risk management (Domschke & Drexl, 2013).

An organization's operational performance is determined by the ability to produce essential market requirements in the most low cost and high price manner and the magnitude to which those supplies achieves the needs and expectations of its clients. Quality, speed, dependability, flexibility, and cost are the key operational performance measures. Management practices used in managing operations are very vital features of business strategy in ensuring sustainability of organizational development but also ensuring that business processes spur efficiency and wades of operational challenges. Operational management practices increases daily actions taken by the organization. It should be noted that operational management is one the most vital ingredients of organizational success though not the only one. When a firm applies modern and reliable operational management techniques and systems, there is a likelihood of improved performance (Gong, 2018). This is evident since financial institutions depends so much on not only the product itself but also how it is served. Service delivery determines whether the clients feel contented with services offered and hence determines the degree of performance.

1.1.2 Operational Performance

Operational performance is defined as the capability to achieve company aims (effectiveness), use company resources efficiently (efficiency) in addition to satisfying stakeholders (relevancy) by corporate governance as well as management processes that are carried out in accordance with certain regulations (Jenatabadi, 2015). Accomplishment in any profit-making organization is not only assessed by its financial inflows but is also governed by its operational effectiveness, which involves customer satisfaction and retention and ease of doing business. This is a solid foundation for keeping the company afloat as well as making it more competitive in the market.

Operational performance consists of direction on realizing efficiency and effectiveness in services support and delivery in order to guarantee service providers and customer values (Kungu, 2014). In many cases, the theme of these directions come from the top management

but strict implementation is always done by the line managers. The measures of operational performance differ from company to company and from industry to industry (Alamro, 2014). The measures that are used to assess the performance of financial institutions include cost minimization and sales turnover. Successful operational performance management helps in stability maintenance in offering financial services enabling alterations in scale, scope, service level and design (Kungu, 2014).

Scholars found measurable characteristics of a company's process outcomes for instance reliability, manufacturing cycle time, turnaround time (TAT), and inventory turns that influence business success metrics for instance market share besides customer satisfaction (Voss *et al*, 1997). Ayodele and Anthony (2013) adopts measures used in operational performance for instance quality, speed, cost, dependability, and flexibility. Quality, speed, cost, dependability, in addition to flexibility were adopted as the measure of operational performance.

1.1.3 County Pension Funds in Kenya

The creation of counties led to the creation of County Pension Scheme Act 2016 in order to provide for pension of county government workers upon retirement. Pension schemes need to manage the pensions of the county employees especially due to devolution leading to the separation of national government and the 47 counties. County pension scheme Act,(2016) provided a uniformed set of rules, regulations, as well as standards for the administration in addition to payment of schemes members' retirement benefits as well as former employees of local and central government who transfer their service to a County Government, Agency, or County Corporation.The act also highlights the need to guard the benefits of employees of county governments by ensuring maximum employer compliance in accordance with the Retirement Benefits.

Pension funds today have been placed in a very competitive environment. Negative attitude to save for retirement by citizens, stiff competition amongst pension providers, lack of access to financial services and fewer jobs in the informal sector have greatly affected the growth of pension funds (Kwena ,2016).Non-remittance of the monthly contributions by the sponsors, delayed payments of insurances, weak enforcement of pension laws, low coverage, high

demands from customers, and existing regulatory framework in the country which has not been effective as there have been delays in resource allocation.Political instability and changes in county leadership is another challenge faced by the pension schemes, especially the County Pension Fund (CPF) Financial Services which has all the 47 counties as its members. . To achieve strategic fit, increased market share and competitive advantage being threatened by these challenges, operations management practices and performance are paramount (Majukwa & Haddud,2016).

1.2 Research Problem

To maintain a competitive edge in today's business market, organizations need to come up with innovative practices and ways of handling the many challenges facing them to increase their competitiveness. There is need to balance internal processes with the external market considering that the resources at hand are scarce. All organizations must focus on operations management because it is one of the core strategies that an organization must have in place because it assists companies plan each aspect of their business, comprising productivity analysis as well as improvement, capacity planning, in addition to quality assurance, amongst other elements. Accordingly, operational management has a substantial impact on in what way firms can enhance their performance plus their bottom line (Chaudhuri,2019).

County Pension Fund has experienced various challenges which in turn have affected its operations. There is acute non-remittance of the monthly contributions by the sponsors, delayed payments of insurances, weak enforcement of pension laws, low coverage by the scheme, high demands from customers, and existing regulatory framework in the country which has not been effective as there have been delays in resource allocation. Negative attitude to save for retirement by citizens, stiff competition amongst pension providers, lack of access to financial services and fewer jobs in the informal sector have greatly affected the growth of pension funds (Kwena ,2016). There is also the issue of insufficient staffing at the pension fund which has had adverse effect on the county pension funds' operations.

Several studies have been done on directly linking operations management practices on performance. Existence of mixed relationships can however not result into conclusive decision and deductions on how operations management relates with performance. A positive relationship

was observed by Battisoni, Bonacelli, Colladon & Schiradi (2013). Companies operate in tremendously changing contexts where critical resources are few as well as commercial possibilities are uncertain due to the market nature reflected by extraordinary efficiency measures, which enterprises that flop to satisfy are soon marginalized, according to their research. A positive relationship was also observed by Kimolo (2013), Raha (2018), Amoako-Gyampah (2019) and Wanjiku (2019).Other studies found a negative or weak relationship. Oluoch (2013) observes a weak positive link between returns viability problems in Kenya. The companies struggle to remain competitive both domestically and internationally (Mkala, Wanjau, &Kyalo, 2018). Other scholars include Truong (2014). Other studies found non-significant or no relationship, Sodikoglu (2014) and Duarte (2011). Odundo, Njoroge, Mutuku, and Chirchir (2002) conducted research on pension reforms and discovered that pension fund management had a significant impact on investment performance. Nevertheless, the study did not specify the kind of pension fund management practices had a substantial impact on performance of investment, a gap that this study filled. There have been inconsistent results prompting the need for further research.

Gaps that are associated with methodology were also eminent in some of the research linking operations management practices to performance, Dalizu (2018), Swalehe, Odock, and Wainaina (2020) used a survey study, descriptive statistics, correlation, and regression techniques in analysing data. Others utilized regression analysis (Kemunto (2016). This study is based on the idea that, while studies on these themes have been conducted, none have focused on all 47 counties in Kenya, leaving a gap that the current study intended to fill. Moreover, contextual gaps were likewise illustrated in some of the research linking operations management practices and performance. Most of the research connected to operations management practices linked to performance have been done in France, United States, Germany, and United Kingdom (Bloom,2005), and in Britain, (J Vyas,2018). Studies done in Africa especially in East Africa are scarce. They include Mbolonzi (2016), Wanyoike (2016), Nduyu & Magutu (2018).

From the proceeding studies, it is apparent that literature has been completed to discover the relations between practices of operations management on performance. However, there are conceptual, methodological, and contextual gaps regarding operations management practices and performance of County Pension Fund Financial Services, Kenya. This resulted in knowledge

gaps which the current study sought to fill by providing answers to these research questions; What are the practices of operations management implemented by the County Pension Fund Financial Services in Kenya? What's the influence of practices of operations management on the performance of County Pension Fund Financial Services in the 47 counties in Kenya? What are the challenges faced in the application of practices of operations management by the County Pension Fund Financial Services in Kenya?

1.3 Research Objectives

The research had the following specific goals:

i. To determine the practices of operations management used by the County Pension Fund Financial Services in Kenya.
ii. To establish the effect of operations management practices on performance of County Pension Fund Financial Services in Kenya.
iii. To determine the challenges faced in the adoption of operations management practices by the County Pension Fund Financial Services in Kenya.

1.4 Value of the Study

The research shall be extremely beneficial to County Pension Fund administration since it will provide useful information on how to reinvent operations by making organizational changes that will improve operations. This will allow them to implement more effective operational management methods, which will aid in the improvement of operations performance.

It will further be useful to policymakers such as the Retirement Benefits Authority and the Council of Governors. This is due to its provision information on the finest practices of operational management that can be used to ensure that strategic improvements proposed by firms are implemented effectively. Development of policies to improve the performance of the county pension funds will be aided by this study.

Pension contributors, managers of pension funds, sponsors, and workers representatives such as trade union will benefit immensely since they are concerned with implications of financial viability or adequacy of the pension funds.

Researchers in addition to academicians will gain greatly since it will establish a new body of knowledge and open up new possibilities for research, notably in the fields of operations

management techniques and operational performance. Furthermore, it will also provide valuable resource for upcoming studies and will contribute to current theories by either criticizing or supporting them based on the outcomes of this research. It will add to the existing literature on practices of operational management and county pension fund performance.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This section concentrated on a general assessment of the literature as well as a theoretical review of several ideas pertinent to this topic. This section also looked at the empirical review according to the factors, the conceptual framework, and establishing the gaps in study.

2.2 Theoretical Foundation

The study focused on the following concepts: resource-based view theory, which states how a company can use its resources to become more competitive and dynamic capabilities theory, which examines how a firm build, integrates, and reconfigures its competencies to become more competitive.

2.2.1 Resource Based View

Wernefelt in 1980s and 1990s originated this theory from the works and is a basis for competitiveness of a company which lies mainly in the execution of a bundle of resources that are valuable at the business's disposal. Resources are scarce to many competitors, difficult to be imitated and that strategies used should best exploit the internal resources of the organization. David (2011), reasoned that resource-based view's primary concept is that a company's resources should be addressed first and primarily when developing strategies that can lead to long-term competitive advantages. Firms therefore need to exploit their unique resources to develop strategies that are difficult to duplicate because of the rarity of the resources that they poses. However, according to (Desset al., 2013), it's vital to remember that resources alone rarely provide a competitive edge; they need to be combined with other key value-creating activities like procurement, operations, and logistics. It is therefore, imperative that for an organization to aim at achieving competitive advantage, developing resources that are rare, valuable and non-imitable is desirable in order to reduce their dependencies.

Because resources should be put to many uses or services, identifying and extracting services from each resource requires human knowledge plus capacity. This allows for identification of the value and usefulness a resource is put to by its connections to consumers, as well as the matching of the productive services extracted from the resource to the customer's demands. This idea makes the case for businesses to achieve performance through internal resources, claiming that it

is much easier to make us of external chances through re-purposing prevailing resources instead of securing new talents for various opportunities. The current distinctive cooperative resources should play a vital role in assisting them in improving organizational performance. With various pension schemes available at the disposal of the county staff, CPF needs to identify resources that are useful not only in enhancing operational efficiency but also attracting and maintaining satisfied clients in the scheme.

2.2.2 Dynamic Capabilities Theory

Teece (1997) came up with the Dynamic Capabilities theory. It postulates that the ideal methodology for companies to organize, construct, and incorporate capabilities that can be changed into new abilities that match their chaotic environment is the primary focus of this research (Sanchez & Cralle, 2012). It is generally believed that organization that have little or none capabilities; will obviously be outdone by those with higher dynamic capacities (Sethuraman & Suresh, 2014). It postulates that governance strategies like transparency, effectiveness and efficiency, the rule of law as well as participation could affect performance of the organization. These capacities are usually patterns and systems set by the organization which are normally learned in order to improve many aspects of organizational capacities (Sifuna, 2012).

Dynamic capabilities are built and updated to make the organization more effective. They are not only taught, but also established patterns of how to accomplish things in the organization (Scott, 2014). An organization has dynamic capabilities, according to Yusufu (2013), if it can grow, restructure, and integrate internal besides external skills in response to the continually changing atmosphere. Although a company's competency is normally focused with how effectively it uses its resources, consequently, dynamic capabilities are concerned with how effectively new opportunities can be investigated and exploited (Kariel, 2016). It is considered that a company has capability if it possesses even the tiniest ability to accomplish specified activities adequately or mediocrely. Nonetheless, organizations must apply their competences on a regular basis in order to maintain their ability to do so (Nor et al., 2010). If a company can actively expand, improve, and alter its resource base. The applicability of the theory to the study is based upon the fact that it dwells on capabilities and how they can be configured to match the ever dynamic environment that CPF faced and to increase operational performance of the CPF.

2.3 Practices of Operations Management and Financial Performance

Operations management involve those activities that are carried out on a day-to-day activity of the firm. They are the corporation's activities that are meant to serve the clients in addition to selling products to not only existing customers but also prospective ones. Activities that are properly coordinated and choreographed in such a way that all the staff understand the meaning of such decisions will eventually impact on the performance of the firm (Wafula, 2016). Mwangi (2013) studied inventory management and supply chain performance opined that inventory management is a vital component of operations management and it greatly improved efficiency if applied by the organization.

The measures of operational performance differ from company to company and from industry to industry (Alamro, 2014). This is because the elements of operations performance also vary from company to company and furthermore, initiation and implementation of operational management practices also vary in decision as well as depth in various firms. Dira et al. (2020) stated that performance of pension funds in Kenya are dependent on inventory management as well as quality management systems interventions that have been established by the pension scheme.

Makal, Wanjau and Kyalo (2018) emphasized that there is need to appreciate the involvement of employees in all decisions about operational management since they are the ones that are at the core of implementation of decisions that are of operational management stature. This in effect have a symbiotic relationship with improved operational performance of the corporations.

2.4 Empirical Literature Review

The researcher has looked at a number of researches that have been commenced on practices of operations management and operational performance. Kaynak (2003) did a study where he wanted to determine the link connecting performance of the company and total quality management (TQM) and questionnaire was utilized in primary data collection. The study did a survey on some 210 American firms and both descriptive as well as inferential statistic was utilized. The study findings showed that quality management is a very rich ingredient in organizational performance. The quality of products as well as services determine the rate of satisfaction of the customer and this will help in customer referrals as well as eventual improved performance and sustainable organization in the long run (Omwaka et al, 2020).

Ndungu and Magutu (2012) did a study in practices of operations management and their effect on insurance brokers operational performance in Nairobi central business district (CBD) using questionnaires. The findings averred that organizations especially in the service industry with organized and quality operations management practices are bound to do better than those that are not so particular about operations management initiatives in the organization. Customers in the service industry are concerned with how products are served fast and accurately and the level of attention given by the personnel providing the service. Battistoni, Bonacelli, Colladon and Schiraldi (2013) analyzed operations management practices and their effect on performance. This study did investigate the possibility of relationships amongst some optimization systems employed in operations management as well as the SMEs performance that operate in the manufacturing sector in Italian economy especially in SMEs. A model which based on an approach of structured equation modelling was ideally utilized in analyzing Italian SMEs. The study highlighted significance of operational management in the manufacturing sector of SMEs in Italy and the results indicated that customers are interested in quality service with improved and accurate systems that encourages speed and effectivity.

Chalotra (2013) did a study on inventory management and small firms' growth and his study results showed that firms with good inventory management systems do better than those that are not very keen on establishing the systems that are very effective in management inventory in the organization. Conversely, Onyango (2014) did research on the strategic managerial methods used at Kenya Commercial Bank and discovered that well-designed jobs motivate employees, which affects their level of performance.

At Diamond Trust Bank, Mathore (2016) studied strategy innovation and organization performance, while Mbogo (2014) studied how strategic management approaches affect performance at General Motors East Africa Limited (GM). The findings showed that designing job affects how certain tasks and responsibilities are done. The study showed that job design is a very critical component of operational management. Wafula (2016) did research on practices of operational management and performance of electric efficacy organizations in Kenya where he used both primary (collected through questionnaire) as well as secondary data. The results implied that employees actually have an impact in improving organizational activities. The more

aggressive, efficient as well as effective the employees are, the more they are likely to improve organizational operations and hence improved services to the clients.

Bosire and Owour (2018) studied how operation strategies have effect on company performance in the automotive industry in Kenya and descriptive research design and purposive sampling were applied. The data was collected by the use of questionnaires. The study indicated that the variables were closely related especially innovative strategies and performance. Innovative strategies are closely related with operations management practices. Gong (2018) in his study where he attempted to determine the effect of service quality on customer satisfaction, loyalty as well as happiness in selected five Asian countries. The study applied a survey besides questionnaires in collecting data that is primary. The analysis was done by the use of not only the descriptive but also inferential statistics. The results of the research showed that firms that were engaged in quality management activities, better supply chain management actions as well quality inventory management decisions were performing better than those that don't put more effort in such operations management elements or had challenges in practicing effective operations management practices.

Gadwe and Sangode (2019) carried a study activity on operations management impacts and operational performance in service organizations. The research was empirical in nature and primary data was utilized in which it was collected through observation and field experience. The results of the study indicated that operational factors such as improvement of quality, responsiveness, speed productivity, reduction of cost, sustainability, delivery of service as well as effectiveness and efficiency were highly positively impacted by implementation of operations management activities. Furthermore, many other corporations have not taken much attention on their performance in relation to operations management practices since they have been having a lot of challenges in implementation of the standard practices on operations management (Chaudhuri, 2019).

Omwaka and Malenya (2020) did a study on financial risks and pension schemes' performance using pension schemes' survey in Kenya. The results of the study showed that quality management was very critical in ensuring that pension firms are effective and sustainable. Consequently, the study indicated supply chain, inventory management as well as risk

management were very vital elements of operations management that improves pension schemes firm's performance. Swalehe, Odock and Wainaina (2020) did a study on operations management sustainability practices and manufacturing firm's competitive advantage where they utilized primary data collected by questionnaires use. Kemboi (2021) noted that many organizations are struggling and have actually faced a lot of challenges in adhering to practices of operations management.

2.5 Challenges of Operations Management Practices in Pension Funds

A study conducted by Bosire and Owour (2018) on how operation strategies have effect on company performance in the automotive industry in Kenya where a descriptive research design was applied and purposive sampling utilized. Data was collected through the use of questionnaire. The study indicated that most organizations have a challenge in execution of operational plans. This shows that most organizations have operational strategies but are poorly executed.

Gadwe and Sangode (2019) carried a study activity on operations management impacts on operations performance in service organizations. This research is an empirical type of research. This is due to the fact that primary data was analyzed through observation and field experience. The study results showed that ownership of the operational elements by the management is the major problem that affects operations in the organization. Where operational management decisions are properly planned with the help of all the staff then it is easy to implement them.

Pension funds just like many other financial institutions are faced with very many difficulties in ensuring proper operations. Well trained human resource has been a major challenge to most pension funds which in turn has led to countless training on the staff (Omwaka et al., 2020). This has been coupled with the fact that there is stiff competition and the customers' tastes and preferences keep on changing. Frequent changes both in political factors as well as legal factors have become a big issue to many institutions (Dira et al., 2020).

2.6 Summary Of Literature Review And Research Gaps

This part contains the summary of the literature review and the various methodologies used, key findings, gaps realized from the studies as well as how the gaps were addressed.

Table 2.1: Summary of Literature Review and Research Gaps

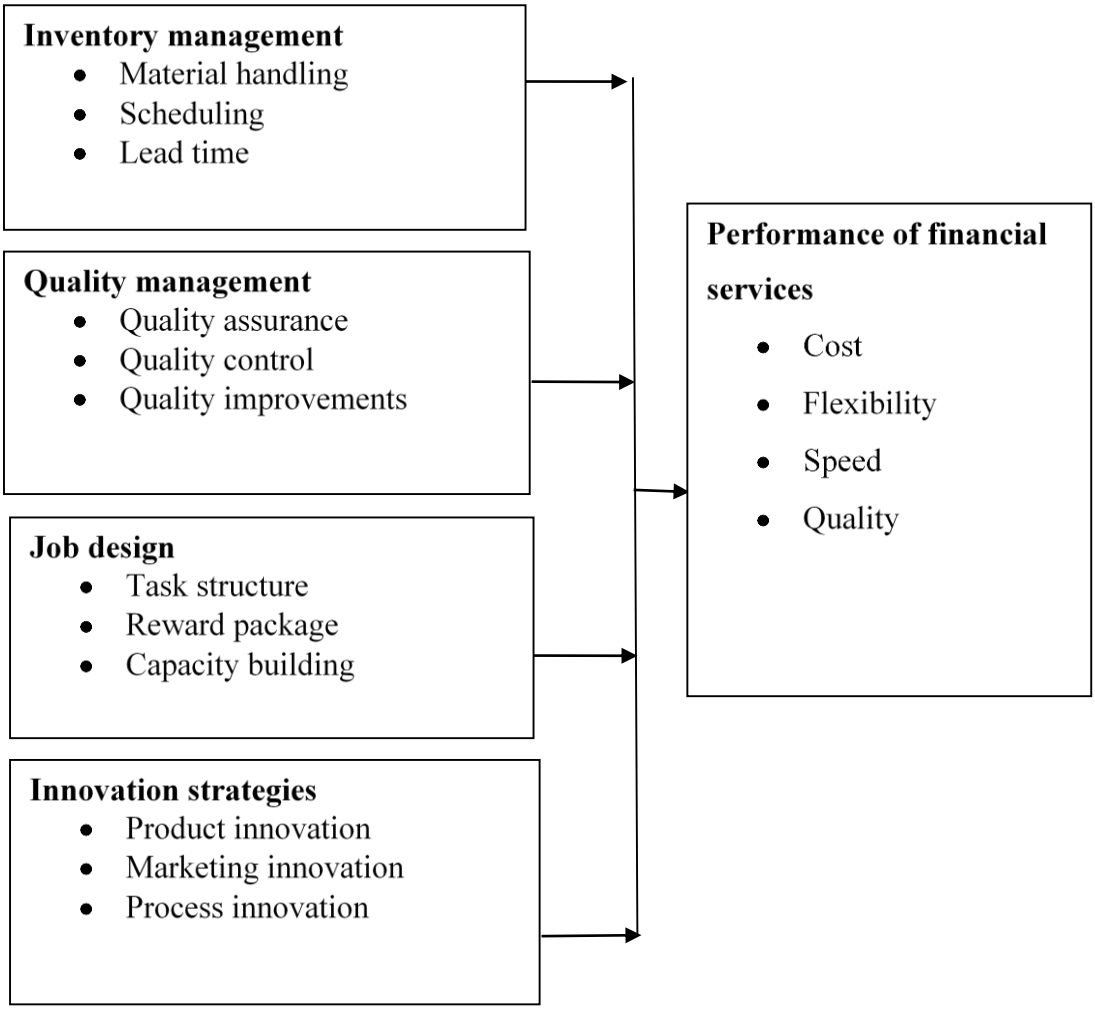
Scholar(s)	Focus of Study	Methodology	Key Outcomes	Research Gaps	Address of Gaps
Chalotra (2013)	Inventory management and small firms' growth	An analytical research on supply chain management	Inventory management has effect on operational performance	It did focus only on supply chain leaving other elements of operations practices	Focusing on quality management, innovation strategies , job design as well as inventory management
Gadwe and Sangode, (2019)	The impact of operational management activities on operational performance of service organizations	Comparing the effectivity of operational activities of various firms in the service industry	The results showed that all performance metrics are almost similar on all service firms sampled	The study was done on various service firms which are not similar in nature	The study did focus on operational performance of pension firms in Kenya
Swalehe, Odock, and Wainaina, (2020)	Operational management practices advantage of manufacturing firms in Kenya	The study used structured questionnaires to obtain its data and descriptive and inferential statistic was used	Relationship between operational management practices and competitive advantage of firms in manufacturing exists	The study only focused on manufacturing firms leaving out service firms especially financial institutions	The study focused on operations management practices in county pension funds in Kenya

Source: Researcher (2022)

2.7 Conceptual Framework

The anticipated link between independent and dependent variables was depicted in the conceptual framework. Independent variable was operations management practices which was measured in terms of quality management, supply chain management and management of inventory. Dependent variable, which was organizational performance had cost, speed, flexibility as well as quality as its dimensions.

Figure 2.1: Conceptual Model



Source: Researcher (2022)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter discusses the research methodology that was applied in the study. It begins with a presentation of the research design, followed by the target population. Next, data collection methods are discussed and the chapter ends with how data was analyzed in the study.

3.2 Research Design

Descriptive research design was applied in this study since information was acquired through the distribution of a questionnaire. The researcher chose this particular research design since it is suitable in obtaining relevant information about the existing status of the phenomena and attempts to describe the existing conditions with respect to variables.

3.3 Target Population

The population targeted encompassed all the 47 counties in Kenya. Heads of human resource departments and CPF county representatives in all the Counties were respondents. The study carried a census. When the populace is not big, a census can then be conducted to collect information from respondents (Sekaran, 2013).

3.4 Data Collection

Questionnaires were utilized in collecting data. Saunders, Lewis, and Thornhill (2007) contend that questionnaires are a useful data collection device because they allow the researcher to anticipate what was essential plus how to quantify the variables of concern. By the use of questionnaire, data was collected by questions and answers arrived at through a 5 point Likert scale format to obtain individual ratings. The questionnaire had four sections marked A (background information), B (independent variables), C (Dependent variables) D (Challenges-To what extent were the challenges). Respondents comprised HoD human resources in the counties and CPF county representatives all of whom are directly involved with the County pension fund.

Before the questionnaires were administered, authority to collect data was sought from the relevant authorities. To gather the data, University of Nairobi sent a letter to respondents requesting their authorization to participate in the study.

3. 5 Data Analysis

Using a blended technique of data analysis allows the researcher to overcome the limitations of both quantitative and qualitative data research methods (Creswell & Plano-Clark, 2007). Quantitative data was used where descriptive in addition to inferential statistics were applied. Regression model was in the following way:

$$\mathbf{Y_1 = \beta_0 + \beta_1 I + \beta_2 Q + \beta_3 J + \beta_4 S + \varepsilon}$$

$$\mathbf{Y_2 = \beta_0 + \beta_1 I + \beta_2 Q + \beta_3 J + \beta_4 S + \varepsilon}$$

$$\mathbf{Y_3 = \beta_0 + \beta_1 I + \beta_2 Q + \beta_3 J + \beta_4 S + \varepsilon}$$

$$\mathbf{Y_4 = \beta_0 + \beta_1 I + \beta_2 Q + \beta_3 J + \beta_4 S + \varepsilon}$$

Where:

Y_1=Cost

Y_2= Flexibility

Y_3= Speed

Y_4= Quality

For the overall model,

Y =composite measure of performance

β_0 = Constant (Y-intercept)

B ($_{1-4}$) = Coefficient of independent variables

I =Inventory management

Q =Quality management

J =Job design

S =Innovation strategies

ε = Error term

Table 3.1: Summary of Data Collection and Techniques of Analysis

The objectives	Questionnaire part	Data analysis response
Background information	Section A	Descriptive statistics
To determine the operations management practices used by the County Pension Fund Financial Services in Kenya.	Section B	Descriptive Statistics
To examine the effects of operations management practices on performance of County Pension Fund Financial Services in Kenya.	Section C	Regression analysis
To determine the challenges faced in the execution of operations management practices by the County Pension Fund Financial Services in Kenya	Section D	Descriptive statistics

Source: Researcher (2022)

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

This section provides the outcomes of analyzed data on operations management practices and fund performance of County Pension Fund, Kenya. The chapter also had the interpretations and discussions of the findings based on the objectives and reviewed literature. Tables were used in presentation of the results.

4.2 Response Rate

Table 4.1 Response Rate

Questionnaires Issued	Questionnaires returned	Response rate (%)
94	**91**	**96.8%**

Source: Research Data (2022)

Ninety-four (94) questionnaires were issued to the respondents while ninety-one (91) were duly filled and returned. This amounted to 97% rate of response. It was adequate to enable the research to continue and give conclusive result. Saunders *et al.* (2007) noted that a response rate of over 65% is adequate to allow for representative research to be undertaken.

4.3 Demographic Information of the Respondents

In this study, information on demographics that was sought from the respondents was gender, age, highest level of education, and the duration of operation in the organization.

Table 4.2 Background Information

Categories		Frequency	%	Valid%	Cumulative %
Gender	Male	62	68.1	68.1	68.1
	Female	29	31.9	31.9	100.0
Age range	Below 20	0	0.0	0.0	0.0
	21-25	4	4.4	4.4	4.4
	26-30	8	8.8	8.8	13.2
	31-35	18	19.8	20.0	33.2
	36-40	25	27.2	27.2	60.4
	41-45	20	22.0	22.0	82.4
	Above 45	16	17.6	17.6	100.0
Years worked in	0-3	2	2.2	2.2	2.2
the county	4-6	32	35.2	35.2	37.4
	7-10	43	47.2	47.2	84.6
	Over 10	14	15.4	15.4	100.0
Highest level of	Postgraduate	49	53.8	53.8	53.8
education	Undergraduate	36	39.6	39.6	93.4
	College	6	6.6	6.6	100.0
	Total	91	100.0	100.0	

Source: Research Data (2022)

4.3.1 Gender

The study showed that male respondents were 62(68.1%) whereas female respondents were 28(31.9%). This indicated that men were the majority while women were the minority making CPF to be a male dominated organization. This shows that the employment of CPF staff is skewed towards men thereby indicating some level of biasness.

4.3.2 Age Range

Age determination was very ideal in determination of level of maturity of the respondents and the experience that comes with age. There were no respondents that were aged below 20 years as indicated in table 4.2. However, those aged between 21-25 were 4(4.4%) while those in the range of 26-30 were 8(8.8%). Similarly, respondents aged between 31-35 were 18(19.8%).

The findings also showed that 25(27.2%) were aged 36-40; whereas those aged 41-45 were 20 (22.0%). Respondents aged above 45 were 16(17.6%). The results showed that majority of the respondents were aged above 36 years while the minority were aged in the range of 21-25 and none was aged below 20 years. It is an indication that mainstream of the CPF staff were mature enough and that they had life experience and an understanding of the subject matter.

4.3.3 Highest Level of Education

Determination of highest educational level was crucial in order to ascertain the CPF staffs' level of comprehension of the subject matter. The findings showed that respondents with postgraduate studies were 49(53.8%). It further indicated as shown in table 4.2 that respondents with undergraduate qualifications were 36(39.6%) whereas those with college certificates were 6(6.6%). This showed that majority had higher educational level that they were able to grasp the subject matter in addition to having general knowledge.

4.3.4 Years Worked in the County

The results discovered that only 2 (2.2%) of the pension staff had worked for less than three years in the organization. This was the minority among those respondents studied. The study also showed that those who had worked for 4-6 years were 32 (35.2%). Similarly, the findings revealed that 43(47.2%) had worked in the organization for 7-10 years while those who had over 10 years working experience were 14(15.4%). Most of the workers had therefore acquired experience of over 7 years while just a few had experience of less than 3 years. This proved that mainstream pension staffs were well conversant with the operations in the organization in addition to a clear understanding of the performance of the fund.

4.4 Extent of Implementation of Operations Management Practices

The participants were requested to rate the level of the following dimensions in CPF as; 1 = very small extent; 2 = small extent; 3= Moderate extent; 4 = Large extent 5 = very large extent. The results are indicated below:

4.4.1 Inventory Management

The extent of implementation of operational inventory management in CPF was sought. The inventory management elements included: material handling, scheduling and lead time. Table 4.3 presents result.

Table 4.3: The Extent of Implementation of Operational Inventory Management

Statement	N	Mean	Std. Deviation
Materials used are properly handled by the staff	91	4.7000	.89057
Inventory management has been practiced in the organization	91	4.3332	.79498
There is enough inventory to facilitate operational plans in CPF	91	4.1412	.53715
Scheduling is done in such a way that it conforms with the organization processes	91	4.0302	.61212
Lead time in inventory acquisition has been calculated properly to avoid understocking	91	3.0701	.74299

Source: Research Data (2022)

Respondents were asked to state their views on statements related to inventory management. The findings revealed that materials used were properly handled by the staff as supported by a mean of 4.7000 and standard deviation of .89057. This showed that there was prudent use of materials for the organization. Prudent use of materials reduces wastages and enhances financial performance since there is reduction in cost of production or service. The study also revealed that scheduling was done in such a way that conformed with the organization processes as supported by a mean of 4.0302 and standard deviation of .61212. This showed that there was adherence and conformity to the laid down processes.

Similarly, the study indicated that lead time in inventory acquisition had not been calculated properly to avoid understocking. This was supported by mean of 3.0701 and standard deviation of .74299. This could mean that lead time had not been calculated either due to the fact that there were no issues with lead time or because there hasn’t been any reason to do the calculation.

There is enough inventory to facilitate operational plans in CPF, as supported by a mean of 4.1412 and standard deviation of .53715. This is an indication that hardly do the organization have shortages of materials that could eventually affect service delivery. Inventory is very essential in ensuring that processes of the organization are not interrupted due to lack of adequate inventory neither is service delivery interfered with. The findings are in tandem with the results of the study by Gadwe and Sangode (2019) that inventory management is very critical in

ensuring that there is reduced cost and improved performance. The study further showed that inventory management has been practiced in the organization as supported by a mean of 4.3332 and standard deviation of .79498. This is a clear indication that there is efficient and effective use of the available resources particularly inventory.

4.4.2 Quality Management

Determination the scope of implementation of operational quality management in CPF was sought. The key elements of quality management were: quality assurance, quality control as well as quality improvement. Table 4.4 presented results.

Table 4.4 Quality Management

Category	N	Mean	Std. Deviation
Quality management is a key ingredient in ensuring better financial services	91	4.4763	.78153
Quality management is being practiced in the organization	91	4.3722	.94399
Customers are interested in quality services	91	4.3638	.70153
Quality controls are part of regular control systems in the organization	91	4.1008	.71742
Quality assurance is being practiced in the organization to ensure quality service	91	3.1162	.90809

Source: Research Data (2022)

As shown in table 4.4, the findings of the study showed that quality assurance is not actually being practiced in the organization to ensure quality service as evidenced with a mean of 3.1162 and standard deviation of .90809. This shows that there isn't dedicated department that handles quality assurance. It means that quality has been relegated to controls by every individual and that no particular manager or person has been charged with that responsibility. Omwaka and Malenya (2020) noted that quality controls are very important in ensuring sustainability in management of financial institutions. However, the results showed that quality controls are part of regular control systems in the organization as evidenced by a mean of 4.1008 and standard deviation of .71742. Organizations hold quality controls highly in their operations over quality services and hence achieve competitive advantage in the industry (Battistoni *et al*., 2013).

Furthermore, the results showed that quality management is a key ingredient in ensuring better financial services as supported by a mean of 4.4763 and standard deviation of .78153. Quality management ensures that there are superior services being offered which eventually increases output of the organization and ensures increased organizational performance. With a mean of 4.3638 and standard deviation of .70153, the respondents stated that customers are interested in quality services. It should be noted that quality services ensure loyalty of customers and through referral, there will be increased productivity due to increased customers. Consequently, the findings showed that quality management is being practiced in the organization as supported by a mean of 4.3722 and standard deviation of .94399. Quality management is very crucial in ensuring that the organization attracts and retains loyal customers to the organization (Omwaka & Malenya, 2020).

4.4.3 Job Design

The extent of implementation of job design in CPF was also sought. The elements of job design were: task structure, reward package and capacity building.

Table 4.5 Job Design

Statements	N	Mean	Std. Deviation
Capacity building is done in the organization in order to improve task performance	91	4.2165	.80042
The content, method and relationships of tasks are well defined	91	4.1863	.62803
The tasks are structured in manner that maximizes efficiency in use of resources	91	3.4833	.87221
Reward packages are commensurate to the workload of the staff	91	3.4608	.56323
The tasks have benefits that motivate employees	91	3.2722	.58128

Source: Research Data (2022)

The study findings revealed as shown in table 4.5 that the content, method and relationships of tasks are well defined as evidenced by a mean of 4.1863 and standard deviation of .62803. This shows that the placement of employees is properly done to the extent that the right employees are

placed in the right jobs. Proper placement of employees not only motivates the employees to work but also ensures efficiency and effectiveness is the norm for the staff (Nduyu & Magutu, 2018).

However, majority of the respondents were not sure whether reward packages are commensurate to the workload of the staff and whether the tasks are structured in a manner that maximizes efficiency in use of resources as supported by a mean of 3.4608 and standard deviation of .56323and a mean of 3.4833 standard deviation of .87221 respectively. This could mean that there is dissatisfaction with the kind of remuneration that the staff are receiving. However, results indicated that capacity building is done in the organization in order to improve task performance as this was supported by a mean of 4.2165 and standard deviation of .80042.The findings are in support of the results by Bosire and Owuor (2018) that capacity building ensures that the workforce are well equipped with the knowledge and skills that enables them not only to perform their duties accordingly but also be versatile employees. Capacity building helps in equipping the staff with the necessary skills and knowledge that will enable them perform better in their work. Regular capacity building after training needs analysis is essential in ensuring that the right workforce is selected for the right capacity building programs. On the other hand, majority of the respondents were not sure whether the tasks have benefits that motivate employees as this was supported by a mean of 3.2722 and standard deviation of .58128.

4.4.4 Innovation Strategies

Additionally, the extent of implementation of innovation strategies in CPF was also sought. The elements of innovation strategies were: product innovation, marketing innovation and process innovation.

Table 4.6 Innovation Strategies

Statement	N	Mean	Std. Deviation
Marketing innovation has been practiced to increase the services of the firm	91	4.6154	.71933
Process innovation has greatly helped the organization increase the manner in which services are offered	91	4.5886	.60266
Product innovation has been practiced fully by the pension funds team	91	3.7564	.90674
The firm engages in regular product promotion in order to increase market share	91	3.0887	1.12490
Price strategy helps in determining the competitiveness of the pension fund	91	2.9567	.68729

Source: Research Data (2022)

Product innovation has been practiced fully by the county pension fund's team as supported by a mean of 3.7564 and standard deviation of .90674. The study further revealed as shown in table 4.6 that marketing innovation has been practiced to increase the services of the firm as indicated with a mean of 4.6154 and standard deviation of .71933. In addition, the findings showed that process innovation has greatly helped the organization increase the manner in which services are offered as evidenced by a mean of 4.5886 and standard deviation of .60266. Innovation ensures that there are new things/ services in addition to processes and personnel that can spur performance of the organization. The findings echoed the reasoning of Swalehe *et al.* (2020) that innovation strategies are very prudent in ensuring that the organization remains competitive.

However, with a mean of 3.0887 and standard deviation of 1.12490, majority of the respondents were of the view that the firm to a lesser extent engages in regular product promotion in order to increase market share. This is a clear indication that the organization does not hold regular marketing and promotional activities in order to create awareness of their services. The findings also revealed that price strategy dos not actually help in determining the competitiveness of the pension fund as evidenced in table 4.6 with a mean of 2.9567 and standard deviation of .68729.

Table 4.7 shows the overall mean and standard deviation of the extent to which operations management practices are implemented. This was important in determining the extent of implementation of job design, inventory management, innovation strategies and quality management.

Table 4.7: Extent of Implementation of Operations Management Practices

Variable	Overall mean	Overall standard deviation
Job design	4.3200	.94204
Inventory management	4.1452	.84457
Innovation strategies	3.9553	.54843
Quality management	3.8433	.64856

Source: Research Data (2022)

The study sought to determine the extent of implementation of the variables. The results indicated that inventory management as evidenced by an overall mean of 4.1452 and standard deviation of .84457 had been implemented to a larger extent by CPF Financial Services. The findings also showed that quality management have equally been implemented to a large extent as represented by an overall mean of 3 .8433 and standard deviation of .64856. Similarly, job design and innovation strategies have been implemented to a large extent as evidenced by an overall mean of 4.3200 and standard deviation of .94204 and an overall mean of 3.9553 and standard deviation of .54843 respectively. This result as shown in table 4.7 indicates that CPF has been keen in implementation of operations management practices in order to improve performance.

4.5 Operations Management Practices and Fund Performance

The second objective of the study was to establish the effect of operations management practices on fund performance in CPF. Multiple regression analysis was utilized on the fund performance measures to determine the relationship between the two variables. The key pointers of fund performance which were covered are: cost, flexibility, speed and quality.

4.5.1 Operations Management Practices and Cost

The study results of regression coefficients are presented in Table 4.8 and give the findings of the beta coefficients and the p-values where they showed significance.

Table 4.8: Regression Beta Coefficient and Significance of cost as Dependent variable

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.894	.725		3.992	.000
	Inventory management	-.448	.197	-.330	-2.274	.025
	Quality management	-.238	.194	.183	-1.227	.223
	Job design	.646	.147	.584	4.395	.000
	Innovation strategies	-.297	.174	-.234	-1.707	.091

Source: Research Data (2022)

Predicted model equation:

Y=2.894-0.448I - 0.238Q+0.646J - 0.297S……...

The study results as expressed in Table 4.8 showed a negative linear effect of inventory management on operational performance (cost) of CPF (β=-.448, p=0.025). This revealed that an increase in inventory management leads to decrease in operational performance (cost) of CPF by 0.448 units. The study further established that job design had a positive as well as significant effect on operational performance (cost) of CPF performance (β=.646, p=0.000). This implied that whenever there is an increase in job design, it leads to an increase in operational performance (cost) of CPF by 64.6%. However, the results showed that quality management had no significant effect on operational performance (cost) of CPF (β=-.238, p=0.223). Innovation strategies was established to have a no significant effect on operational performance (cost) of CPF (β=.297, p=0.091). At 5%, inventory management, and job design had p-values ($p<0.05$) and thus they significantly affect cost which is regarded as a measure of operational performance of CPF.

Operations management practices were regressed against cost as the dependent variable. Table

4.9 depicts a summary model on cost as dependent variable.

Table 4.9: Model Summary on Cost as Dependent Variable

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.528[a]	.279	.256	.51822

Source: Research Data (2022)

The results of the regression in Table 4.9 indicates that R^2 value is 0.279 implying that 27.9% of the variation in performance (cost) of CPF is explained by the independent variables (inventory management, quality management, job design and innovation strategies). 72.1% of the unexplained variance is due to independent variables not in the study and pure chance variation. Table 4.10 displays the ANOVA results of the regression model.

Table 4.10: Analysis of Variance of cost as Dependent Variable

	Sum of Squares	df	Mean Square	F	Sig.
Regression	7.89	4	1.973	8.158	.000[b]
Residual	20.793	86	.242		
Total	28.683	90			

Source: Research Data (2022)

Table 4.10 shows that the F-statistic produced (F =8.158) which showed that the overall regression was significant at p=0.000. Given that P is less than 5%, the F value is statistically significant thus confirming the fitness of the model. This implies that the multiple regression model was good fit for the data. Hence the independent variables (inventory management, quality management, job design and innovation strategies) affect operational performance (cost) of CPF.

4.5.2 Management Practices and Flexibility

The researcher conducted the regression coefficients so as to determine the fitness of the equation. The study results are presented in Table 4.11.

Table 4.11 Regression Beta Coefficient of Flexibility as Dependent Variable

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	15.868	2.997		5.295	.022
Inventory management	.512	.244	.394	2.098	.033
Quality Management	.222	.202	.199	2.176	.013
Job design	.465	.217	.166	2.143	.035
Innovation strategies	.592	.335	.143	1.767	.081

Source: Research Data (2022)

Predicted model equation:

Y=15.868+0.512I+0.222Q+0.465J+0.592S……...

This shows that through operations management practices constant, flexibility as a measure of fund performance of CPF would be at 15.868. A unit change in information flow management would lead to 0.502, unit increase in flexibility as an indicator of supply chain performance of the 15.868. A unit change in inventory management would bring about 0.512, unit improvement in flexibility of CPF performance. A unit increase in quality management would lead to 0.505. Unit increase in flexibility as a CPF performance. A unit change in job design would lead to 0.465. unit improvement in flexibility CPF performance. The study established that inventory management had significant effect on operational performance (flexibility) of CPF (β=.512, p=0.033). The results further established that quality management had significant effect on operational performance (flexibility) of CPF (β=.222, p=0.013) while job design was equally significant on operational performance (flexibility) of CPF (β=.465, p=0.035). However, the results revealed that innovation strategies did not have significant effect on operational performance (flexibility) of CPF (β=.592, p=0.081). At 5%, inventory management, quality management and job design had p-values ($p<0.05$) and thus they significantly influenced flexibility as a measure of CPF performance.

Operations management practices were regressed against flexibility as the dependent variable. Table 4.12 depict a summary model on quality as dependent variable.

Regression analysis was conducted so that influence of independent variable on dependent variable can be established. Table 4.12 showed the results.

Table 4.12 Model Summary of Flexibility as Dependent Variable

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.870[a]	.757	.738	.98755

Source: Research Data (2022)

Table 4.12 indicate that the value of R square is 0.757. This means that 75.7% is the variation in performance (flexibility) of CPF which is explained by the independent variables (inventory management, quality management, job design and innovation strategies). 34.3% of the variance not explained is due to independent variables not in the study and pure chance variation.

An ANOVA was conducted at 95% level of significance in order to assess the population mean and at the same time helps in assessing practical significance of the results. Table 4.13 presented the findings.

Table 4.13: ANOVA of Flexibility as Dependent Variable

	Sum of Squares	df	Mean Square	F	Sig.
Regression	62.015	4	15.504	34.450	.000[b]
Residual	38.703	86	0.450		
Total	100.718	90			

Source: Research Data (2022)

The findings in Table 4.13 showed that F is 34.450 at P=0.000 where P<0.05, an indication that the overall regression model was significant for the study. Given that P=0% is less than 5%, the F value is statistically significant thus confirming the fitness of the model. In terms of significance, (P<0.05), which was interpreted to mean that operations management practices had significant influence on flexibility as a measure of CPF fund performance.

4.5.3 Operations Management Practices and Speed

The researcher conducted the regression model coefficients in order to use in the regression equation. The study results are presented in Table 4.14.

Table 4.14: Regression Beta Coefficients of Operations Management Practices on Speed as Dependent Variable

	B	Std Error	Beta	t	Sig
(Constant)	.387	.182		2.126	.035
Inventory management	.265	.126	.21	2.103	.038
Quality management	.288	.059	.214	4.881	.000
Job design	.598	.444	.570	1.347	.181
Innovation strategies	.563	.124	.523	4.540	.000

Source: Research Data (2022)

Predicted model equation:

Y=0.387+0.265I+0.288Q+0.598J+0.563S……...

Regression of coefficients results in Table 4.14 showed that when all the variables are held constant, operations performance (speed) of CPF performance would be at 0.387. An increase in one unit of inventory management when the rest of the variables are held constant would increase operational performance (speed) CPF by 26.5%. Whereas an increase by one unit in quality management holding other variables constant would increase operational performance (speed) of CPF by 28.8%. Similarly, an increment in job design holding other variables constant would increase CPF performance (speed) 59.8%. Further, an increase by one unit of innovation strategies holding other variables constant would increase operational performance (speed) of CPF by 56.3%. The study established that inventory management (β=.265, p=0.038), quality management with (β=.288, p=0.000) and innovation strategies with (β=.646, p=0.000) had significant effect on operational performance (speed) on CPF. However, job design with (β=.598, p=0.181) had no significant effect on operational performance (speed) of CPF. At 5%,

the study noted that all except job design had their respective p-values ($p<0.05$) and therefore they affected fund performance (speed) of CPF financial services, Kenya significantly. Operations management practices were regressed against speed as the dependent variable. Table 4.15 depict a summary model on quality as dependent variable.

Table 4.15 presented the summary of the model (R^2) showing the independent variance proportion that is predictable from the independent variable.

Table 4.15 Model Summary of Speed as Dependent Variable

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.768[a]	.5900	.5870	.45385

Source: Research Data (2022)

Table 4.15 indicated that the value of R square is 0.5900 meaning that 59% of changes in speed has been contributed by the independent variables (inventory management, quality management, job design and innovation strategies). The 41% of the unexplained variance is due to independent variables not in the study and pure chance variation. The findings implied that the model used to link the relationship between the variables was very satisfactory.

ANOVA calculated at 95% significant level in order to assess the population mean and at the same time helps in assessing practical significance of the results. The findings of F were calculated and F critical shown below in table 4.16.

Table 4.16: ANOVA of Speed as Dependent variable

	Sum of Squares	Df	Mean Square	F	Sig.
Regression	16.632	4	4.	37.936	.000[b]
Residual	9.426	86	.1		
Total	26.058	90			

Source: Research Data (2022)

Analysis of variance (ANOVA) results were provided in table 4.16 with a p value of 0.000 which is less than critical p value of 0.05, the results indicated that the model overall was statistically

significant. Further, the results infers that the independent variables (inventory management, quality management, job design and innovation strategies) are good predictors of fund performance (speed). This was supported by an F statistic of 37.936 and the reported p value (0.000). Given that P=0% is less than 5%, the F value is statistically significant thus confirming the fitness of the model. This implies that operations management practices had significant effect on speed as a measure of operations performance of CPF performance.

4.5.4 Operations Management Practices and Quality

Findings of the beta coefficients and the p-values in which they indicated significance was presented in table 4.17.

Table 4.17 Beta Coefficients of Quality Management and Quality as Dependent Variable

Model	**Unstandardized Coefficients**		**Standardized Coefficients**	**t**	**Sig.**
	B	**Std. Error**	**Beta**		
(Constant)	1.389	.549		2.530	.013
Inventory management	0.295	.141	.292	2.092	.045
Quality management	.386	.136	.345	2.838	.006
Job design	.561	.121	.535	4.636	.000
Innovation strategies	.125	.126	.110	0.992	.324

Source: Research Data (2022)

Table 4.17 produced results which revealed that inventory management, quality management and job design as well as innovation strategies were significant.

Represented by the equation below:

Y=1.389+0.295I+0.386Q+0.561J+0.125S……...

This gave an implication that when all other variables are held constant an increase in one unit of inventory management would lead to 29.5% increase in quality performance of CPF. An

increase of one unit in quality management would result into 38.6. unit increase in quality performance of CPF while increasing job design by one unit would lead to 56.1% units increase in quality performance of CPF whereas an increase in one unit of innovation strategies would lead to 12.5% equivalent increase in fund performance of CPF.

The study established that inventory management had significant effect on operational performance (quality) of CPF (β=.295, p=0.045). The results further established that quality management had significant effect on operational performance (quality) of CPF (β=.386, p=0.006) while job design was equally significant on operational performance (quality) of CPF(β=.561, p=0.000). However, the results revealed that innovation strategies did not have significant effect on operational performance (quality) of CPF (β=.125, p=0.324).

Operations management practices were regressed against quality as the dependent variable. Table 4.18 depicts a summary model on quality as dependent variable.

Table 4.18 Model Summary on Quality as Dependent Variable

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.694[a]	.482	.404	.98895

Source: Research Data (2022)

The results shown in Table 4.17 showed that the value of R is 0.694, R square is 0.482. This therefore implies that 48.2% changes in quality performance of CPF, Kenya is contributed by the inventory management, quality management, job design and innovation strategies. The 51.8% of the variance is explained by other factors that are not included in the study. Table 4.19 provides the results on model fitness using ANOVA.

The ANOVA findings in Table 4.19 pointed out that the overall model was statistically significant (F= 16.989 and sig value of 0.000, where p<0.05 implying that the independent variables (inventory management, quality management, job design and innovation strategies) are good predictors of quality (performance CPF performance).

4.5.5 Operations Management Practices on Operational Performance

The overall contribution of the predictors to the dependent variable was done.

This was illustrated using the coefficient as presented in table 4.20

Table 4.20 Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.194	.154		1.260	.211
	Inventory management	.273	.035	.210	7.800	.000
	Quality management	.447	.327	.414	1.367	.175
	Job design	.058	.343	.047	0.169	.866
	Innovation strategies	.592	.043	.523	13.767	.000

Source: Research Data (2022)

Findings on coefficients in table 4.20 showed that 1 unit of inventory management contributes to 27.3% of CPF performance while 1 unit of quality management contributes to 44.7% of CPF performance and 1 unit of job design contributes to 5.8% of CPF performance. Lastly, 1 unit of innovation strategies contributes to 59.2% of CPF performance.

The study established that inventory management had significant effect on operational performance CPF (β=.273, p=0.000). The results further established that innovation strategies had significant effect on operational performance of CPF (β=.592, p=0.000). The results however, revealed that quality management and job design did not have significant effect on operational performance of CPF with (β=.447, p=0.175) and (β=.058, p=0.866) respectively.

$$Y= \beta_0 + B_1I+ B_2Q+ B_3J + B_4S+ \varepsilon$$

Y=0.194+0.273I+0.447Q+0.058J+0.592S……...

Table 4.21 Regression model fit

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.947[a]	.897	.895	.27881

Source: Research Data (2022)

Table 4.21 shows that the adjusted R Square =0.897 at sig.= 0.05. This means that the predictors (Inventory management, Quality management, Job design and Innovation strategies) contribute to 89.7% on the dependent variable (CPF performance). The 10.3% of the variance is explained by other factors that are not included in the study. This study was further tested to establish whether the regression model fit is significant. Analysis of variance (ANOVA) was used to test for this significance at p<0.05. The ANOVA results are shown in table 4.21.

Table 4.22 ANOVA test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	122.1	4	30.525	224.7	.000[b]
	Residual	11.8	86	.137		
	Total	133.9	90			

Source: Research Data (2022)

The regression model findings (table 4.22) between predictors and the dependent variable was found to be significant since F=224.794, p <0.05. Given that P is less than 5%, the F value is statistically significant thus confirming the fitness of the model. The model was found to be significant and therefore the researcher sought to establish the unit contribution of the predictors to the dependent variable.

4.6 Challenges Faced in the Adoption of Operations Management Practices in CPF

The third objective of the study was to determine the challenges faced in the adoption of operations management practices by the County Pension Fund Financial Services in Kenya. The participants were requested to rate the level of the following dimensions in CPF as; 1 = very

small extent; 2 = small extent; 3= Moderate extent; 4 = Large extent 5 = very large extent. The results are indicated in table 4.23 below.

Table 4.23 Challenges Faced in the Adoption of Operations Management Practices

The study sought to determine the challenges faced during adoption of Operations management practices. The participants were requested to rate the level of the following dimensions in CPF as; 1 = very small extent; 2 = small extent; 3= Moderate extent; 4 = Large extent 5 = very large extent. The results are indicated in table 4.23 below.

STATEMENTS	N	Mean	Standard deviation
There is stiff competition which affect the operational management systems in CPF	91	4.8864	.86464
There is insufficient personnel that executes the planned operational decisions	91	4.4854	.86442
Operational practices have received a lot of challenges in implementation	91	4.0366	.86422
Communication channels used in the organization is very effective	91	4.0044	.68462
The staff are not well trained to implement all the operational decisions	91	3.70420	.68466
There is inadequate financial resources to effect operational practices in CPF	91	3.1088	.60868
There is lack of ownership by top management on operational practices introduced	91	1.6808	.66480

Source: Research Data (2022)

The results showed operational practices have received a lot of challenges in implementation as evidenced by a mean of 4.0366 and standard deviation of .86422 whereas there is inadequate

financial resources to effect operational practices in CPF as supported by a mean of 3.1088 and standard deviation of .60868. This means that the resources allocated to carry out promotional, field activities as well as other operations are not adequate. This has had adverse effect on the implementation of the operational practices in the CPF. Inadequate resources reduces the visibility of the organization especially in the era of cut-throat competition.

Additionally, the results showed that there is insufficient personnel that executes the planned operational decisions and that the staff are not well trained to implement all the operational decisions 4.4854 and standard deviation .86442 and mean of 3.70420 a standard deviation .68466 respectively. Inadequate staff means that the ones available are overworked and could be at the same time demotivated to work due to depersonalization and burnout. Overloaded and overworked staff tend to feel the pressure of work and this affects not only their individual productivity but also the team's productivity (Swalehe *et al*, 2020). Training of the staff on the other hand equips the employees with the necessary skills that enables them to handle operational activities.

Finally, the findings indicated that communication channels used in the organization are very effective as evidenced by a mean of 4.0044 and standard deviation of .68462 whereas there isn't lack of ownership by top management on operational practices introduced as evidenced by a mean of 1.6808 and standard deviation of .66480. This showed that the top management are very supportive and that they are very encouraging to staff. This could mean that the top management motivates staff by appreciating their work. Appreciation of workforce initiatives and performance helps in increasing the productivity and the general performance of the organization (Dira *et al*, 2020). There is stiff competition which affect the operational management systems in CPF. This was realized when the findings produced a mean of 4.8864 and standard deviation of .86464. The existence of some many pension companies have led to stiff competition among the pension providers and CPF have been caught in the competition. Competition requires that the organization should come up with innovative strategies that will enable it achieve competitive advantage over the rest of the competition.

4.7 Discussion of the Findings

The results showed that there was prudent use of materials by CPF. This in effect reduces inventory materials wastages. Prudent use of materials reduces wastages and enhances financial performance since there is reduction in cost of production or service. The study also revealed that scheduling was done in such a way that conformed to the organization processes. The results further stated that CPF has enough inventory since inventory is very critical in ensuring that organizational services are efficiently offered. The findings are in tandem with the results of the study by Gadwe and Sangode (2019) that inventory management is very critical in ensuring that there is reduced cost and improved performance.

The results showed that quality controls are part of regular control systems in the organization. Ensuring quality enables the organization provide standard services. With CPF ensuring that quality is core to their operations, it is easy to become more competitive. Organizations that hold quality controls highly in their operations over quality services and hence achieve competitive advantage in the industry (Battistoni *et al*, 2013). The results showed that quality management is being practiced in the organization. The results are in agreement with Omwaka and Malenya (2020) that quality management is very crucial in ensuring that the organization attracts and retains loyal customers to the organization.

This study deduced that the content, method and relationships of tasks are well defined in CPF. This shows that the placement of employees is properly done to the extent that the right employees are placed in the right jobs. Nduyu and Magutu (2018) noted that proper placement of employees not only motivates the employees to work but also ensures efficiency and effectiveness is the norm for the staff. Conversely, the results of the study indicated that capacity building is done in the organization in order to improve task performance. The findings are in support of the results by Bosire and Owuor (2018) that capacity building ensures that the workforce are well equipped with the knowledge and skills that enables them not only to perform their duties accordingly but also be versatile employees. Capacity building helps in equipping the staff with the necessary skills and knowledge that will enable them perform better in their work. Regular capacity building after training needs analysis is essential in ensuring that the right workforce is selected for the right capacity building programs (Bosire & Owuor, 2018).

The study further indicated that marketing innovation has been practiced to increase the services of the firm. In addition, the findings showed that process innovation has greatly helped the organization increase the manner in which services are offered. Innovation ensures that there are new things/ services in addition to processes and personnel that can spur performance of the organization. The findings echoed the reasoning of Swalehe *et al* (2020) that innovation strategies are very prudent in ensuring that the organization remains competitive. Being competitive means that the organization is doing things different from others thereby ensuring that the capabilities are entrenched in such a way that it gives competitive advantage. According to dynamic theory, a company's capabilities must be reconfigured to match the current chaotic situation (Gathungu & Corvera, 2015). The organizations operate in a dynamic environment which keeps on changing. It additionally indicates that corporations can actually utilize their operations management practices so that they can be more efficient and effective by simply coming up with interventions that can improve day to day activities.

From the descriptive analysis, the results indicated that to a large degree operations management practices has been implemented by CPF financial services in various counties. The findings indicates that CPF has been keen in implementation of operations management practices in order to improve performance. These findings are in tandem with the results of the study by Gadwe and Sangode (2019) that inventory management is very critical in ensuring that there is reduced cost and improved performance. The results indicated that inventory management had been implanted to a larger extent by the CPF Financial Services. The findings also showed that quality management have equally been implemented to a large extent. Similarly, job design and innovation strategies have been implemented to a large extent. The findings are in support of resource based view that valuable resources are those that facilitate the increment of a firm's operational efficiency and effectiveness by maintaining or improving an organization's performance. The resources that are valuable and available to the organization include inventory, information, quality management as well as supplies management.

Inferential results showed as evidenced in ANOVA findings pointed out that the overall model was statistically significant ($F=224.794$, $p<0.05$ implying that the independent variables (inventory management, quality management, job design and innovation strategies) are good predictors of operational performance of CPF. This is in line with the study done by Dira *et al*

(2020) who stated that performance of pension funds in Kenya are dependent on inventory management as well as quality management systems interventions that have been established by the pension scheme. Also, it supports the resource based view theory which stipulates that it's vital to remember that resources alone rarely provide a competitive edge; they need to be combined with other key value-creating activities like procurement, operations, and logistics.

CHAPTER FIVE: SUMMARY CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter started with the summary of the study, followed by conclusions, recommendations and finally the limitations of the study. Summary gave out the briefs on the findings of the study. Recommendations provided for further studies especially in areas that were not covered.

5.2 Summary of the Findings

The main objective of the study was to determine the effect of operations management practices on performance of CPF performance. Specific objectives were: to examine the practices of operations management used by the County Pension Fund Financial Services in Kenya; to examine the effects of operations management practices on performance of County Pension Fund Financial Services in Kenya; and to determine the challenges faced in the adoption of operations management practices by the County Pension Fund Financial Services in Kenya. The variables of the study were inventory management, quality management, job design in addition to innovation strategies.

Concerning background information, the results showed that majority of the respondents were aged above 36 years while the minority were aged in the range of 21-25 and none was aged below 20 years. Majority of the respondents had therefore acquired experience of over 7 years while just a few had experience of less than 3 years. The findings revealed that materials used are properly handled by the staff .This shows that there is prudent use of materials in pension organizations. The study likewise discovered that scheduling is done in such a way that it conforms to the organization processes. Similarly, the study indicated that lead time in inventory acquisition has not been calculated properly to avoid understocking. There is enough inventory to facilitate operational plans in CPF. Inventory is very essential in ensuring that processes of the organization are not interrupted due to lack of adequate inventory neither is service delivery interfered with. The study further showed that inventory management has been practiced in the organization.

The study further looked at quality management. The findings of the study showed that quality assurance is not actually being practiced in the organization to ensure quality service. This

showed that there isn't dedicated department that handles quality assurance. However, the results showed that quality controls are part of regular control systems in the organization and that organizations hold quality controls highly in their operations over quality services and hence achieve competitive advantage in the industry. Furthermore, the results showed that quality management is a key ingredient in ensuring better financial services and on the same time revealed that quality management ensures that there are superior services being offered which eventually increases output of the organization and ensures increased organizational performance. Respondents stated that customers are interested in quality services. Consequently, the findings showed that quality management is being practiced in the organization as supported. The study findings revealed that the content, method and relationships of tasks are well defined.

However, majority of the respondents were not sure whether reward packages are commensurate to the workload of the staff and whether the tasks are structured in manner that maximizes efficiency in use of resources. Conversely, the results pointed out that capacity building is done in the organization in order to improve task performance whereas the findings further indicated that capacity building helps in equipping the staff with the necessary skills and knowledge enabling perform better in their work. On the other hand ,majority of the respondents were not sure whether the tasks have benefits that motivate employees.

Study results showed that product innovation has been practiced fully by the pension fund team and further revealed that marketing innovation has been practiced to increase the services of the firm. In addition, the findings showed that process innovation has greatly helped the organization increase the manner in which services are offered. However, majority of the respondents were of the view that the firm to a lesser extent engages in regular product promotion in order to increase market share. The findings also revealed that price strategy does not actually help in determining the competitiveness of the pension fund.

Study sought to determine the extent of implementation of the variables. Results pointed out that inventory management had been implemented to a larger extent by the CPF. The findings also showed that quality management have equally been implemented to a large extent. Similarly, job design and innovation strategies have been implemented to a large extent.

The study sought to determine the challenges faced during adoption of operations management practices. The results showed that operational practices have received a lot of challenges in implementation whereas there is inadequate financial resources to effect operational practices in CPF. This means that the resources allocated to carry out promotional, field activities as well as other operations are not adequate. Additionally, the results showed that there is insufficient personnel that executes the planned operational decisions and that the staff are not well trained to implement all the operational decisions. Finally, the findings indicated that communication channels used in the organization are very effective whereas there isn't lack of ownership by top management on operational practices introduced. There is stiff competition which affect the operational management systems in CPF.

Concerning quality as dimension of operational performance that the customers get services and products that meet their expectations while on the same note the respondents agreed to a large extent that customers rarely complain about CPF services. The findings further revealed that customers are generally happy about the services being offered by CPF. The findings revealed that there are quality services being offered by the CPF and that the customers are generally happy about the nature and quality of services being offered. Speed was also another dimension that the operational performance and the results of the study showed that customers are served with minimum delay. On the other hand, the findings showed that the inventories are replenished on time to avoid delays while customers' inquiries are handled quickly and promptly.

The study depicted that the inventory costs of the County Pension Fund are not decreasing. Similarly, the results showed that the transportation costs are not high while on the other hand, the study revealed that the maintenance costs of the county pension fund are not high. Further, the results showed that there is no cost increase in cost of operations thereby not affecting the level of performance of the County Pension Fund to a lesser degree. The findings showed that there is flexibility in CPF Financial Services. It further indicated that CPF customers are happy about their flexibility plans and that staff flexibility has improved morale and hence service delivery. The findings have shown that flexibility is a very critical component of operational performance and that CPF has identified it as a key ingredient in improvement of operational performance.

Finally, the study findings as shown in regression analysis showed that there is significant relationship between inventory management, quality management, job design and innovation strategies on cost, flexibility, speed as well as quality. The findings further indicated that there is significant relationship between operations management practices and performance of CPF. A change in inventory management, quality management, job design and innovation strategies would lead to a change in performance of CPF.

5.3 Conclusion of the Study

Conclusions of the study were founded on the study findings. The study concluded that operations management practices used by the County Pension Fund in maintaining and increasing performance are inventory management, quality management, job design as well as innovation strategies. Innovation strategies has been the biggest contributor to CPF Financial Services performance.

The study further concluded that operations management practices have significant effect on performance of County Pension Fund. A change in the operations management practices (inventory management, quality management, job design and innovation strategies will lead to a change in operational performance of the CPF.

The study further concluded that CPF is experiencing challenges in the adoption of operations management practices. The key challenges have been identified to be insufficient resources in addition to inadequate personnel. However, the CPF has come up with modalities of tackling other challenges which otherwise are experienced by many pension fund institutions.

5.4 Limitations of the Study

The study was done in CPF specifically which locked out the research from other sectors and regions. The scope of the study was so limited to single sector, CPF Financial Services and not the pension sector in general. Looking at the entire pension sector will be ideal.

The study was also limited to operations management practices and performance of CPF. The variables that were identified and analyzed in the study were: inventory management, quality management, job design and innovation strategies. The study further limited data collection to primary data collection.

5.5 Suggestions for Future Research

The study recommendation is made on determination of the effect of operations management practices on the performance of pension funds in Kenya. This will allow for a wider scope on the pension industry. A further study is recommended on the influence of operational decisions on the operational performance of pension funds in Kenya. A further suggestion is recommended on research on operational management practices and operational efficiency in other sectors other than pension sector.

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APPENDICES

APPENDIX I: QUESTIONNAIRE GUIDE

I am a Master of Business Administration student at the University of Nairobi who is conducting research as part of an academic requirement. The purpose of this questionnaire is to aid study into Operations Management Practices and Financial Performance of County Pension Fund Financial Services in Kenya. The information you provide will be kept completely secret.

PART A: BACKGROUND DATA

1. Kindly specify your gender.

   Female [ ] Male [ ]

2. Kindly show your age bracket (figures are in years)

Below 20 [ ] 21 – 25 [ ] 26 - 30 [ ] 31 – 35 [ ] 36-40 [ ] 41-45 [ ]
46 and above [ ]

3. Kindly show the highest education level achieved.

Secondary [ ] College [ ] Undergraduate [ ] Postgraduate [ ]

4. For how many years have you been working for CPF? (values are in years)

   1 – 3 [ ] 4 – 6 [ ] 7-10 [ ] Over 10 [ ]

The following sections have statements regarding operations management practices. To what extent have the following management practices been implemented in CPF? Please rate on a scale ranging from 1 to 5 where; 1 = very low degree; 2 = low degree; 3= Moderate; 4 = Large degree 5 = very high degree.

SECTION B: EXTENT OF IMPLEMENTATION OF OPERATIONAL

INVENTORY MANAGEMENT

STATEMENTS	**1**	**2**	**3**	**4**	**5**
Materials used are properly handled by the staff					
Scheduling is done in such a way that it conforms with the organization processes					
Lead time in inventory acquisition has been calculated properly to avoid understocking					
There is enough inventory to facilitate operational plans in CPF					
Inventory management has been practiced in the organization					

QUALITY MANAGEMENT

STATEMENTS	**1**	**2**	**3**	**4**	**5**
Quality assurance is being practiced in the organization to ensure quality service					
Quality controls are part of regular control systems in the organization					
Quality management is a key ingredient in ensuring better financial services					
Customers are interested in quality services					
Quality management is being practiced in the organization					

JOB DESIGN

STATEMENTS	**1**	**2**	**3**	**4**	**5**
The content, method and relationships of tasks are well defined					
Reward packages are commensurate to the workload of the staff					
The tasks are structured in manner that maximizes efficiency in use of					

resources					
Capacity building is done in the organization in order to improve task performance					
The tasks have benefits that motivate employees					

INNOVATION STRATEGIES

STATEMENTS	**1**	**2**	**3**	**4**	**5**
Product innovation has been practiced fully by the pension funds team					
Marketing innovation has been practiced to increase the services of the firm					
Process innovation has greatly helped the organization increase the manner in which services are offered					
The firm engages in regular product promotion in order to increase market share					
Price strategy helps in determining the competitiveness of the pension fund					

To what extent has the implementation of Operations management practices influenced the following measures of performance? Please rate on a scale ranging from 1 to 5 where; 1 = very low degree; 2 = low degree; 3= Moderate; 4 = Large degree 5 = very high degree.

SECTION C: OPERATIONAL PERFORMANCE

	Statement	**1**	**2**	**3**	**4**	**5**
1	**Quality**					
	The customers get services and products that meet their expectations					
	Customers rarely complain about our services					

	Customers are generally happy about our services					
2	**speed**					
	Customers are served with minimum delay					
	The inventory are replenished on time to avoid delays					
	Customers' inquiries are handled quickly and promptly					
3	**Cost**					
	The inventory costs of the county pension funds are decreasing					
	The transportation costs are not high					
	The maintenance costs of the county pension funds are not high					
4	**Flexibility**					
	There is flexibility in CPF pension scheme					
	Our customers are happy about our flexibility plans					
	Staff flexibility has improved morale and hence service delivery					

To what extent has there been a challenge in implementation of operational management plans. Please rate on a scale ranging from 1 to 5 where; 1 = very low degree; 2 = low degree; 3= Moderate; 4 = Large degree 5 = very high degree.

SECTION D: CHALLENGES FACED IN THE ADOPTION OF OPERATIONS MANAGEMENT PRACTICES IN CPF

STATEMENTS	**1**	**2**	**3**	**4**	**5**
Operational practices have received a lot of challenges in implementation					
There is inadequate financial resources to effect operational practices in CPF					
There is insufficient personnel that executes the planned operational decisions					
The staff are not well trained to implement all the operational decisions					
Communication channels used in the organization is very ineffective					
There is lack of ownership by top management on operational practices introduced					
There is stiff competition which affect the operational management systems in CPF					

Thank you for participating; your response is highly appreciated.

APPENDIX II: SIMILARITY INDEX

OPERATIONS MANAGEMENT PRACTICES AND PERFORMANCE OF COUNTY PENSION FUND FINANCIAL SERVICES IN KENYA

ORIGINALITY REPORT

8/12/2022

5%	5%	1%	3%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

1	erepository.uonbi.ac.ke Internet Source	1%
2	erepository.uonbi.ac.ke:8080 Internet Source	1%
3	pdfs.semanticscholar.org Internet Source	1%
4	Submitted to University of Nairobi Student Paper	<1%
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6	Submitted to Kenyatta University Student Paper	<1%
7	Submitted to University of Glamorgan Student Paper	<1%
8	Submitted to University of Stellenbosch, South Africa Student Paper	<1%
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APPENDIX III: INTRODUCTORY LETTER

UNIVERSITY OF NAIROBI

FACULTY OF BUSINESS AND MANAGEMENT SCIENCES

OFFICE OF THE

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Our Ref: **D61/29356/2019** November 8, 2022

TO WHOM IT MAY CONCERN

RE: INTRODUCTION LETTER: GLADYS CHEPTOO

The above named is a registered Master of Business Administration Student at the Faculty of Business and Management Sciences, University of Nairobi. She is conducting research on: ***"*Operations Management practices and performance of County pension fund financial services in Kenya.*"***

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the Project.

The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your co-operation will be highly appreciated.

PHILIP MUKOLA (MR.)

FOR: ASSOCIATE DEAN, GBS & R

FACULTY OF BUSINESS AND MANAGEMENT SCIENCES