BINDURA UNIVERSITY OF SCIENCE EDUCATION

AN INVESTIGATION INTO PENSION FUNDS SURVIVAL STRATEGIES IN ZIMBABWE ECONOMY (2015-2022)

SUBMITTED BY

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DEDICATION

I dedicate this project to my parents, who have always been my biggest supporters. Their unwavering encouragement and guidance have played a pivotal role in my academic journey. This project would not have been possible without their love and support. Thank you for being my constant source of inspiration and motivation.

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ABSTRACT

The study examined the survival strategies of pension funds in Zimbabwe. The investigation into the survival strategies of pension funds in the Zimbabwean economy was an important area of research because of the crucial role played by pension funds in providing financial security for workers in their old age.

The overall objective of the study was to investigate how pension funds managed to survive in the Zimbabwean economy during the period of January 2015 to December 2022. The study sought to examine the various strategies that pension funds in Zimbabwe adopted to ensure their survival, given the challenging economic environment they operated in. The study explored the factors that influenced the success or failure of these strategies and their impact on the performance of the pension funds.

The research was conducted using a mixed-methods approach, involving both quantitative and qualitative data collection and analysis. Primary data collection included the collection of data from a sample of 60 respondents, with 46 respondents returning the self-administered questionnaire. This was triangulated by data collected through interviews with 15 key informants. Secondary data in the form of literature relevant to the topic, as well as document review, was utilized. The researcher presented data in the form of tables, charts, and graphs using SPSS.

The researcher discovered that pension funds used retrenchment tactics, decentralized decision-making, diversification strategies, product differentiation, and other speculative inclinations. The researcher also discovered that IPEC was severely handicapped and had a less significant impact on the survival of pension funds in Zimbabwe's economy.

The researcher made the following recommendations: pension funds should consider investment portfolio composition to hedge against inflation and venture into non-core activities offering higher returns above inflation to survive. In Zimbabwe's economy, pension funds should also adopt decentralized decision making, differentiated services, and short-term planning horizons.

The researcher recommended further research on the analysis of the effectiveness of pension fund regulatory bodies in Zimbabwe and their impact on pension fund survival strategies. The researcher also recommended an investigation of the role of technology in pension fund survival strategies in Zimbabwe.

LIST OF ACRONYMS

DC	Defined Contribution scheme
DB	Defined Benefit Scheme
OECD	Organization for Economic Co-operation and Development
IOPS	International organization of Pension Supervisors
IPEC	Insurance and Pensions Commission
NSSA	National Social Security Scheme
CBZ	Commercial Bank of Zimbabwe
IMF	International Monetary Fund
ZESA	Zimbabwe Electricity Supply Authority
FSF	Financial Stability Forum
IS	Information Studies
SPSS	Statistical Package for Social Sciences

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CHAPTER ONE

1.0 INTRODUCTION

Pension funds are collective investment vehicles used to cover employee retirement obligations. Either employers or employees, or both, may contribute money. This chapter serves as the study's foundation and serves as an introduction to the research. The fund managers carefully invest these donations. They must prevent principle loss while still outpacing inflation (Schiller, 2009). Self-administered pension plans, life insurance providers, and fund managers dominate the Zimbabwean pension sector. Old Mutual Life Assurance Company, First Mutual Life Assurance Company, Fidelity Life Assurance Company, ZIMNAT Life Assurance Company, and CBZ Life Assurance Company are only a few of the life X assurance firms. The administration of self-administered funds is handled by employee benefit businesses, or fund administrators. In Zimbabwe, these companies are Marsh Employee Benefits, Aon Consulting, and Comarton Consultants. The backdrop of the study, the problem statement, the research aims and questions, the significance of the study, the delimitation and limitations of the investigation are all covered in this chapter.

1.1BACKGROUND

The National Social Security Authority (NSSA) plan and private pension funds make up Zimbabwe's four primary pensions schemes. The NSSA was introduced in October 1994 and is a mandated program for all registered companies operating in Zimbabwe. The researcher aims to focus on occupational pension plans in this study. According to the Pension and Provident Funds Act Chapter 24:09 of 1976, a pension fund is any fund whose main goal is to ensure the payment of a pension to a person who is or has been a member of the fund upon retirement. Because no financial markets can operate efficiently in conditions of financial instability, such as those brought on by variable inflation, macroeconomic stability and low inflation are crucial (Reserve Bank of Zimbabwe, 2009 in the informal sector.

Zimbabwe is currently experiencing a period of economic and monetary volatility from 2015 until 2022. The Reserve Bank of Zimbabwe claims that the bank policy rate would increase to 200% in June 2022. According to a report published in May 2022, the country's inflation rate has increased as a result of the black market exchange rate for the Zimbabwe dollar, which is the currency used in the majority of financial operations. The yearly inflation rate in Zimbabwe, according to the website Trading Economics, was 540% in February 2022. The effects of the 2019 drought and the COVID-19 pandemic resulted in an increase of 136% in March 2022, and the economic outlook was dire.

Zimbabwe's inflation rate has increased dramatically since the start of the Russia-Ukraine wars, rising from 66% to more than 130% in May 2022. It increased once more to 191% by June 2022 (Hanke S. and Kwok A, 2009). The establishment of a multi-currency system helped the Zimbabwean government control its economy (International Monetary Fund, 2010), however the introduction of bond notes throughout the process of dollarization caused inflation to once again rise. The government of Zimbabwe instructed banks to immediately cease lending.

This action was taken as part of a series of steps to curb the rapid devaluation of the Zimbabwean dollar on the black market and was intended to stop speculation against it. Other steps, according to Mnangagwa, include a greater tax on foreign bank transfers, higher fees for foreign cash withdrawals over $1,000, and the payment of taxes that were previously charged in foreign currency in local money.

The four major classes that make up the Zimbabwean pensions industry are:

Workplace pension plans

Financial companies known as occupational pension funds oversee collective retirement plans for firms in order to offer benefits to employees. The sponsoring employer may make a certain contribution to the pension fund, which is a distinct legal entity, while the employee makes a different contribution (online June 13, 2021). Self-administered or insured funds are also acceptable options for occupation pensions. The difference between the two is that assets for self-administered funds are registered in the name of the specific fund, whereas assets for insured funds are registered in the name of the insurer who guarantees certain obligations to fund members. (NSSA, 2008.)

The final decision-makers in relation to investments and fund performance are the trustees of self-administered funds. Self-administered funds often come in two different shapes. That is, those who own and operate their own administrative structures, as well as those who contract with professional pension fund administrators or life insurers to handle their administration needs. Such funds may be umbrella plans that group different sponsoring employers into a single fund. The majority of these collective bargaining agreements are industrial-based systems. Insured funds are frequently modest funds that pool their resources and make investments in the name of the life insurance company that manages them. The insurance firm makes investment decisions on behalf of the funds.

Pension for Public Service

The government created this program to ensure that employees employed by the state would get pensions, gratuities, and other benefits upon retirement, death, discharge, or any other method of terminating employment. This defined pay-as-you-go plan is designed with civil servants in mind. A law passed by the legislature established the program. The IPEC has no control over this initiative. (NSSA, 2008.)

The National Pension Plan

All people who hold a formal job are required to participate in this pension plan, which is administered by the National Social Security Authority (NSSA) and is hence also known as the NSSA Pension. NSSA is not now under IPEC's oversight, just like the public service pension scheme. (NSSA, 2008.)

Individual Pension Plans (Personal Pension Plans)

This kind of pension has defined contributions. These pension plans are created by life insurers with individual members in mind, who are not always connected to an employer or a formal setting. These programs are perfect for those working in the unorganized sector. (NSSA 2008).

1.2 STATEMENT OF THE PROBLEM

An adverse economic climate in Zimbabwe threatens the viability of pension funds (Reserve Bank of Zimbabwe, 2009). Given that pension funds play a crucial developmental role in the economy, it is crucial to learn about the coping mechanisms they have developed to deal with Zimbabwe's economic adversity. According to Hurd (1990), pension funds are a crucial mechanism for mobilizing domestic savings. Hurd (1990) also noted that economic instability has an impact on both saving and spending. What lessons can be learned, then, from the perspective of pension funds from the economic instability they encountered? If economic lessons are not learned from significant changes, as was the case with the effects of the Zimbabwean economy on pension funds, then the problem will unavoidably recur in a harsh way. Pension funds will be better able to anticipate hazards or, at the very least, minimize them if the right lessons are learned from specific incidents.

1.3 OBJECTIVE

To establish strategies that were adopted by pension fund during the period 2015 to 2022 during the period 2015 to 2022

To find out the effectiveness of the pension funds governing body (IPEC) in managing pension funds survival in Zimbabwe environment survival.

To determine the relationship between pension funds and pension fund survival strategies in Zimbabwe economy.

1.4 RESEARCH QUESTIONS

What tactics did pension funds use to stay afloat in the Zimbabwean economy?

What suggestions can be made in light of the study's findings?

How successful was IPEC's assistance with pension funds in helping the Zimbabwean economy survive?

1.5 HYPOTHESIS STATEMENT

These are the two hypotheses that the researcher came up with.

H0: In Zimbabwe's economy, pension funds and pension fund survival techniques have a favorable link.

H1: In Zimbabwe's economy, there is a negative correlation between pension funds and pension fund survival measures.

1.6 ASSUMPTIONS

- The pension funds program in Zimbabwe adheres to the fundamental principles and recommended procedures for pension funds programs.

- The prudential norms and regulations are followed by all pension institutions and are enforced by the pension's supervisory authority.
- The existing political and macroeconomic difficulties will persist.

1.7 SIGNIFICANT OF THE STUDY

1.7.1 to the student

This study will be completed in part fulfillment of the requirements for the BUSE-offered bachelor of Business Studies with Honors in Banking and Finance, making it significant. By conducting this research, the student will obtain new expertise in conducting in-depth research; as a result, it provides a solid platform for further work.

1.7.2 To the University

The research can be utilized as a data bank or as a point of reference for university staff and students in the same field because it offers information and a manual for creating research papers.

1.7.3 To the Corporate World

Pension fund policy officials anticipate using the study to determine the solution. As far as the pension business is concerned, the difficulties involved in protecting pension funds from Zimbabwe's unstable economy and developing policies improve the likelihood that pension funds will survive.

1.8 Delimitations of the study

The study focused on Zimbabwean pension funds and other contributions. Information management representatives from these institutions were collected for the study. The study's main goal is to identify techniques that pension funds in the Zimbabwean economy can use. We experienced economic instability during the aforementioned time frame of 2015 to 2022, which resulted in a decline in the value of the nation's currency. As a result, inflation was on the rise, and pension funds were forced to fight for their survival in the economy by employing various survival techniques. As a result, we will examine the survival tactics that were used at the time to protect pension funds.

1.9 Limitations of the study

The amount of time provided is probably insufficient to allow for a nationwide survey and in-depth analysis of the issue. Because she will have other obligations related to her studies, the researcher will confine the research to Pension businesses as the representative population and use sampling to create a reasonable sample size given the time that is available. The researcher will use an online automated excel questionnaire to get over this restriction.

Financial obstacles to the research's efficient advancement. The researcher will make a budget and cut costs to address this issue.

1.10 Definition of terms

Pension funds

Pension funds are collections of monetary contributions from pension plans established by employers, unions, or other groups to cover the retirement benefits of their members or employees. It can also be defined as a fund to which both the employee and the employer contribute for the member's and/or his/her beneficiaries' ultimate financial benefit in the event of withdrawal, disability, retirement, layoffs, or death.

Defined contribution plan (DC)

Employees who participate in defined contribution plans (DC plans), which are often tax-deferred retirement plans, contribute a fixed sum or a percentage of their earnings to an account that is meant to fund their retirement. A DC plan has no assurances, and participation is optional and self-directed

Defined contribution schemes

These occupational pension plans invest both your and your employer's contributions, with the money from the investments being used to purchase a pension and/or other benefits at retirement.

Defined benefit plan (DB)

An employer-sponsored retirement plan known as a defined benefit (DB) plan calculates employee benefits using a formula that takes into account a number of variables, including length of service and pay history. Benefits may be paid out as a series of regular monthly payments, much like an annuity, or as a single lump amount. A specified benefit or payout is guaranteed under DB plans.

Defined benefit schemes

When you join a defined benefit pension plan through your company, the amount you receive depends on both how long you've been a member and your income at the time you leave or retire.

1.11 Summary

I The backdrop of the problem, the problem statement, the research purpose, the research questions, the delimitations and constraints of the study, and the significance of the investigation are the main topics of this chapter. In the following chapter will be focusing on literature review which will give a deeper insight into the study at hand.

CHAPTER 2

LITERATURE REVIEW

2.0 INTRODUCTION

The chapter's goal is to review theoretical and empirical research on the effects of the Zimbabwean economy on pension funds and the tactics used by pension funds to survive in that economy. The understanding of the literature will assist the researcher to carefully select meaningful and applicable study technique and data collection procedures.

2.2 THEORETICAL REVIEW

According to Copper (2017), theoretical review is an important analysis of the current state of academic knowledge in particular field or topic of the study. It helps to identify gaps in knowledge, build on existing research and suggest direction for future research. theoretical review involves evaluating and synthesizing existing theories, concepts and research findings related research question in this case is the survival strategies on pension funds. There are several theories regarding pension fund survival strategies. Some of these theories include:

Asset-liability matching theory

This theory suggests that pension funds should invest their assets in a way that matches their future liabilities. By investing in assets that provide returns that are positively correlated with the future payout obligations, pension funds can reduce the risk of underfunding and ensure that they have sufficient assets to meet their future liabilities. Asset-liability matching (ALM) is a strategic management tool to optimize the risk-reward balance of a financial institution's balance sheet by equating assets to future (albeit uncertain) liabilities. The primary objective of ALM is to manage the risk arising from excessive mismatches in the cash flows and market values of assets and liabilities. Insurance companies and pension funds use this technique to meet long-term liabilities, often decades or more, at predictable times, in an environment of continually changing investment rates. Fink, A. (2010).

Liability-driven investing

According to Copper, H. (2017), this theory takes asset-liability matching a step further by suggesting that pension funds should invest their assets in a way that not only matches their liabilities but also manages the risks associated with those liabilities. This involves investment strategies that focus on assets that are designed to produce cash flows that match the expected liabilities, such as bonds, inflation-linked securities, or swaps.

Risk management

This theory focuses on actively managing the risks associated with pension fund investments. This involves setting risk budgets, monitoring investment risks regularly, and using risk management tools such as diversification or hedging to protect against downside risks. Levac (2010).

Active management

This theory suggests that pension funds should use active management strategies to generate higher returns than passive strategies while also managing risks. This can involve investing in alternative asset classes, such as private equity or real estate, or hiring skilled managers to actively manage the portfolio.

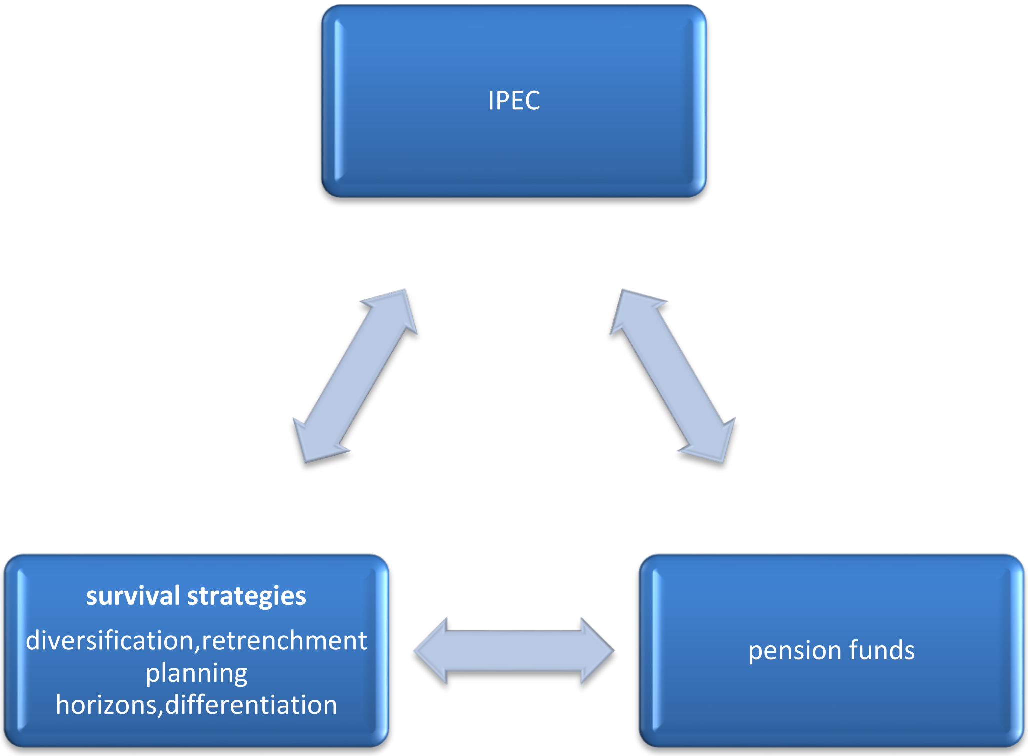
Socially responsible investing

Also known as sustainable or ethical investing, this theory suggests that pension funds should invest in companies or assets that align with their values, such as environmental sustainability or social justice. This can help pension funds to promote positive social or environmental outcomes while also earning returns.

2.3 CONCEPTUAL FRAMEWORK

In research, a conceptual framework is used to propose or outline potential courses of action. preferred methods of approaching the concept or notion (Greener 2009). They may behave like directional maps. Coherence to empirical research, which takes several forms, 2009 Kakutani.

Figure 2.3.1 Conceptual Model depicting association between pension funds survival strategies and IPEC in Zimbabwe economy.



A typical conception diagram, such as the one above, shows that the survival of pension funds is a dependent variable, while survival methods are the independent variables. The two (dependent and independent) variables are both influenced by government policy

2.4 THE EFFECTS OF PENSION FUND SURVIVAL IN ZIMBABWE ECONOMY

Fundamental economic and social importance is placed on pension provision, which ensures the successful distribution of adequate retirement income. According to Black (2006), the pension fund is made up of a variety of investment assets, including real assets, derivatives, and alternative investments in addition to financial assets (such as money market securities, bonds, loans, equities, and collective investment vehicles). The provision of effective governance by pension funds is challenging (Pupurai, 2012).

There are other nations as well as Zimbabwe that are affected by this issue. According to the World Bank (2012), a pension system is only considered sustainable if it has the ability to pay current and future benefits over the long term under reasonable assumptions without placing a significant burden on future generations or necessitating changes to eligibility requirements, benefits, or contributions. The decade of hyperinflation in Zimbabwe had a significant impact on the pension system, forcing the pension funds to adopt survival tactics to satisfy their operational commitments. Since investments in pension fund assets have a favorable impact on the economies of many nations and can result in the expansion of deeper and more effective capital markets, it is important that pension funds are administered effectively.

2.5 PENSION FUNDS SCHEMES TYPES

There are two types of pension funds namely defined benefit (DB) and defined contribution (DC). A pension plan may be created as a DB, DC, or mix of the two types. When it comes to defined benefit (DB) plans, the sponsoring firm is committed to giving retirees a definite or determinable amount (Friedberg, 2011). The amount of the pension benefit is determined by comparison to a predetermined benchmark, most frequently a combination of the employee's level of pay and duration of service (Stewart, 2005). According to Freiberg's theory, companies agree to contribute a predetermined percentage of an employee's wage or a fixed amount each month to the employee's pension and health benefits. According to Freiberg's approach, employers agree to pay a set sum or a specified percentage of an employee's salary toward their pension and health benefits each month. In DC plans, firms agree to contribute a specific proportion of an employee's income or a set sum each month to the employee's pension, while the employee also contributes a similar or different percentage to the pension, in accordance with Freiberg's idea. A pension is paid to the employee upon retirement using the whole of the contributions' income and investment gains, which are invested on the employee's behalf (Friedberg, 2011). In a hybrid plan, the benefits of both DC and DB schemes are blended.

2.5.1 DEFINED BENEFIT SCHEMES

According to Will (2001), employees who participate in a defined benefit plan accrue a guarantee of a regular monthly payment from the moment they retire until their deaths or, in some cases, until the deaths of their spouses. Participants in these benefit plans have low market risk because benefits are based on tenure and income. However, pensioners receive relatively little in the way of retirement wealth prior to retirement because to the back-loaded structure of benefit accumulation in DB plans. As a result, employees who leave their jobs in the beginning or even middle of their careers receive only minimal benefits, and those who leave before vesting, which usually happens at five years, earn nothing. As a result, career changes seriously jeopardize people' capacity to save for retirement. The member receives a unit of pension for each year of credited service, which is typically stated as a percentage of nominal wages. According to Will (2001), defined benefit plans can be funded or unfunded. An unfunded DB pension has no assets set away, and the employer covers the cost of the benefits. It was also emphasized that the majority of the world's public pension plans are underfunded, with payouts paid out of current employee contributions and taxes. The name of this funding strategy is Pay as you Go. In a funded plan, employee and occasionally plan member contributions are invested in a fund to help fulfill the costs of the plan.To guarantee that the pension fund will be able to fulfill future obligations, the contributions will be constantly evaluated in a valuation of the plan's assets and liabilities. This means that under a defined benefit plan, it is usually the employer who bears the investment risk and reaps the gains rather than the participant.

In a defined benefit plan, the firm determines the pension amount in advance, often in relation to the employee's most recent income, according to Arunajatesan and Visvanathan (2009). The retirement plan is set up, and the software determines the contribution needed to finance pension benefits. It provides a guaranteed, defined lifelong retirement income.

The defined benefit plan's pension, according to Dorfman (2004), is predetermined, and the employer must make enough contributions to achieve the intended result. By directly tying pension to final salary, an employee who enrolls in the company pension plan during their career receives a pension at their typical retirement date that, in essence, reflects savings that have been used to hedge against income up to that time (Mason, 2000). On the other hand, if a person changes jobs frequently throughout their career—possibly more than once—the situation is rather different, and this trend is gradually gaining favor due to a possible lack of portability. Final salary pension schemes involve an ongoing commitment on the part of the employer and are increasingly governed by more regulations. A final salary agreement has recognized benefits but unknown costs.

2.5.2 risks of a DB plan

Equity risks

By tying the pension payment to the final salary or an average of earnings near the conclusion of the employee's career, defined benefit plans expose workers to wage path risk. A defined contribution plan would offer a higher than projected pension compared to the contributions made on behalf of the employee if the employee's wage path finally turns out to be better than anticipated. As employers failed to cover rising deficits that were building on the pension funds in Zimbabwe, the majority of defined benefit pension plans were converted to defined contribution plans during the time of raging inflation (OECD, 2006).

Interest-rate risks

The early 2000s stock market drops in OECD countries and the low interest rates, which increase the value of pension liabilities, have brought to light for employers the macroeconomic risks they face when financing defined benefit plans. Increased payments are necessary to ensure a certain level of benefits at retirement due to the fall in asset markets (Orla & Rod, 2008).

Longevity risk

In DC pension plans, the danger of members living longer than currently anticipated is known as longevity risk. As a result, pensions are provided for longer than anticipated, which raises the cost of the programs.

2.5. CONTRIBUTI0N DEFINED ON SCHEME

According to Yermo's explanation from 2003, participants in this scheme are exclusively responsible for their own retirement savings. The corporation frequently provides a range of mutual funds, also referred to as unit trusts, that the employee can use as a means of retirement savings. The government allows DC pensioners to invest in the mutual funds of their choice prior to taxation of their earnings. The employer also contributes a small amount to the fund. Direct deductions from employee paychecks for contributions that account for a predetermined percentage of wages are made. Due to the relatively steady growth of defined contribution assets over time, a high rate of accrued benefits is avoided.

Since the assets of this plan are ultimately under the control of the employee, the employee has the option of leaving the plan's assets in the care of a former employer, transferring the assets to a new employer, or transferring the assets to an IRA. Although benefits must be vested, if a plan is terminated before the date of vesting, only employee contributions plus interest are reimbursed (Sonnastine, Murphy, & Zorn, 2007). The contributions are calculated based on a specified percentage of pay. The total of these contributions, according to Arunajatesan (2009), is utilized to pay for pension. The expected benefit for the pensioner cannot be known in advance.

It depends on how well the plan's funds perform over time and is gaining popularity. There are different pension types accessible under the plan.The program offers a variety of pensions, including pensions payable for life, joint life last surviving pensions, and pensions payable for life with return of purchase price upon pensioner death.

Money buy plans are the most basic kind of defined contribution plans (Dorfman, 2004). The cost of a money purchase plan is known, but the advantages are not. Each member's individual account is where the defined employee and employer contributions are accumulated (Axelrod, 1995).

Younger members may find this plan more appealing, however with such a plan, the individual is responsible for all investment risk. According to the employer, a money purchase scheme's set cost is simple to manage and less complicated in terms of compliance with the law. Sonnastine, Murphy, and Zorn (2007) claim that the employee receives the whole of all input amounts plus interest at retirement. If the firm has a defined contribution plan, each pensioner has a separate account, and the employee bears the investment risk. Because of the low cost of managing the plan and the simplicity of determining the sponsor's responsibility, DC plans have generally become more transferable.

2.5.4 risks of a DC plan

The biggest drawback of defined contribution pensions is that they have a limited pool of funds that may exhaust themselves (unless you utilize them to purchase annuities). A large market crash can lower retirement savings because investments are also based on stock market success.

Investment risks

Employees may suffer investment risks. This is so because the economy of Zimbabwe is not stable and there is a probability of losses relative to the expected return on any particular investment.

2.6 A STRATEGY

According to Thompson et al. (2010), a strategy is a management team's game plan for improving the organization's position. As a result, personnel in charge of developing each company's operational roadmap are ultimately responsible for the organization's existence and destiny. With the main goal of keeping the organization or the industry afloat, strategies are created to handle existing and anticipated obstacles. In their daily activities, pension fund institutions face a variety of difficulties. While some issues come from within the organization, others are brought on by the surrounding environment. Regardless of how they came about, pension organizations must develop strategies to deal with these issues. Porter (2005) asserts that a strategy forms the foundation of every business. A strategy, according to Porter (2005), is a core of a company choosing to carry out operations in different way than its competitors. Managers decide how their firms should behave in a certain sector through use of strategy. Based on the dangers and opportunities present, business strategy and performance differ (Thomas et al 1993).

2.7 SURVIVAL STRATEGIES IMPLEMENTED BY PENSION FUNDS IN ZIMBABWE ECONOMY

2.7.1 RETRENCHMENT

Cutting operational expenses and selling off non-core assets are both components of a retrenchment strategy. Many organizations decide to retrench because, in essence, it is simpler to cut expenses than to increase revenue (Sharma, 1993). Other analysts (Gorski and Gregg 1997) cite corporate disinvestment, establishment closures, and spending reductions on a variety of activities such as training and marketing. Gorski and Walters (2002) came to the conclusion that there are less significant innovations during periods of economic downturn, with innovation activity tending to vary over business cycles. As users prioritize cheap cost, focus is placed on price rather than quality-driven innovation in such a setting (Leedbeater and Meadway, 2008). Pension funds in Zimbabwe used retrenchment as a cost-cutting strategy during the hyperinflation (ZAPF, 2010).

2.7.2 INVESTMENT

According to a number of studies, businesses can adjust to the conditions in Zimbabwe by developing business plans that emphasize innovation, investment, and market diversification (Navarro, 2005). The two suggested viable investment techniques are focusing on new market niches and developing new products (Rimmer, 1997). Increased marketing investment, according to Srinivasan et al. (2005), is preferable during hyperinflationary times. There is conflicting evidence from earlier studies about how businesses use investment strategies to navigate an unpredictable economy (Rumelt, 2008). Such investment tactics carry a high degree of risk, and many companies, including pension fund companies which are likely to be engrossed with ensuring their short-term viability than to consider innovation and growth.

2.7.3 DIFFERENTIATION

Providing a service to the market that is distinct from rivals is differentiating. According to Doyle (2002), differences between a company's goods or services and those of its rivals must be ones that customers want and can use. In order to be competitive, businesses need to offer distinctive products, according to Kotler (2002). With differentiation, a company or organization has the chance to compete with rivals on grounds beyond from price. Through differentiation, a company can target a certain demographic of consumers and create a product line that is specifically tailored to the market or, more accurately, the competition. This gives the differentiating company a competitive edge. Pension funds in this instance employ differentiation as a survival mechanism because the economy is not favorable.

2.7.4 COST LEADERSHIP STRATEGY

The goal of the strategy is to raise profit margins. The justification is that growing sales cannot boost profitability in a deteriorating market (Kotler, 2002). Businesses must continually reduce costs if they want to increase return on investment and profit margins. Outsourcing, business process re-engineering (BPR), closing low volume, high cost distribution channels, eliminating marginally beneficial activities from the value chain, and finally adding more distribution channels to ensure that unit volume distributed ensures lowered costs are just a few of the ways Thompson, Strickland, and Gamble (2010) outlined.

2.8 DIFFICULTIES IN EXECUTING SURVIVAL STRATEGIES

Growth opportunities are restricted by the close-end funds' existing greater constraints on property concentration. Pension funds in Chile had only been able to invest in private equity through these indirect investment entities. This market has not substantially evolved as a result of problems related to a lack of liquidity, valuation issues, and trading concentration. Pension funds find it challenging to invest in specified assets in Zimbabwe due to the liquidity crunch that has gripped the country since the implementation of a multi-currency regime (IPEC, 2011). According to Walker's (1999) research, pension improvements rarely occur in isolation, therefore without other concomitant conditions, they are ineffective.

For example, Chile developed real estate firms specifically for pension funds. In the middle of 1995, after four years in operation, two of them vanished. This occurred because, compared to real estate investment funds, which were tax free, pension funds had significant tax disadvantages. In exchange for greater expected returns, portfolio managers take on liquidity risk (Catalan et al., 2000).

2.8.1 Regulation behavior

The creation of rules governing, among other things, the creation of new pension fund firms, minimal capital requirements, director and manager credentials, business operations, and risk-management strategies that aid in preventing excessive risk-taking by insured organizations. On-site inspection and remote monitoring are also options for risk management. Additionally, regulatory discipline aids in the rehabilitation of failing businesses or lowers the cost of their collapse before the issue becomes unfixable.

2.8.2 Liquidity Constraints

When a nation experiences short-term difficulties paying its debts when they become due, liquidity issues develop. An arbitrary cap on the amount a person can borrow or an arbitrary change in the interest rate they must pay are both examples of liquidity constraints. They restrict people from fully maximizing their behavior over time by increasing the costs of borrowing (Stekrmole & Stermole, 2000).

2.8.3 Pension Funds survival

The financial system needs to be stable in order for people to survive. The collapse of pension funds is viewed as more concerning and disastrous in developing countries since pension funds have a more prominent role in supporting economic sectors and helping the elderly, an inactive group of investors. Sahuti and Mili (2010) also noted that the reason for strict bank supervision is because bank distresses have an amplified negative influence on economic activities compared to other business failures. Inability to meet obligations to creditors and depositors, or pensioners, causes pension funds to typically fail to survive. This is typically due to ineffective managerial strategies to manage pension funds during hyperinflationary periods, as these funds require close supervision and monitoring as well as the development of new economic strategies to ensure their survival in the economy.

2.8.4 Survival Strategies

According to Thompson et al. (2010), a strategy is a management team's game plan for improving the organization's position. As a result, personnel in charge of developing each company's operational roadmap are ultimately responsible for the organization's existence and destiny. The fundamental goal of strategies is to keep the organization operating smoothly. They are created to handle both existing and anticipated issues. Various difficulties arise daily for banking institutions as they conduct their business. While some issues come from within the organization, others are brought on by the surrounding environment. Nevertheless, banks must create ways to address those difficulties, regardless of their origin.

2.9 ROLE OF PENSION FUNDS GOVERNING BODY IN MANAGING PENSION FUNDS SURVIVAL STRATEGIES

The primary objective of IPEC is to support the pension sector's overall stability. The ministry of finance is another party to whom the commission must answer. By 2022, IPEC also expects the insurance and pension industries to be secure, dependable and sustainable. IPEC’s primary function is to oversee, control, and improve the activities of insurance and pension businesses for the protection of policyholders and program participants. In order to control and oversee the management and operations of pension funds and provident funds, IPEC is also required to register them. To make sure they uphold established standards, IPEC also keeps an eye on the actions of insurers, mutual insurance societies, insurance brokers, and pension and provident funds.

2.9.1Governance Failure at IPEC

There were poor corporate governance standards at IPEC during the investigation period, according to the panel of inquiry's 2017 investigation. Due to contentious Board nominations and the inclusion of market participants on the IPEC Board, the principal shortcomings were a lack of operational independence. In terms of head count and mix, the Board lacked sufficient expertise. Due to the lack of necessary skills among IPEC workers, there was no capacity to govern the business. For a decade following its founding in 2006, the Regulator lacked critical functions such internal audit, corporate governance compliance, legal, ICT, supervisory accounting, and actuarial.

The Commission learned that IPEC had no policies regarding the acceptance of gifts, hosting guests, or claiming costs, nor did it have a code of conduct or code of ethics for its employees. That this was a work in progress was simply suggested. Inadequate corporate governance guidance from IPEC to the industry has led to alarming practices that, for the most part, have seen policyholders treated unfairly. Due to IPEC'S regulatory shortcomings, several pension funds have turned to poor governance techniques to survive in the Zimbabwean economy.

2.10 UNDERPINING THEORY OF THE STUDY

Gregor (2000) claims that in IS studies, underlying ideas are known as theories for understanding social context. The theories aim to clarify "how" and "why" events take place in the manner that they do

Poor investment results

The underwhelming growth performance of Zimbabwe is due to low rates of investment. In recent years, gross domestic investment has fallen short of the 19 percent of GDP average for low-income sub-Saharan Africa. Therefore, the amount of investment since 2000 has not been sufficient to maintain the current stock of capital. Dorothee Susanne Franzen claims that a key duty of pension funds is investment. A key tool for ensuring adequate pension benefits at manageable costs is the investment return. Taking risks is a crucial component of pension provision, which includes

The financial crises of this century left the world of pension funds very uneasy. When the favorable 1990s climate came to an end, DB pension funds were caught in the crossfire of financial instability and tightening regulatory and accounting tendencies, which brought an abrupt stop to investment and risk management strategies: De-risking has started in pension funds.

In an effort to comprehend both the causes of shifting investment patterns and the causes of continuing inequalities, this thesis examines the effects of regulation on the asset investment of occupational defined benefit (DB) pension plans in a number of OECD nations. I contend that the conventional wisdom on the assumption and sharing of pension risk is flawed. The ability of pension funds to take risks has been hampered by the tightening regulatory and accounting regulations. To create the pension fund system of the twenty-first century, pension risk sharing must be redesigned. To deal with the transition of pension systems brought on by demographic, economic, and societal change, regulation of pension funds should also be better aligned with social policy objectives.

2.11 EMPERICAL REVIEW

This study examines earlier research that was done by various academics and authors in regards to the effect of a paperless banking system on client satisfaction.

ZIMBABWE: A research titled Manufacturing firms and survival options: the case of Zimbabwe manufacturers was conducted by Nyasha Kaseke and Samuel Gumbe in 2008.

The study evaluates the survival tactics used by manufacturing companies in Zimbabwe during the hyperinflationary period from 2005 to 2008. Evidence from the literature assessment suggested that businesses can employ various survival strategies in a hyperinflationary environment. A survey strategy was used with Harare's manufacturing companies. One hundred firms' worth of data were gathered via questionnaires. The results of the survey showed that businesses used a variety of tactics, including quantity reduction, decentralization of decision-making, lowering the quality of their products, the creation of syndicates, shortened pay periods, and other types of financial, marketing, and purchasing techniques. Businesses who were reluctant to embrace survival measures failed. Therefore, for businesses operating in circumstances with high inflation, survival strategies were crucial. All Zimbabwean manufacturing businesses were included in the study's target demographic. Because they are involved in making strategic decisions for the organizational functions, respondents to this particular objective were functional directors. The CZI list of manufacturing enterprises in Zimbabwe served as the study's sample frame. Utilizing the four main industrial locations of Granite Side, Workington, Msasa, and Willowvale, stratified random sampling was used to divide the population into pertinent and significant strata or segments depending on industrial location. Then, from each segment, a random sample was taken.

ZIMBABWE:2012's Batsirai Winnomore Mazviona, Ethical Concerns and Challenges in Zimbabwe's Pension Fund Management

The difficulty faced by retirees in Zimbabwe after the implementation of the multi-currency system served as the inspiration for this piece. The assets and liabilities of the pension funds were mismatched as a result of the multi-currency system since the assets and liabilities were invested in the local currency prior to the currency reform, which resulted in meager pension benefits. The essay concentrated on the fundamental elements relating to the organization and administration of pension funds in Zimbabwe.

The government, trustees, investment managers, and actuaries were the key players in Zimbabwe's pension industry that the researcher looked into. The paper also discussed the moral dilemmas and difficulties pension fund managers in Zimbabwe face. To gather primary information from experts in the Zimbabwean pension business, the researcher performed a total of 30 in-person interviews, which were distributed as follows: Ten trustees, ten money managers, and ten actuarial advisors. The study also used secondary data, which included articles from journals, newspapers, investment reports, and textbooks. This article's major goal was to identify and examine the ethical problems and difficulties associated with pension fund management in Zimbabwe.

The study advised pension funds to create reliable corporate governance frameworks that will support the highest moral standards among all of its stakeholders. The conclusions demonstrated the necessity of empowering pension fund trustees through training and the implementation of a pension protection program. Additionally, a review of the current legislative framework was necessary to take into account the shifting economic landscape in which pension funds operate. The report came to the conclusion that the current legal framework is restrictive since it forbids pension funds from making foreign investments, which would help them diversify their investments and reduce the risks associated with managing pension funds. Trustees' inability to manage pension money The majority of pension funds lack a statement of investing principles to direct their investment decisions and keep an eye on their investment managers, as well as a code of conduct to uphold top ethical practices. Additionally, they lack policies for education and training to broaden trustees' skill sets and for communicating with the members they represent, therefore they should work on their negative aspects.

ZIMBABWE: Rufaro (2016) Sharon Mandimika Old Mutual as a case study on the effects of dollarization on pensioners in Zimbabwe

Following a string of hyperinflation between 2000 and 2009, the researcher realized a need to investigate the impact of dollarization to pensioners in Zimbabwe who were paying their funds in local currency values. As a result, with the introduction of the multicurrency, there was a need to investigate the issue. The main objectives of the research were to the following: determine the impact of dollarization on pensioners and to make recommendations on how the aggrieved pensioners could be helped. the scientist created. The research's findings led to the following conclusions: Pensions are still a viable retirement planning tool in uncertain and depressed economic environments, despite members' concerns about the conversion of their pension contributions to a multi-currency system. Dollarization eroded pension contributions of pension fund members, leading to low pension benefits pay-outs that left pensioners living in extreme poverty.

The researcher also made recommendations regarding pension funds that invest offshore, systematic currency changes, encouraging the use of hybrid schemes, diversification, lowering the percentage of holding in prescribed assets, and member education. This is because panic currency changes can lower asset values

2.10 RESEARCH GAP

Most of the studies according to the research have been done outside the parameter of survival strategies in correspondence to pension funds and they have been carried out on other industry parallel to pension funds. Almost all of them studied more on dollarization in relation to the impact it brought to pensioners and other depending with the researchers needs. This research studied only single requirement that is survival strategies that pension funds can implement in order to enhance their survival in Zimbabwe economy and the research investigated also the effectiveness of the regulator in enhancing pension funds survival. Explorative research method was used as compared to previous researches that always mixed researches. Since primary and secondary data gathering methods were used, the research is primarily qualitative. Also the researcher focused on Zimbabwe cases only on empirical review. Further research is needed in other countries worldwide so as to have more knowledge and other survival strategies used with other countries.

2.11 SUMMARY

The chapter explored the pension funds survival strategies in Zimbabwe economy, the impact of pension fund survival in Zimbabwe, types of pension fund schemes, challenges of implementing survival strategies and also literature on the pension funds governing body was examined (IPEC).). For the purpose of this review, textbooks, periodicals, reports, and handouts were employed. The chapter also analyzed the research on retrenchment tactics, investment strategies, and differentiation that pension funds used to survive in the Zimbabwean economy. The following chapter examines research techniques.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

The methodology outlines your research methodologies' overarching philosophical underpinnings. It frequently includes ideas like stages, theoretical models, paradigms, and quantitative or qualitative approaches. Only qualitative methods will be employed by the researcher. Additionally, the researcher will look into the research design, data collection methods, primary and secondary data sources, and finally, data analysis, highlighting the benefits and drawbacks of each. In order to unravel the various types of philosophies, strategies, tactics, approaches, techniques, and procedures for conducting the research, Saunders et al. (2007) claim that the research process gives the researcher a complete picture of a range of research methods. The significance of analyzing and comprehending ideologies with the goal of enhancing knowledge development was highlighted by Saunders et al. in 2007. Ackroyd and Hughes (1992) contend that philosophical direction alone is insufficient to address the issues involved in social research. Crotty (1998), however, believes that philosophy has a way of being engaged in the world and a method of resolving issues on its own.

3.1 Research design

Kumar (2011) defined research design as a bureaucratic strategy used by researchers to dependably, parsimoniously, objectively, and accurately address the research issue for the study. For the purposes of this study, the descriptive survey approach was used. This particular research strategy was chosen because it makes it possible to evaluate and analyze specific behavior and data. Research design serves as the guide for the collection, measurement, and analysis of data because it describes the overall strategy used to integrate the various study components in a logical and cogent manner, ensuring you will effectively address the research problem. Since the research will use an explorative research design, the researcher will use both qualitative and quantitative research designs to determine the effectiveness of the pension funds governing body, the IPEC, in managing pension funds survival during hyperinflation

3.2 TARGET POPULATION

Population, according to Kothari (2004), is a collection of people who share one or more traits. A collection of individuals, components, or occasions that the researcher is interested in and plans to analyze are also referred to as a study population (Kotler, 2011). In this study, a population is defined as the total group of research subjects from which a chosen sample will be collected in order to efficiently examine the group. Employees in the nation's Harare-based pension sector make up the study's population. Six businesses will be utilized, including Old Mutual Life Assurance Company, First Mutual Life Assurance Company, Fidelity Life Assurance Company, ZIMNAT Life Assurance Company, and CBZ.

The administration of self-administered funds is handled by employee benefit businesses, or fund administrators. In Zimbabwe, these companies are Marsh Employee Benefits, Aon Consulting, and Comarton Consultants. Industrial schemes are those that provide benefits from pension funds to employees working in the same industry. The National Railways of Zimbabwe Pension Fund is the final major industrial scheme in Zimbabwe, followed by the Construction Industry Pension Funds, Mining Industry Pension Funds, Local Authorities Pension Fund, ZESA Pension Fund, and Communications and Allied Industry Pension Fund. The questioners will be filled out by a total of 5 employees per organization.

3.2.1 Sample Size and Techniques

The six largest self-administrated pension funds, which serve more than one hundred employers each, were used to create the sample for this study. These funds are the Mining Industry Pension Fund, ZESA Pension Fund, Construction Industry Pension Fund, Communications and Allied Industries Pension Fund, Local Authorities Pension Fund, and Catering Industries Pension Fund (Insurance and Pensions Commission, 2011). Purposive sampling was used to select four senior experienced staff members from each of the six self-managed funds, four senior managers from each of the three employee benefits administration firms (Cormaton Consultants, AON Consulting, and Fidelity Life Assurance Company), and four from each of the four life insurers (CBZ Life Assurance Company, Old Mutual Life Assurance Company, First Mutual Life Assurance Company of Zimbabwe, and Fidelity Life Assurance Company).The decision to choose four senior managers was made with the knowledge that the chief executive, finance manager, investment manager, and pension administration manager were at least four of the key personnel who participated in the evaluation of the survival strategies used by pension funds in Zimbabwe's economy. Three analysts and two managers were chosen at random from the Insurance and Pensions Commission's pool of ten asset managers.

The formula used to calculate sample size was as follows

$$n = \frac{Z^2 \times p \times q}{E^2}$$

Where as

N= sample size

Z=z-score for desired confidence level

P=estimated proportion of the population with the characteristic of interest

E=margin of error as proportion

Q=1-p

Source: Sekaran (2003)

Of the 287 people in the population, 74 were included in the sample. The appropriate sample size is between 64 and 100 due to the 40287 population size (Vermeulen, 1998). The researcher used the Vermeulen-recommended sample size for this study. In table 3.1 below, sample sizes that are suggested for the various populations are listed.

Table 3.1

Population	*% suggestion*	*Sample size*
20	*100*	*20*
30	*80*	*24*
50	*64*	*32*
100	*45*	*45*
200	*32*	*64*
500	*20*	*100*
1000	*14*	*140*
10000	*4.5*	*450*
100 000	*2*	*2000*
200 000	*1*	*2000*

Source: Adapted from Vermeulen 1998

The random and non-random sampling techniques were both used in this investigation. The researcher deliberately chooses the most fruitful sample to address the study questions, which is known as a judgmental sample in qualitative research (Bradley, 1992). The subjective approach is employed in non-probability sampling, and it is unknown how likely it is that the population's constituents will be chosen (Cooper & Schindler, 2003). When performing the study, the researcher mostly used the judgmental or purposive sample technique. 41 On the other hand, probability sampling is founded on the idea of random selection, which is a controlled process that ensures that every population element is given a known non-zero chance of selection. Simple random, systematic, cluster, and stratified sampling approaches are additional divisions of probability sampling (Cooper & Schindler, 2003). Although it is acknowledged that probability/random sampling has advantages over non-probability random selection, judgmental and purposive sampling were utilized to choose the research subjects due to accessibility issues. In terms of both time and money resources, these sample techniques were the least expensive for the researcher.

3.3 Data Collection Methods

The researcher combined a number of different data collection procedures and tools, including questionnaires and semi-structured interviews, in the gathering of primary data in order to produce qualitative data.

3.3.1 Data sources:

3.3.2 Primary data

This data is either newly acquired data from a research project or data that has never before been collected and used. Primary data is gathered for the first time, making it unique in nature and serving the intended goal (Saunders et al., 2009). The researcher's main data sources for this study were questionnaires and interviews. Primary data was particular to the study's goals and served to provide current and pertinent information on the subject being researched. The researcher will learn firsthand about the tactics used by pension funds to survive hyperinflation and how they safeguard the pension funds' contributions. However, because a pilot research had to be conducted before the actual data collection, it took a while to gather the primary data. Additionally, gathering the data was quite expensive because it needed meeting the right people in order to gather the data. The disadvantages of using primary data included the need for expensive questionnaire printing, follow-up texts and phone calls, and travel expenses to meet with respondents

3.3.3 Secondary data

Secondary data is data that has already been collected, analyzed and published by others. It can be found in a variety of sources, including books, articles, reports, and websites. Secondary data can be a valuable resource for researchers, as it can provide them with a starting point for their research and help them to save time and money.

There are a number of advantages to using secondary data. It is frequently more easily obtainable than primary data, which is data that is collected by the researcher for the specific purpose of their study. Secondary data can also be less expensive to collect than primary data. Additionally, secondary data can provide researchers with a broad overview of a topic, which can help them to identify the areas that they need to focus on in their research.

However, there are also some disadvantages to using secondary data. It is important to remember that secondary data was not collected specifically for the researcher's study, and as a result, it may not be as relevant or accurate as primary data. Additionally, secondary data may be outdated or biased.

In this study, secondary data was collected from a variety of sources, including books, articles, reports, and websites. The researcher used secondary data to gain a broad overview of the topic of pension fund survival strategies. The researcher also used secondary data to identify the areas that they needed to focus on in their primary data collection.

3.4 Research Instruments

The researcher plans to employ questionnaires and interviews as research tools to collect information of the study.

3.4.1 Questionnaires

The most popular research tool is this one. A questionnaire, according to Kumar (2011), is a collection of questions designed to elicit information from respondents about a certain area of inquiry. To make analysis easier and to record various viewpoints, the questionnaire included both structured and unstructured questions. There were two sets of surveys available. The identical questionnaire was distributed to life insurance companies and fund administrators. In this study, a self-administered questionnaire will be employed. Self-administered funds were given their own set of questionnaires. In this instance, the survey's responders complete it on their own without the researcher's help. After obtaining approval from the various pension funds institutions, the researcher delivered the surveys in person and via mail to the respondents. Both open-ended and closed-ended questions are included in the questionnaire. The questionnaires were left behind and recovered later, allowing participants to complete them at their own time and becoming more flexible.

A questionnaire has the benefit of allowing respondents to freely express their opinions, which allows for a more flexible result. Because data entry and tabulation are simple, it is simple to interpret questionnaires, and questionnaires safeguard the participants' privacy. All respondents are familiar with questionnaires, and the majority of people have completed questionnaires at some point in the past. Since they feel anonymous when filling out surveys, respondents are better able to answer to delicate topics.

However, several respondents took their time to complete the questionnaires, which jeopardized the research because time was of the essence for this study and delayed data processing. In contrast to, instance, personal interviews where extra questions can be developed from a respondent's response, questionnaires on their own did not provide some precise information about what the research will be aiming to ask. Because some respondents were unable to return the surveys, the rate of return was not adequate.

3.4.2 Interviews

Respondents are interacted with in person while being questioned about a certain topic. Interviews, according to Leedey (2010), are a way of gathering data in which researchers ask participants essentially open-ended questions on the subject under discussion. In order to gain useful information and clarification from the management in the pension industry on the measures that are adopted in order to save pension funds during hyperinflationary periods, the researcher also used interviews as a crucial component of the research. The interviews were semi-structured. Following the completion of the survey questionnaires, key informants were chosen for interviews. The researcher considered that, at this point, it was necessary to triangulate data gathering by using interviews in order to increase the reliability of the findings.

From each of the following three funds, interviews were conducted with two different categories of managers, namely investment managers and managers in charge of pension administration. The following three fund administrators, Aon Consulting, Comarton, Consultants, Mining Industry Pension Fund, Local Authorities Pension Fund, Construction Industry Pension Fund, ZESA Pension Fund, Communications and Allied Industry Pension Fund, and Catering Industry Pension Fund each conducted interviews with two types of managers, namely investment managers and pension administration managers. The three fund administrators each managed at least 30 pension funds, and the pension funds offered pension administration services to more than 100 companies, which is why they were picked as key informants. The researcher used in-person interviews, conducting them with a few randomly chosen managers from the sample. The semi-structured interview allowed for additional questions to be asked in order to elicit more information. The interviewees (respondents) were given the opportunity to request more clarification as appropriate during this form of interview. Interviews have the benefit over questionnaires in that the researcher can persuade respondents to provide information. Greater detail may be provided during personal interviews because the researcher could utilize gestures to determine how important a certain subject was to the respondent in question. In interviews, the researcher was able to probe further as necessary for additional information on a certain topic. Personal interviews provided reliable information and a high response rate. However, there are also some disadvantages to using interviews. They can be time-consuming and expensive. They can also be difficult to transcribe and analyze. In this study, the researcher faced a number of challenges in using interviews. Some of the respondents were reluctant to talk about their experiences, and some of the interviews were cut short due to time constraints. The researcher also had difficulty transcribing the interviews, as some of the respondents spoke with heavy accents.

3.5 Pre-test and Pilot Test

The questionnaire was examined for generality, content validity, and thoroughness before being distributed. To make sure the questions were understandable and feasible to respond to, the questionnaire was pre-tested and piloted on a group of managers in the pension business. Pre-testing is the process of testing a questionnaire design on a sample of respondents (Zigmund, 2003). (Bell, 1998) Considered pilot study as ironing out the kinks in the instrument questionnaire) so that participants in your main study will have no trouble filling it out and so you can perform a preliminary analysis to see whether the wording and format of the questions will present any issues when the main data are analyzed. Ten managers each received one of the ten questionnaires for the pilot project. Due to the fact that the piloted sample had already seen the questionnaire and would have found it difficult to provide unbiased responses, they were not included in the final sample.

3.6 Validity and Reliability

Two specific components of the research design—validity and reliability—were given special attention with the primary goal of lowering the likelihood of receiving incorrect answers. According to Stapsford (1988), validity describes how the research was designed to produce a reliable conclusion. Validity is the question of whether the findings actually relate to the topic that they claim to (Saunders et al., 2005). The consistency of the data in the study's replication is an issue for reliability (Saunders et al., 2005). The researcher used three different techniques to gather data from the sample, ensuring the validity and dependability of the findings. In this regard, surveys, interviews, and document reviews were used. The researcher also made sure to use secondary data by reading works from other writers to grasp their perspectives on how to make pension funds survive in the Zimbabwean economy.

3.7 Data analysis plans

This chapter will cover the presentation, interpretation, and analysis of the research findings. The results of the study will be presented using a variety of analytical techniques, including tables, graphs, and descriptive statistics. The study used both primary and secondary data. The Statistical Packages in Microsoft Excel were used to examine the outcomes of the data gathering exercise from the questionnaire. Data was presented using statistical techniques such as graphs, tables, and pie charts.

3.8 Summary

This concentrated on the research approach used for this study. The exploratory research design was used by the researcher. Self-administered questionnaires and interviews with sample population members were used to gather primary data. Secondary information was gathered from the Zimbabwe Association Pension Fund, annual financial statements, and monetary policy statements of pension funds firms. Finally, the plan for data presentation and analysis will be presented, clearing the way for the presentation, analysis, and interpretation of data—the main topics in the following chapter—to follow.

CHAPTER 4

DATA PRESENTATION, ANALYSIS AND DISCUSION

4.0 INTRODUCTION

The study's findings are presented in this chapter in relation to the Chapter 1 research problem and objectives. In accordance with the specified objectives, which include examining the survival methods employed by pension funds in order to survive the Zimbabwean economy, this chapter gives a full overview of the study and an analysis of the findings. The presentation, analysis, and interpretation of the data amassed during the research are the main areas of concentration. The study intended to learn the survival methods employed by pension funds in a Zimbabwean setting, and the results are presented and debated using tables, charts, and graphs. In this sense, the researcher used both primary and secondary data.

4.1 Response rate

4.1.1 Questionnaire response rate

A total of 60 survey forms were mailed, and 46 of them were returned, resulting in a 77% response rate. Table 4.1 shows the study's response rate. According to (Nachimias, 1976), the typical response rate for mail survey questions, which typically runs between 20 and 40%, is frequently quite low. Given the generally good response rate of 77 percent, the discussion of the results offered adequate justification to proceed the research. Some respondents were unable to finish the questionnaires and send them back to the researcher due to lack of time or indifference. A total of 23% of the surveys were not returned. The questionnaires distributed and the response rate are shown in table 4.1 below:

Table 4.1 Response rate

Mailed questionnaires	Returned questionnaires	Response rate (percentage)
60	46	77

Source: Researcher 2023

4.1.2: Interview response rate

Table 4.2 Interview response rate

Type of manager	**Number of interviews**
Investment managers	6
Pension administration managers	9
Total	15
Response rate(percentage)	100

Source: Researcher (2023)

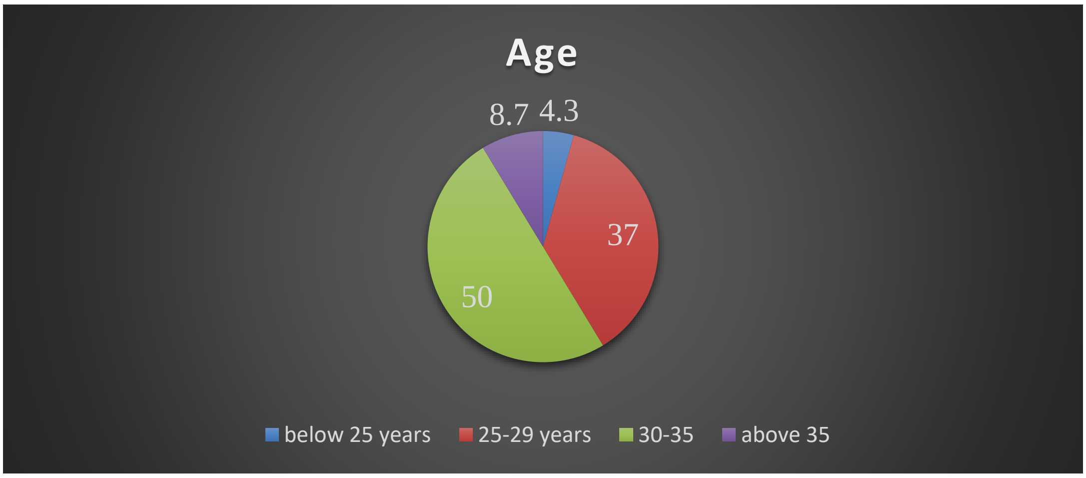
The following six pension funds and three fund administrators, respectively: Mining Industry Pension Fund, Local Authorities Pension Fund, Construction Industry Pension Fund, ZESA Pension Fund, Communications and Allied Industry Pension Fund, and Catering Industry Pension Fund, underwent interviews with two types of managers: investment managers and pension administration managers. The three fund managers were chosen as significant informants because they each controlled at least 30 pension funds and those pension funds provided pension administration services to more than 100 businesses.

4.2 DEMOGRAPHICS

4.2.1 Age

The fig. 4.1 below indicated age group of respondents.

Fig. 4.1 Age



Source: Researcher 2023

According to the findings most of the responded out of 46, 50% of their age range from 30-35years, followed by 37% which were 25-29 years while 8.7% and 4.3% were ages ranges above 35 years and below 25 years respectively. Majority of the responded are from 25-35 years.

4.2.2 Level of Education

The following table shows the results according to the respondents' level of education. This shown by the table 4.3 below.

Table 4.3 Educational level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	11	23.9	23.9	23.9
	Degree	29	63.0	63.0	87.0
	Masters	4	8.7	8.7	95.7
	PHD	2	4.3	4.3	100.0
	Total	46	100.0	100.0	

Source: Researcher 2023

Out of 46 responded 63% of them hold degrees, 23% diplomas, 8.7% masters while 4.3% hold PHDs. This indicated that the major number of the respondents are degree holders.

4.2.3 Working experience

The study bellow shows the working experience in table 4.4.

Table 4.4 Working experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1 year	3	6.5	6.5	6.5
	1-5 years	10	21.7	21.7	28.3
	6-10 years	9	19.6	19.6	47.8
	Above 10 years	24	52.2	52.2	100.0
	Total	46	100.0	100.0	

source: Researcher 2023

According to the table 4.4 above, depicts that a large percentage of respondents, 52.2%, have worked in the pensions industry for more than 10 years and thus they have a very good experience as to the status and developments within the industry over the period of the study and can give a fairly balanced view on survival strategies adopted by pension funds in Zimbabwe economy. There is evidence of wide-ranging experience of respondents gained from working with several employees which gives the respondents a good understanding of the different practices by various industry players and hence increasing the validity and reliability of the findings

4.2.5 Indicate your position

Table 4.5 Position in organisation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	finance manager	8	17.4	17.4	17.4
	Asset manager	7	15.2	15.2	32.6
	Chief Executive Officer	8	17.4	17.4	50.0
	Pension Administration	15	32.6	32.6	82.6

Investment manager	8	17.4	17.4	100.0
Total	46	100.0	100.0	

Source: Researcher 2023

From the table 4.5 above, it shows that from the responded 32.6% was from Pension Administration Managers and the remaining was shared among other four types of managers.

4.3 RESEARCH FINDINGS

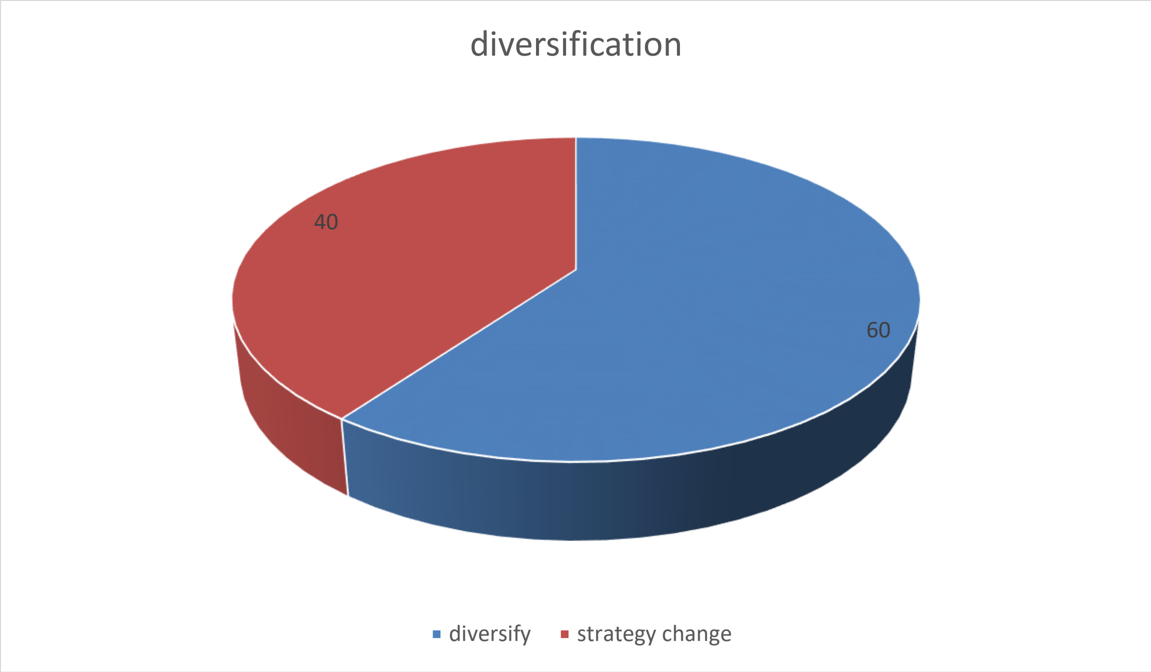
4.3.1 Survival Strategies adopted in Zimbabwe economy.

This study aimed to determine strategies which were adopted in Zimbabwe economy strategies. According to this study, it will mainly focus on the following strategies: diversification, differentiation, retrenchment, decentralisation of decision making and

4.3.1.1 Diversification Strategy

According to 40% of respondents (out of 46), as shown in Figure 4.2, pension funds have survived due to changes in investing strategy. The mix of pension funds' investments altered. According to 60% of survey participants, pension funds were able to survive by diversifying their investments and engaging in non-core activities. Diversification of investments is another indication from Navarro (2005) that it is a viable survival tactic. According to Navarro (2005), businesses adjust to hyperinflation conditions by putting innovation, market diversity, and investment diversification at the center of their company plans.

Figure 4.2 Diversification of investments

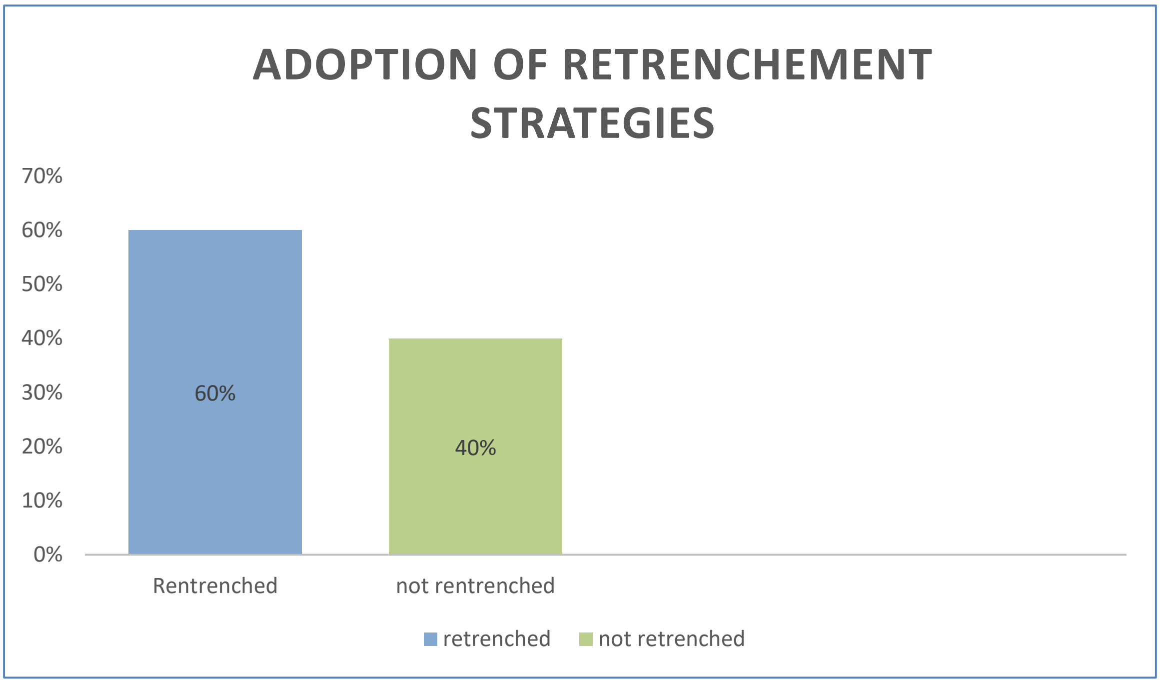


Source: Researcher 2023

4.3.1.2 Retrenchment Strategies

According to Figure 4.3.2, of the 46 respondents, 60% believed that pension funds used retrenchment tactics as a survival tactic, while 40% believed that pension funds did not. According to the report, Zimbabwe uses retrenchment as a survival tactic. Sharma (2013) claimed that during hyperinflation businesses choose to retrench since it is simpler to lower costs than to produce new revenue

Figure 4.3 Adoption of retrenchment Strategies

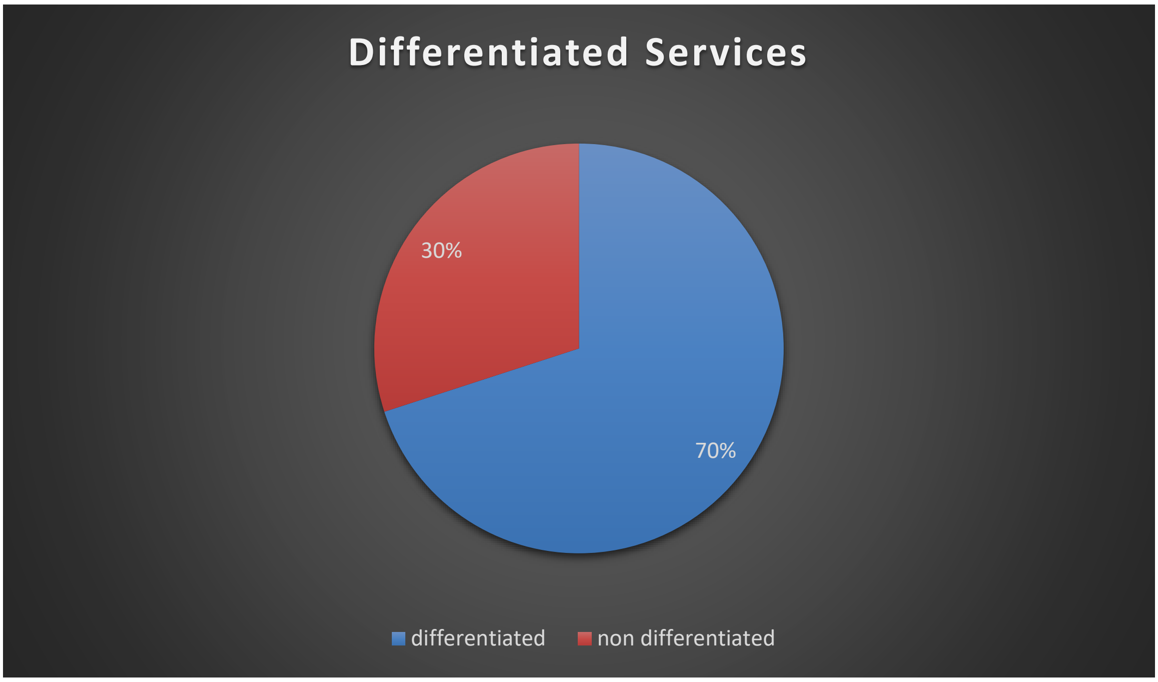


Source: Researcher 2023

4.3.1.3 Differentiation

Since 70% of the 46 respondents said that pension funds used differentiation as a survival strategy, Figure 4.3.3 reveals that product differentiation was used by the majority of pension funds in Zimbabwe. Of the 46 respondents, 30% said they did not use differentiation as a survival tactic. Since the majority of respondents claimed to have utilized differentiation as a survival tactic, the researcher discovered that the findings are in line with Kotler's (2002) assertion that businesses must have distinctive products in order to be competitive.

Figure 4.4: Differentiated services

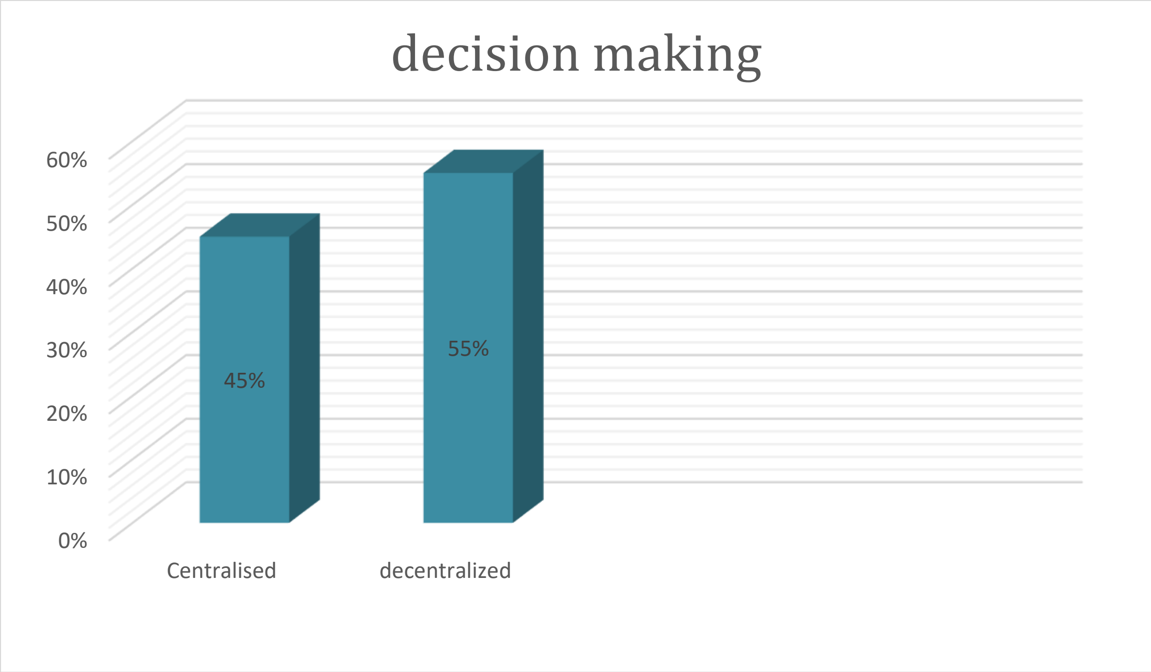


Source: Researcher 2023

4.3.1.4 Decentralized Decision Making

According to Figure 4.5, out of the 46 respondents, 55% decentralized decision-making whereas 45% did not do so as a way to make quick decisions that were required in the Zimbabwean environment. The results support what Jaworski (2011) found, which is that planning is still important in uncertain environments but should have a short time horizon, information should be freely distributed quickly, and control and more self or group control enable quick adaptation to changes.

Figure 4.5 Decentralized decision making

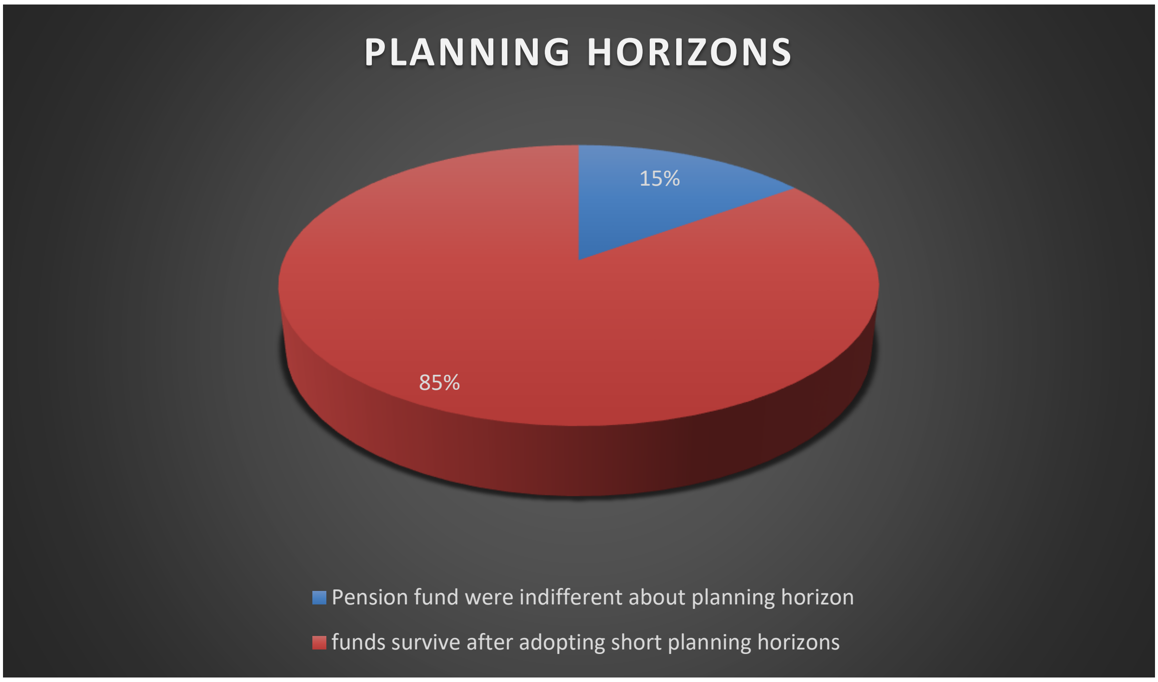


Source: Researcher 2023

4.3.1.5 Short term planning horizons

According to 87% of the 46 respondents, pension funds in Zimbabwe survived the country's economic downturn because they used planning horizons that were less than a year long. The results are in line with what other academics have discovered in hyperinflationary conditions. According to Davis et al. (1991), decision windows are smaller, the risk of obsolescence is higher, long-term planning is unfeasible, and managers must learn new ways to function in this chaotic environment. According to 13% of the respondents, pension funds don't care about planning horizons. The results support what Jaworski (2011) found, which is that planning is still vital in a tumultuous environment but should have a short time horizon.

Figure 4.6: Planning Horizons



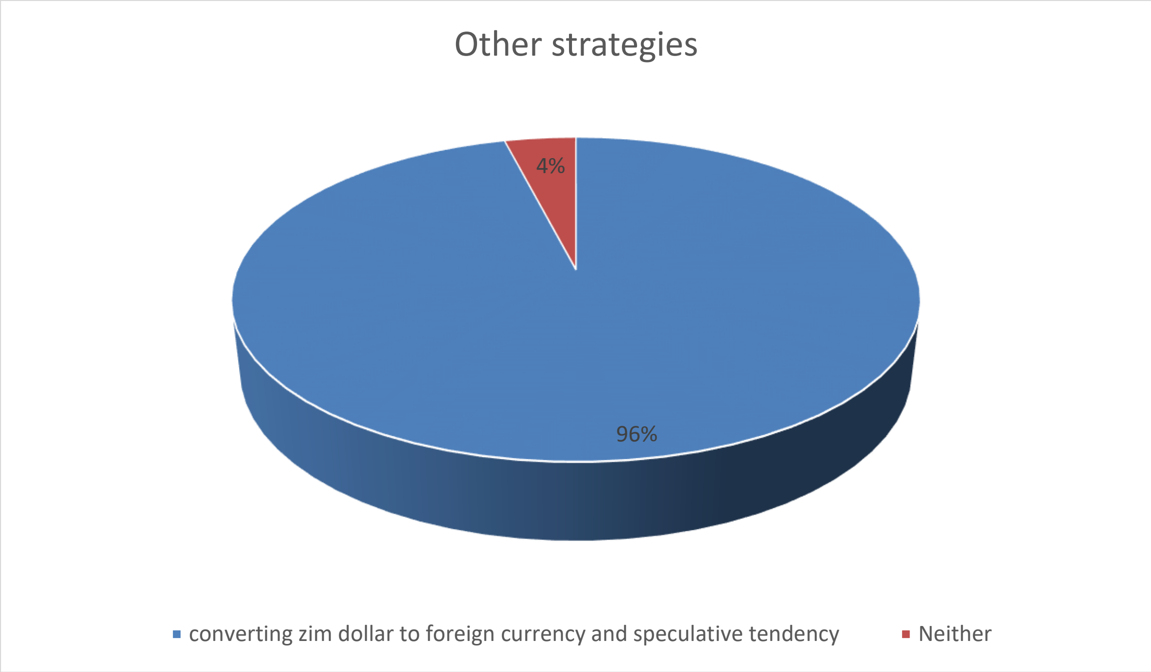
Source: Researcher 2023

85% believed that funds survived Zimbabwe economy by adopting short planning horizons while 13% believed pension funds were indifferent about planning horizons.

4.3.1.6 Other Strategies

Figure 4.7 shows that out of 46 respondents, 94% believed that pension funds engaged other strategies in order to survive Zimbabwe economy. Other strategies that were used during hyperinflation included converting Zimbabwe dollars to foreign currency and involvement in speculation in commodities and currencies that had better returns. These strategies were recommended by Swanson, (2007) as survival strategies for Businesses in hyperinflation. Out of the 46 respondents, 6% indicated that they did not allow any cash to remain idle

Figure 4.7: Other strategies

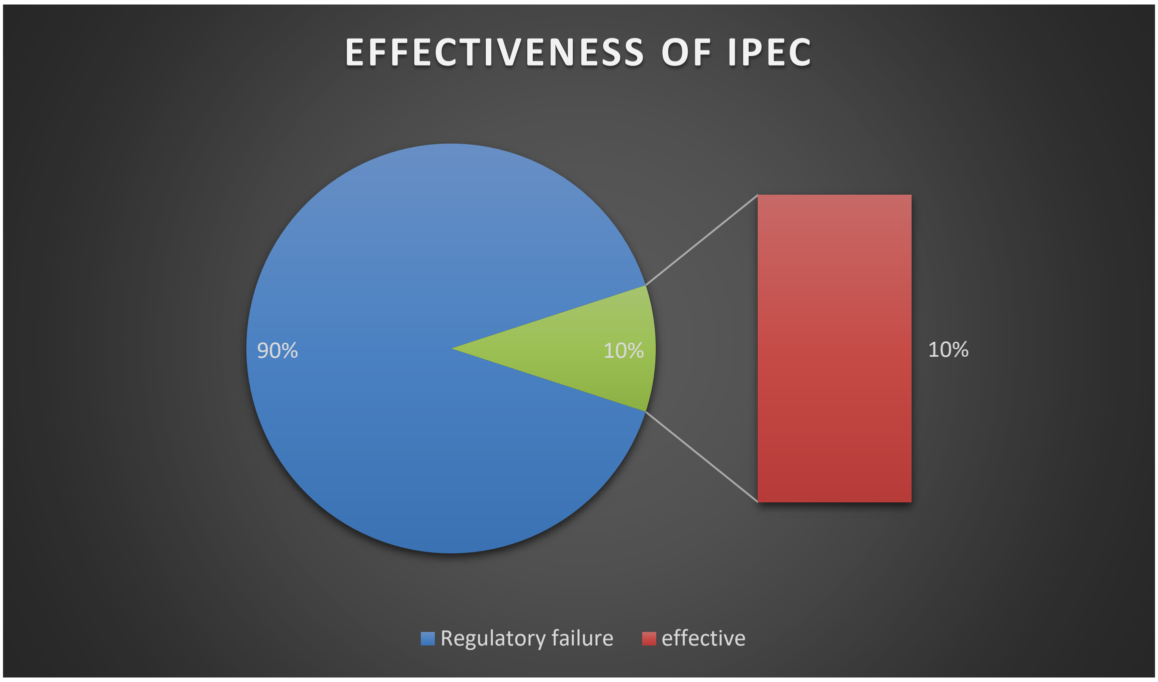


Source: Researcher 2023

4.4 The effectiveness of the pension funds governing body (IPEC) in managing pension funds survival in Zimbabwe economy.

Out of the 46 respondents 90% were of the view that pension funds governing was not effective during the period of hyperinflation and currently unstable economic activities in creating a functional environment suitable for pension funds survival. The 10% were of the view that during hyperinflation the regulator must easy the regulations and controls to enable companies to employee strategies within their capabilities. (Question, 2017) the lack of standardized market guidance on a variety of actuarial issues, such as solvency assessments, bonus valuation and projection methods, reserving, underwriting, reinsurance, risk management, pricing and product development, investment and asset liability modeling, business and profit models, among others, was cited as a regulatory failure at the IPEC. As a result, pensioner firms were financed with money from policyholders, leading to the creation of group structures that were mostly held by pension company stockholders. The success of the IPEC in Zimbabwe is depicted in Figure 4.8.

Fig 4.8: Effectiveness of IPEC



Source: Researcher 2023

from the diagram above it shows that the IPEC was less effective in managing and creating a regulatory environment was conductive for pension fund survival in Zimbabwe. The researcher encourages self-regulation which can be used by industry players to regulate themselves in the absent of effective regulation by the government or even the international bodies like World Bank.

4.5 Insights and observations

Two managers from each of the following three fund administrators and six pension funds, namely the investment managers and pension administration managers, were interviewed. Aon Consulting, Comarton Consultants, ZESA Allied Industry Pension Fund, Mining Industry Pension Fund, Local Authorities Pension Fund, Construction Industry Pension Fund, Marsh Employee Benefits, and Catering Industry Pension Fund are some of the companies mentioned. These key informants were chosen because it was clear from the postal survey questionnaires that managers of pension administration accounted for the majority of respondents. There were a total of 15 interviews with managers of pension administration and 8 with managers of investments. As a result, the researcher thought that these managers knew more about the topic of the research.

4.6 Survival strategies adopted in Zimbabwe

15 managers who were questioned revealed that pension funds employed a variety of survival tactics. The most popular tactics were adjustments to investment plans. 100% of the 15 interviewees agreed that the income target of generating a real rate of return over inflation guided the investment decisions of pension funds. As was made clear from the respondents, it was evident that commodities and other currencies were subject to speculative tendencies. Speculative tendencies were embraced for survival during hyperinflationary times. 10% of the 15 interviewees disagreed, citing liquidity issues with adopting speculative inclinations like currency conversion, but 90% of respondents concurred that pension funds implemented speculation as a tactic.

60% of the 15 interviewees revealed that the viability of pension funds depended on the awarding of contracts to connected businesses with debts being settled without any cash movement. The remaining 40% demonstrated that after taking inflation rates into account, there were sizable modifications made to the costing structures.

The management accounts were changed to US$ accounts, which was another crucial tactic that was used and was made clear during interviews. 80% of the interviewees confirmed that pension funds changed the local Zimbabwean dollar in their management accounts to the US dollar.

Of the 15 interviewees, 65% claimed that pension funds were to blame since they used retrenchment measures to cut operational expenses, whereas 35% did not utilize these tactics as a survival tactic. The results from key informants is shown on the table 4.5.2 below

Table 4.5.2

Strategies	Adopted	Did not adopt

Investment strategies	100%	0%
Retrenchment strategies	70%	30%
Foreign currency management account	80%	20%
Speculative tendencies	95%	5%
Synergies with related companies	65%	35%
Change in costing structure	60%	40%

Source: Researcher 2023

4.7 The effectiveness of the pension funds governing body (IPEC) in managing pension funds survival in Zimbabwe.

The IPEC was less effective in managing and creating a regulatory environment that was conducive for pension funds survival in Zimbabwe this was evidenced by the interviews that were held all of the 15 interviewees cited that the IPEC was less effective and they also cited long governance issues that were surrounding the governing board.

First, the interviews made clear that poor corporate governance practices existed at IPEC during the time of the study. Due to contentious Board nominations and the inclusion of market participants on the IPEC Board, the principal shortcomings were a lack of operational independence. In terms of head count and mix, the Board lacked sufficient expertise. Due to the lack of necessary skills among IPEC workers, there was no capacity to govern the business. For a decade following its founding in 2006, the Regulator lacked critical functions such internal audit, corporate governance compliance, legal, ICT, supervisory accounting, and actuarial.

The interviews also revealed that IPEC had no policies regarding the acceptance of gifts, hosting guests, or reporting costs, nor did it have an ethics or code of conduct for its employees. That this was a work in progress was simply suggested. Because the regulator, IPEC, was made up of the management of other institutions in the pension industry, it was unable to provide the industry with adequate guidance on corporate governance, which led to shocking practices that had an impact on pension funds institutions' struggle to survive. Due to the IPEC'S regulatory failure, several pension funds used poor governance techniques to withstand the wrath of Zimbabwe's economy.

The interviews also mentioned an IPEC regulatory failure regarding the viability of pension funds. They cited regulatory failure through industry irregularities, including reliance on off-site surveillance without prudential on-site supervision, failure to protect policyholder and pension fund assets, inconsistent reporting practices, gross license cancellations without taking into account the liabilities of the institutions whose licenses were cancelled, surrenders, lapses, financially unsound products, arbitrary product terminations, and wholesale pension commutation.

Additionally, there was no common market guidance on a number of actuarial topics, such as solvency evaluations, methods for bonus valuation and projection, reserving, underwriting, reinsurance, and risk management, pricing and product development, models for investments and asset liability, as well as business and profit models. As a result, pensioner firms were financed with money from policyholders, leading to the creation of group structures that were mostly held by pension company stockholders. The failure of IPEC to implement appropriate structures at the organization, such as a complaints-handling desk and functions like research, legal, supervisory accounting, macro-prudential surveillance, and supervision, as well as the failure to ensure proper record-keeping among its licensees through ICT supervision, are examples of the regulatory failure on the part of IPEC.

4.8 Financial Statements Analysis

Secondary information was taken from the financial statements of six pension funds, including the Mining Industry Pension Fund, Local Authorities Pension Fund, Construction Industry Pension Fund, ZESA Pension Fund, Communications and Allied Industry Pension Fund, and Catering Industry Pension Fund. Four life insurance companies, including Old Mutual, CBZ Life Assurance, ZIMNAT Life Assurance, and Fidelity Life, were also examined.

The analysis of secondary data revealed that investing methods were used as a means of survival. The investment portfolios included sizable assets in real estate, with an average percentage of over 50%, which served as a hedge against inflation.

Every life insurance company and pension fund had two sets of accounts. There were two sets: one in the local money and the other in another currency. The document assessment made it clear to use speculative tendencies as survival strategies.

4.9 DISCUSION OF FINDINDS

The findings of the study concluded that there are many pension fund survival strategies implemented in order to survive Zimbabwe economy. Businesses adapt to the economy of Zimbabwe, according to Navarro (2005), by putting into practice business strategies focused on investment diversification, innovation, and market diversification.

The results show that differentiation was used by the majority of pension funds in Zimbabwe as a survival tactic. The findings of the researcher were also consisted with studies carried out by Kotler (2002) and Porters (2005) they believed that with differentiation, a company or an organization has the chance to compete with its rival on grounds beyond from price. Production of unique products will be beneficial and act as a competitive advantage over other rivals.

The findings of the study Jaworski (2011) encouraged decentralization of decision making. . He said that while planning is still vital in an unstable environment, it should be done with a limited time horizon, knowledge should be freely shared fast, and greater self- or group controls enable swift adaptation to changes.

4.10 CHAPTER SUMMARY

The research findings have been reported in this chapter, thus it is clear from the research that pension funds have adopted various survival tactics to withstand the consequences of the Zimbabwean economy. The main outcomes of the study demonstrated that despite the great variety of tactics used, all study respondents used some of them. In order to survive in Zimbabwe's economy, the researcher discovered that pension funds used retrenchment tactics, decentralized decision-making, diversification strategies, product differentiation, and other speculative inclinations. The results of the research questions and objectives are further interpreted, as evidenced by the tables, charts, and figures above. The researcher discovered that the IPEC was severely handicapped and had a less significant impact on the survival of pension funds amid hyperinflation. The concluding thoughts, summary, and recommendations are provided in the next chapter.

CHAPTER 5

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.0 Introduction

This chapter includes thorough research findings from an analysis of pension funds' survival tactics in Zimbabwe's economy. This chapter presents the conclusions in respect to the research's findings, which were described in chapter 4 of the book. This chapter includes a validation test for the claim made in subsection 1.8 of chapter 1. The conclusions presented below are supported by each of the study's goals. There will be ideas for additional study as well as recommendations based on the research's findings

5.1 Summary of major findings

In regard to the stated goal, to research the survival tactics used by pension funds in Zimbabwe's economy between January 2015 and December 2022. Despite the fact that these strategies varied widely, the study concluded that all respondents adopted some sort of survival tactic throughout the hyperinflation. Investment techniques, the decentralization of decision-making to promote faster control, and quick response to changes were all used as survival measures. As well as adopting short-term planning horizons, currency conversion—from the Zimbabwean dollar to foreign currencies—and speculative tendencies, people also adopted currency conversion.

The researcher also concluded that the IPEC was unable to manage the Zimbabwean economy during hyperinflation due to regulatory failures such as gross license cancellations without taking into account the liabilities of the institutions whose licenses were cancelled, lapses, surrenders, financially unsound products, arbitrary product terminations and wholesale pension commutations, inappropriate underwriting, business and professional license suspensions, and inappropriate underwriting. On a number of actuarial topics, such as solvency evaluations, bonus valuation and projection methods, reserving, underwriting, reinsurance, and risk management, pricing and product development, investment and asset liability modeling, business and profit models, there was no common market guidance.

The body of the pension fund and the tactics for pension fund survival are positively correlated. The regulatory body or pension fund body that oversees the pension fund often develops and implements pension fund survival strategies. The plans are intended to safeguard the pension fund's long-term viability and to safeguard the interests of its members. The pension fund body is in charge of keeping an eye on how the pension fund is performing and modifying the survival plans as necessary.

Accept H_0 because there is a positive relationship between pension funds and pension fund survival strategies in Zimbabwe economy.

5.2 Conclusion

According to the study's findings, pension funds in Zimbabwe must implement policies that increase their ability to adapt to changing economic conditions if they want to survive the country's economy Decentralization of decision-making, retrenchment, shortening of planning horizons, and differentiation were the most effective survival measures. According to the researcher, pension funds firms who implement these tactics have a greater chance of surviving and improving their operational stability.

The researcher came to the further conclusion that a weak regulatory environment causes many pension funds to fail to exist, and that the IPEC must strengthen a robust regulatory

environment to assist the survival of pension schemes.

The researcher came to the conclusion that IPEC and pension funds are the foundation for the money that pensioners have entrusted to them. Therefore, IPEC must ensure that there is a clear supervision environment that permits pension funds to thrive since failure to abide by such standards results in pension funds failing. The pension funds that typically survive the Zimbabwean economy would have used the aforementioned survival techniques to increase their chances of surviving.

The researcher also concluded that pension fund survival strategies and pension fund body work hand in hand. This means the failure in one contribute in failure of the other. There is a positive relationship between effective implementation of pension fund survival strategies and the success of the pension fund body.

5.3 Recommendations

The study advises pension funds should adopt short-term planning horizons, and investment strategies must be focused on appreciating assets like buildings that serve as inflation hedges, in order to survive the Zimbabwean economy. Decentralized decision-making is crucial to managing abrupt environmental changes. Pension funds must not put all of their eggs in one basket, thus they must include a variety of asset classes in their portfolios as another key tool to combat and survive the Zimbabwean climate. A pension fund may incorporate domestic and international asset classes, equities of various sectors and capitalizations, or bonds of various maturities in its portfolio. This is done to lower the overall portfolio risk so that other investments with superior performance will balance out the performance failure of a single investment. Pension funds are required to make If Zimbabwean pension funds had invested in international foreign currency claims, Offshore Investments, they would have benefited from the domestic value of their foreign holdings actually increasing when the dramatic devaluation of the domestic currency occurred.

To increase IPEC'S effectiveness, the government should give IPEC the authority to approve changes to pension plans, such as switching from one form to another or from one institution to another, and to change the administration of pension funds. The regulatory framework governing the minimum 35% holding that pension funds must have in specified assets, such as corporate bonds, money market instruments, cash, and cash equivalents, should be reviewed by the IPEC. In comparison to other assets, these investments have a lower rate of return. Since non-asset backed investments frequently lose value, as was the case in Zimbabwe when these assets were reduced to nothing and gained nothing in terms of value, funds should instead think about investing more in real assets like shares and properties. The conversion to multi-currency also wiped away liquid assets like cash, therefore it would be better if pension funds increased their investments in real estate and other assets that typically generate higher returns and decreased their holdings in prescribed assets.

Pension funds should maintain transparency and accountability in their operations and investment decisions, providing regular reports and disclosures to members and stakeholders.

5.4 Suggestions for further research

Pension fund plays a crucial role in ensuring the financial security of retirees. However, the challenges that pension funds face in Zimbabwe's economy have made need for pension fund survival strategies more pressing. Hence, further research should be done on the analysis of the effectiveness of pension fund regulatory bodies in Zimbabwe and their impact on pension fund survival strategies and an investigation of the role of technology in pension fund survival strategies in Zimbabwe.

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APPENDIX 1: RESEARCH ASSISTANCE LETTER

Bindura University of Science Education

P. Bag1020

Zimbabwe

Dear sir/madam

<u>RE: REQUEST FOR THE RESPONSES ON THE QUESTIONNAIRE</u>

I am a student at Bindura University of Science Education doing a Bachelor of Business Studies (Honors) Degree in Banking and Finance. I am currently undertaking a research entitled "**An investigation into pension funds survival strategies in Zimbabwe economy".**

This is being done in partial fulfilment of the requirement of the degree program. The research is entirely academic and any information provided will be treated with utmost confidentiality

Yours contributions would be greatly appreciated.

Thank you

Research Questionnaire:

Fund Administrators, Life Companies, Asset Management and Self –Administration pension fund companies

The effects of Zimbabwe economy on pensions in payment:

RESPONDENT PROFILE

Appendix 1

Please tick in the appropriate box that matches your answer.

1. Gender male [ ] female [ ]

2. Age below 25 [ ] 25-29 [ ] 30-34 [ ] over 35 [ ]

3. Level of education

Diploma	Degree	Masters	PHD

4. How much time have you spent working in your organization?

Less than 1 year	1-5years	6-10 years	Above 10 years

5. Indicate your position

Finance manager	Asset manager	Chief executive officer	Pension administration	Investment manager

6. Type of pension scheme

Defined benefit [Defined contribution [ ]

6.2 How long have you been a member of pension fund……………………………

……………………………………………………………………………..

7. How confident are you in the ability of your pension fund survive in current economic environment

Less confident	Neutral	More confident

7.1 Number of Asset Managers on the Fund

7.2 Contribution: Debt ratio for year 2015

7.3 Contribution: Debt ratio for year 2022

8. Which strategies were implemented to survive Zimbabwe economy? Explain

……………………………………………………………………………………………………

……………………………………………………………………………………………………

………………………………………………………………………

8.1 How effective was the IPEC in pension funds survival? Explain

……………………………………………………………………………………………………

……………………………………………………………………………………………………

……………………………………………………………………………………

9.General

9.1 Are the pension laws in Zimbabwe adequate to protect members against a repeat of losses suffered during hyperinflationary period? Where 1= totally inadequate and 5 = more than adequate.

1	2	3	4	5

In your opinion, give a rating of between 1 and 5 amongst the following probable causes for the loss of value in Pension Funds' Assets and Low Pension Incomes: (1= Inconsequential to 5 highly contributory)

	1	2	3	4	5
Zimbabwe economy					
Trustee failure to Oversee the Affairs of the Fund					
Poor Regulatory Environment					
Asset Managers Misapplying funds					

Would you willing to pay higher pension contributions if it meant that your pension would be likely to survive?

Yes	No

What improvements do you think could be made to the current pension fund system in Zimbabwe to ensure its survival?

…………………………………………………………………………………………………

…………………………………………………………………………………………………

…………………………………………………………………………………………………

…………………………………………………………………………………………………

…………………………………………….

10. Membership

Number of active members of your Pension Fund as at December 2022 ……………

.

Average Accumulated Values as at 31 December 2022…………

Average exit amount…………………………...

Thank you for taking time to complete the questionnaire.!!!

APPENDIX 2

Interview Schedule with Key Informants

What survival strategies were employed in Zimbabwe economy? Was a change in investment strategy part of your survival strategy?

Were retrenchment strategies employed as part of survival strategies?

What other strategies were adopted for survival in Zimbabwe?

What were the challenges that were faced by Zimbabwe economy due to a sudden currency change in the economy?

Was the IPEC hat were the survival strategies that were adopted by pension funds for survival in the multi –currency regime?

Was there a change in the planning horizons of pension funds after the introduction

What recommendation can be made for pension funds to survive Zimbabwe economy and after the introduction of the multi- currency regime?

Chibururu

ORIGINALITY REPORT

17%	16%	1%	%
SIMILARITY INDEX	INTERNET SOURCES	PUBLICATIONS	STUDENT PAPERS

PRIMARY SOURCES

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