INFLUENCE OF EMPLOYEE IT SKILLS ON THE PERFORMANCE OF OCCUPATIONAL PENSION SCHEMES IN KENYA

By

KIHATO K. WELLINGTON WAMBURU
B.Ed and MBA (Operations Management)
Email: kihato.kihato@gmail.com
Cell phone: +2540738129000
(This is part of my Ph.D Thesis)


ABSTRACT

Pension schemes in Kenya are associated with loss of billions of money every year. Losses associated to pension schemes results to low economic development of the Kenyan economy hindering realization of achievement of Vision 2030. Although many factors could be attributed to issues of performance and sustainability of pension schemes, the role of employee IT skills needed to be empirically investigated. The study selected a sample of 192 respondents. Simple random sampling was also employed. The instrument of data collection was a questionnaire which was self-administered. A regression model was used in the analysis. The collected data was presented using frequency tables, bar charts, and pie charts. The study will benefit several stake holders among them the government of Kenya (regulator), the management of pension schemes on the influence of employee skills on performance of pension schemes in Kenya. The study findings revealed that Employee IT skills influence performance of occupational pension schemes in Kenya. The study concluded that employee database IT storage, retrieval knowledge, employee IT system management skills influence effective performance, Frequency of employee IT training, Employee network management skills all have a positive relationship with employee IT skills on the performance of occupational pension schemes in Kenya.

Keywords: Pension schemes, Employee IT skills, Employee IT training
Introduction

The pension fund is a common asset pool meant to generate stable growth over the long term, and provide pensions for employees when they reach the end of their working years and commence retirement”. Pension funds are commonly run by a financial intermediary for the company and its employees, although some larger corporations operate their pension funds in-house. Pension funds control relatively large amounts of capital and represent the largest institutional investors in many nations (Mercado, 2012).

Funded pension systems have in the recent past gained popularity since they contribute to the economic growth of countries worldwide through direct contribution to the GDP (Corbo & Schmidt-Hebbel, 2004), reducing old-age poverty (Kakwani, Sun & Hinz, 2006) and also acts as consumers’ of financial services.

Pension scheme funds constitute the main sources of retirement income for millions of people in the world (Sze, 2008). Retirement income accounts for 68 percent of the total income of retirees in Kenya (Kakwani, Sun & Hinz 2006), 45 percent in Australia, 44 percent in Austria and 80 percent in France while in South Africa 75 percent of the elderly population rely on pension income. According to the Employee Benefits Research Institute (2007), in the United States of America 82 percent of retirees depend on pension income (EBRI, 2007). Hence, pension scheme funds should be managed competently to ensure higher retirement income for retirees. The pension fund industry is a significant source of capital in the Kenyan financial markets (Omondi, 2008). The industry’s average return on investment dropped to negative 9.9 per cent. In 2009, the return stood at negative 4.28 per cent.

Employee skills in regard to Information technology (IT) play a very key role in the growth and development of the economy in the developing countries (Crede & Mansell, 1998). According to the World Bank report of 2008, adoption of IT increases operational efficiency, provide access to new markets or services and create new opportunities for income generation (WB, 2008). There has been considerable improvements achieved in Africa with respect to certain aspects of IT, however there are still areas where perfection
is required in order for Africa to be able to take competitive advantage of the benefits that accrue as a result of embracing IT (WB, 2008).

**Statement of the Problem**

The development of an economy is significantly associated with pension schemes (World Bank, 2012). Statistics from Global Pensions Assets (GPA) study (2013), pension assets value for 13 leading pension markets in the world at the end of 2011 were 27,509 billion USD representing a 3.9 percent rise of the asset value from 2010. According to the Economic Survey 2014, pension schemes controlled over KShs 510 billion worth of assets in 2011, the industry assets grew by 15.5 percent from Kshs 548.7 billion in December 2012 to Kshs 633.5 billion as at June 2013 (RoK, 2014).

Pension schemes in Kenya are associated with loss of billions of money every year (RoK, 2014). Losses associated to pension schemes results to low economic development of the Kenyan economy hindering realization of achievement of Vision 2030 (RoK, 2014). According to Aiyabei (2013), although many factors could be attributed to issues of performance and sustainability of pension schemes, the role of employee IT skills needed to be empirically investigated. Lack of technical efficiency, legality and honesty, robustness and (forced) cooperation which are operationalised into technology bring discourse in technologically induced programmes (Bonina, 2012) and performance of pension funds. Information Technology is known to contribute to the growth of pension schemes in developed countries (Davis, 2005). The use of IT is a pre-requisite for the operation of pension schemes and also to make a positive impact in the global economy but the provision of computers and its accessories alone would not ensure its effective usage if the staff are not well skilled to appreciate and efficiently use them (Kpeto-Kumadie, 2010).

Empirical Studies that have been conducted locally include: strategies to improve pension fund efficiency in Kenya (Njuguna, 2010); reducing old-age poverty and Social Pensions in Kenya (Kakwani et al, 2006); Determinants of Pension Governance (Njuguna, 2011) and supervision of pensions (Odundo, 2008). However, issues of the direct influence of
employee IT skills to the overall performance of pension schemes appeared not to have been addressed since, none of the above studies has focused on the relationship between employee IT skills and performance of occupational pension schemes. This study therefore set out to analyze the relationship between employee IT skills and performance of occupational Pension schemes in Kenya.

**Research Hypothesis**

H₀: Employee IT skills do not influence performance of occupational pension schemes in Kenya

**Significance of the Study**

The results of this study would enlighten policy makers in the pension sector in Kenya on the possible policies that could be implemented to enhance employee IT skills and performance of occupational pension schemes. The study will add knowledge to existing empirical literature in occupational pension schemes, by informing about employee IT skills and performance of occupational pension schemes in developing countries.

**Theoretical Review**

**The Theory of Experiential Learning**

Building on the foundational works of Kurt Lewin, John Dewey and others, David Kolb published his learning styles model in 1984 from which he developed his learning style theory. The theory of experiential learning defines learning as a knowledge building process when the transformation of one’s experience occurs. New knowledge is created when existing understanding and the transformed experience are combined. The theory of experiential learning describes two dialectically related ways of understanding the experience. An individual aims to evaluate the opinions of other people, their ideas or the interpretations of a certain problem. In this respect the alternative solutions, different and even conflicting views are taken into account (Resnick, 1987). An individual compares his own activity with the ways of acting used by other people. New information or knowledge expands human understanding and the space for reflective inquiry and in that
way urges to ask the questions that make an individual to challenge the existing situation, the habitual ways of acting, attitudes or values (Kolb, 1984).

Brown (1988) emphasizes collaboration as an essential feature of effective learning, because learners construct new meanings and understanding by sharing knowledge. This process is characterized by the exchange of opinions, discussions upon their inconsistencies, debates on personal understandings, etc. As Brown (1988) states, during such social interaction where people have to discuss, argue, explain and defend their points of view, a high probability exists that the transformation of individual’s understanding will take place. During the collaboration-based learning the following attitude is important; the contrasting approaches or the points of view are the alternatives for investigation, but not the conflicting perspectives that should be avoided.

The theory of Experiential Learning links employee IT skills with performance whereby it recognizes ingredients such as; IT systems management skills, IT data management skills, IT networking, IT training, IT applications skills and awareness of IT services. Therefore, one of the managerial solutions for developing employees’ IT competence inside the organization is related to organizing and encouraging the collaborative learning. The collaboration culture does not tolerate group thinking; on the contrary, it fosters the critical evaluation and the diversity of opinions (Fullan, 1998). Senge (1990, 1994) emphasizes learning in teams that aim at finding a solution for a particular problem or improving the organization. The effective collaboration is characterized by the learning partnerships, consultancy, inquiry while acting, collegial advice or professional dialogue, planning, monitoring and feedback. According to Fullan (1998), members of organization should feel mutual trust and support, they should not be afraid to share their doubts and discuss problems; asking for advice should not be treated as incompetence. More than that, a contemporary approach to learning argues that mistakes are the learning possibilities. Learning from mistakes helps to take responsibility and never repeat them in the future. The tenets of the theory were useful in addressing the concerns of the first
research hypothesis of the study with regard to the influence of employee IT skills on performance of pension schemes in Kenya.

**Empirical Review**

In Ghana, a report by the National Pensions Regulatory Authority (2011) on guidelines for Trustees (individual persons) of occupational pension schemes, provident fund schemes, personal pension schemes and other privately-managed pension schemes stated that if administration of the pension scheme is to be outsourced, the NPRA’s IT Guidelines must serve as the minimum IT requirement for the administrator. The key issues to be considered for the efficient information flow and effective system inter-operability among the Pension Scheme’s stakeholders include: system management (hardware, operating system, applications, database storage and back-up) and network management (telecom infrastructure management, configuration, performance and security). The report also suggested that trustees must note and consider that the Pension Scheme administration will require that transactions and associated data must flow seamlessly between the Fund Custodian and Fund Managers and the NPRA (NPRA, 2011).

Avon and Somerset Probation Board Annual Report (2010) indicate that organizations are focusing on managerial competence, professional and business skills for public protection which leads to good value for public money. Miller (2009) states that a manager’s incompetence and poor internal financial controls is abuse of public funds. Miller (2009) however does not define incompetence and still is silent on how to develop managerial competence to check abuse of public funds.

Fama and French (2010) performed a study on U.S. mutual fund performance using bootstrap simulations, where they found that few managers have skill at all and even fewer are skilled enough to generate risk adjusted excess returns to cover the expenses of the investors. A study by Kosowski *et al.* (2006) also finds evidence that only an extensive minority of U.S. mutual fund managers is skilled. Cuthbertson *et al.* (2008) have performed one of few studies on UK mutual fund performance where luck and skill are distinguished through bootstrapping. The results from their study are largely in line with
the American studies since the authors find existence of stock picking ability among a small number of the top performing funds. It is therefore hypothesised that:

\[ H_1: \text{Employee IT skills influence performance of pension schemes.} \]
Conceptual Framework

<table>
<thead>
<tr>
<th>Employee IT skills</th>
<th>Performance of pension schemes</th>
</tr>
</thead>
<tbody>
<tr>
<td>IT systems management skills</td>
<td>Number of investments</td>
</tr>
<tr>
<td>IT data management skills</td>
<td>Return on asset</td>
</tr>
<tr>
<td>IT networking</td>
<td>Return On Investment</td>
</tr>
<tr>
<td>IT training</td>
<td></td>
</tr>
<tr>
<td>IT applications skills</td>
<td></td>
</tr>
<tr>
<td>Awareness of IT services</td>
<td></td>
</tr>
</tbody>
</table>

Research Design
The study was conducted through a descriptive research design. This type of research describes what exists and may help to uncover new facts and meaning. The purpose of descriptive research is to observe, describe and document aspects of a situation as it naturally occurs (Polit & Hungler, 1999).

Research Philosophy
Given the research problem as outlined in Chapter one, positivist paradigm appeared to be the most suitable owing to its ability to generate both qualitative and quantitative data as envisaged by the study. This research study was done on the basis of various parameters identified by Hussey & Hussey (2007) of which positivist paradigm was to be adopted.

Positivism relates to the view that researcher requires to focus on facts, whereas phenomenology focuses on the meaning and has provision for human attention and curiosity (Crowther & Lancaster, 2008).

Target Population
The target population was made up of the pension schemes which were registered in Kenya at the close of 2013. According to KRBA, the registered pension schemes were one thousand three hundred and eight (1,308); consisting of 1,216 occupational pension
schemes, 64 individual retirement schemes and 28 Interim registered schemes (KRBA, 2013). The population of this study was 1216 occupational pension schemes which were also used by Aiyabei (2013) in his study.

Sample size
The criteria adopted in the selection of the sample were that the pension schemes had to be registered by Kenya Retirement Benefits Authority as occupational pension scheme as at December 2013. The study employed stratified random sampling as a way of ensuring that the Defined Benefits and Defined Contributions Pension Schemes registered by Kenya Retirement Benefits Authority as occupational pension scheme were represented. The study adopted the recommended criteria by Mugenda & Mugenda (2008) for choosing a sample size as follows:

\[ n = \frac{(z^2pq)}{d^2} \]

Where:
- \( n \) = is the preferred size of the sample when the target population is > 10,000
- \( z \) = Unvarying normal deviations at a confidence level of 95 percent which is 1.96
- \( p \) = the share in the target population that adopts the features being sought after. In this study, a = 50:50 basis is presumed which is a probability of 50 percent (0.5).
- \( q \) = is the balance from \( p \) to add up to 100 percent. That is 1 - \( p \), which in this case was 1 - 50 percent (0.5)
- \( d \) = Significance level of the measure is 0.05.

The sample of this study is 384 which was less than 10,000 and according to Mugenda & Mugenda (2008) it can be adjusted using the formula below:

\[ n_f = \frac{n}{1+n/N} \]

Where \( n_f \) is the desired sample size when sample is < 10,000
- \( n \) = the sample size when the target population is greater than 10,000
- \( N \) = the population size

Hence, in this study,
\[ n_f = \frac{n}{1+n/N} = \frac{384}{1+(384/1,216)} = 192 \]
Data Analysis and Presentation

Before processing the response data, the completed questionnaires were edited for completeness and consistency before coding. The descriptive statistical tools using Statistical Package for Social Sciences (SPSS) was used to analyze data. The findings were presented in tables as percentages, means and other measures of central tendencies.

The regression model took the form below

\[ Y = \beta_0 + \beta_1 X_1 + \epsilon \]

Where;

- \( Y \) = the dependent variable (Performance of occupational pension schemes)
- \( \beta_0 \) = Constant Term
- \( \beta_0, \beta_1, \beta_2, \beta_3, \beta_4 \) – Are constants regression coefficients representing the condition of the independent variables to the dependent variables.
- \( X_1 \) – Employee IT skills
- \( \epsilon \) = (Extraneous) Error term explaining the variability of growth as a result of other factors not accounted for.

Empirical Results and Discussion

Extent of agreement with the following statements regarding the influence of employee IT skills on the performance of pension schemes in Kenya

Factor Analysis

Factor analysis was conducted with the intention of reducing the data to a manageable set of factors. According to Sekaran (2007), factor analysis is used for validity purpose. In this case items with less than 0.5 factor reading were not used in the subsequent. All the 8 items used to measure the employee IT system had a factor reading of over 0.5 as shown in the table below and therefore considered in all the subsequent analysis.
Factor analysis of Employee IT Skill

<table>
<thead>
<tr>
<th>Component</th>
<th>Component 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee IT system management skills influence effective performance</td>
<td>0.834</td>
</tr>
<tr>
<td>Employee database IT storage and retrieval knowledge</td>
<td>0.776</td>
</tr>
<tr>
<td>Employee network management skills</td>
<td>0.780</td>
</tr>
<tr>
<td>Frequency of employee IT training</td>
<td>0.769</td>
</tr>
<tr>
<td>Employee computer application skills</td>
<td>0.871</td>
</tr>
<tr>
<td>Technical skills in IT</td>
<td>0.721</td>
</tr>
<tr>
<td>Employees have new technologies through conferences and interaction with industry</td>
<td>0.761</td>
</tr>
<tr>
<td>IT liaison officer who champions new ideas</td>
<td>0.635</td>
</tr>
</tbody>
</table>

(Source: Survey Data, 2015)

Extent of agreement with the following statements regarding the influence of employee IT skills on the performance of pension schemes in Kenya

The table below shows different aspect of employee IT skills and their mean score as computed. Employee computer skill had the highest mean score of 4.1. Employee system management skills, frequency of employee IT training and IT liaison officer championing new ideas had the lowest mean score of 3.8 each. It follows therefore that employee computer skill was considered the most important aspect of employee IT skills by the respondents as far as performance of occupational pension scheme is concerned. However, Employee system management skills, frequency of employee IT training and IT liaison officer championing new ideas had the lowest mean score of 3.8 each and were the least important as far as performance of occupational pension scheme is concerned.

In his findings Kosowski et al. (2006) found out that employee IT skills is an essential ingredient in the performance of occupational pension schemes. In U.S. Fama and
French (2010) further backs up the findings where they found out that few managers have skill at all and even fewer are skilled enough to generate risk adjusted excess returns to cover the expenses of the investors.

This is in line with literature review on employee IT skill that the key issues to be considered for the efficient information flow and effective system inter-operability among the Pension Scheme’s stakeholders are: system management (hardware, operating system, applications, database storage and back-up) and network management (telecom infrastructure management, configuration, performance and security), a report by the National Pensions Regulatory Authority (2011).

The study concurs with Miller (2009) who revealed that IT competence skills are key drivers to performance. Further evidence from Kosowski et al (2006) showed that IT system managerial skills and computer applications are key ingredients that drive performance. The findings of the study also collates with the theory of Experiential Learning that links effective learning, data management skills as key factors for improving organizations. Therefore, it can be inferred that employee IT skills is a critical factor in the growth of pension schemes in Kenya.
Extent of agreement with the following statements regarding the influence of employee IT skills on the performance of pension schemes in Kenya

<table>
<thead>
<tr>
<th>Statement</th>
<th>Not at all important</th>
<th>Small extent</th>
<th>Moderate extent</th>
<th>Great extent</th>
<th>Very great extent</th>
<th>Mean</th>
<th>Stddev</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee IT system management skills influence effective performance</td>
<td>2</td>
<td>12</td>
<td>39</td>
<td>67</td>
<td>44</td>
<td>3.8476</td>
<td>.94379</td>
</tr>
<tr>
<td>Employee database IT storage and retrieval knowledge</td>
<td>2</td>
<td>10</td>
<td>24</td>
<td>68</td>
<td>60</td>
<td>4.0610</td>
<td>.93136</td>
</tr>
<tr>
<td>Employee network management skills</td>
<td>4</td>
<td>8</td>
<td>38</td>
<td>58</td>
<td>56</td>
<td>3.9390</td>
<td>.99505</td>
</tr>
<tr>
<td>Frequency of employee IT training</td>
<td>2</td>
<td>11</td>
<td>34</td>
<td>69</td>
<td>48</td>
<td>3.8720</td>
<td>.94093</td>
</tr>
<tr>
<td>Employee computer application skills</td>
<td>1</td>
<td>2</td>
<td>37</td>
<td>60</td>
<td>64</td>
<td>4.1220</td>
<td>.84200</td>
</tr>
<tr>
<td>Technical skills in IT</td>
<td>2</td>
<td>11</td>
<td>34</td>
<td>69</td>
<td>48</td>
<td>3.9146</td>
<td>.93600</td>
</tr>
<tr>
<td>Employees have new technologies through conferences and interaction with industry</td>
<td>0</td>
<td>20</td>
<td>28</td>
<td>70</td>
<td>46</td>
<td>3.8659</td>
<td>.96264</td>
</tr>
<tr>
<td>IT liaison officer who champions new ideas</td>
<td>0</td>
<td>10</td>
<td>31</td>
<td>69</td>
<td>54</td>
<td>4.0183</td>
<td>.87552</td>
</tr>
</tbody>
</table>

(Source: Survey Data, 2015)
Linear regression model of performance of pension schemes in Kenya/Employee IT skill
The linear regression analysis models show the relationship between the dependent variable which is performance of occupational pension schemes and independent variable which is Employee IT skill. The coefficient of determination ($R^2$) and correlation coefficient ($R$) shows the degree of association between employee IT skill and performance of pension schemes in Kenya. From the linear regression model summary in Table 4.4 it is shows that employee IT skill accounts for 85.8 percent ($R^2 = .858$) of the variation in occupational pension scheme performance. The study is in consistent with Davis (2005) who carried out a study in Korea on the role of pension fund as in institutional investors in emerging market economies and found a positive association between employees competence and performance of pension schemes. Therefore it can be stated statistically that employee IT skills have positive relationship on performance of occupational pension schemes in Kenya.

Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.927$^a$</td>
<td>.858</td>
<td>.858</td>
<td>.84843</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Employee IT skill

(Source: Survey Data, 2015)

The table below shows the Unstandardized Coefficients of the model which has an intercept of .026 and a slope of 0.375. Therefore this is an indication that employees IT skills has a positive gradient on performance of occupational pension schemes in Kenya as depicted by linear regression

$$Y = .026 + 0.375 X_1$$
The unstandardized coefficient of 0.375 reveals a positive relationship between employee IT skills and performance of pension schemes in Kenya.

### Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>.026</td>
<td>.271</td>
<td>.095</td>
</tr>
<tr>
<td>1</td>
<td>Employee IT skill</td>
<td>.375</td>
<td>.012</td>
<td>.927</td>
</tr>
</tbody>
</table>

a. Dependent Variable: performance

(Source: Survey Data, 2015)

The model indicates there was positive gradient which reveals that an increase in Employee IT skill lead to increased performance. Yermo (2008) in his study on governance and investment of public pension reserves reveals that employees skills such as awareness of it services have a positive correlation with management with management of pension funds. This is further evidenced by Whitehead (2009) who revealed that managerial IT competences have a positive significance on performance of organizations. Therefore it can be concluded that IT employee skills is a key significant variable on performance of occupational pension schemes in Kenya.

### Testing of Hypothesis One

The study sought to test the following hypothesis on employee IT skills;

\( \text{H}_1_0 : \text{Employee IT skills do not influence performance of occupational pension schemes in Kenya} \)
H1: Employee IT skills influence performance of occupational pension schemes in Kenya

To test the hypothesis a one way ANOVA was used. The condition for rejecting the null hypothesis was the calculated F should be greater than the critical F at 0.05 while the calculated significant level should be less than 0.05. As shown in Table 4.6 the calculated F was 415.980 and the significant level was 0.000. Using F distribution table at 0.05 significant level, F(4, 159) is 2.43. Thus the calculated F value was greater than the critical F value. The calculated significant level was less than 0.05. Based on the findings the study rejects the null hypothesis and concludes that Employee IT skills influence performance of occupational pension schemes in Kenya. The study concurs with Miller (2009) who revealed that IT competence skills are key drivers to performance. Further evidence from Kosowski et al (2006) showed that IT system, managerial skills and computer applications were key ingredients that drive performance. The findings of the study also collates with the theory of Experiential Learning that links effective learning, data management skills as key factors for improving organizations. Therefore, it can be concluded that employee IT skills is a critical factor in the growth of occupational pension schemes in Kenya.

**ANOVA**

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>Df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between groups</td>
<td>752.217</td>
<td>4</td>
<td>188.054</td>
<td>415.980</td>
<td>.000b</td>
</tr>
<tr>
<td>Within groups</td>
<td>71.880</td>
<td>159</td>
<td>.452</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>824.098</td>
<td>163</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Performance of pension schemes

b. Predictors: (Constant), Employee IT skill

(Source: Survey Data, 2015)
Test of Normality

The study used Shapiro wilks W test to test for the normality where:

\[
W = \frac{\left( \sum_{i=1}^{n} a_i x_{(i)} \right)^2}{\sum_{i=1}^{n} (x_i - \bar{x})^2}
\]

W is insignificant if the variable's distribution is not different from normal
W ≈ the correlation between given data and ideal normal scores
W = 1 when the sample variable data are perfectly normal (perfect H₁)
When W is significantly smaller than 1 = non-normal (H₀ is accepted)
Shapiro Wilk's W Test was recommended since our sample was 164.

Shapiro Wilk's W Test is recommended for a sample less than 2000.

H₀ the observed distribution does not fit the normal distribution
H₁ the observed distribution fit the normal distribution
If we accept the H₀, we accept /assume normality
From the findings W=0.590 and significance of 0.000 which is less than the p-value =0.05
The study therefore rejects H₀ and concludes that the observed distribution fit the normal distribution (H₀ is rejected and H₁ accepted).

<table>
<thead>
<tr>
<th>Tests of Normality - Employee IT skill</th>
<th>Shapiro-Wilk</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Statistic</td>
</tr>
<tr>
<td>Employee IT skill</td>
<td>.590</td>
</tr>
</tbody>
</table>

(Source: Survey Data, 2015)
Test of Normality - Employee IT skills
(Source: Survey Data, 2015)

Conclusions and Recommendations

The study used descriptive survey design. The collected data were analyzed using descriptive and inferential statistics and more explicitly regression analysis was used to make conclusions. Precisely, to assess the influence of employee IT skills on the performance of occupational pension schemes in Kenya. The fit of the multiple regression model was used and tested for correlation among the 5 variables using Pearson correlation (2 tail) and multicollinearity test was tested by use of Variance Inflation Factor (VIF).

Based on the findings the study revealed that Employee IT skills influence performance of occupational pension schemes in Kenya, whereby different aspects of employee IT skills were studied, these included: employee IT system management skills, employee database IT storage and retrieval knowledge, employee network management skills, IT training, new knowledge through conferences and interaction with the industry and IT liaison officer who champions new ideas. The highest ranking or the mean was that there is need
for employee computer skills to be enhanced since it contributes the highest on the performance of occupational pension schemes in Kenya. Additionally respondents were in agreement on the statements by great extent that IT liaison officer who champions new ideas and Employee computer application skills influence employee IT skills on the performance of occupational pension schemes in Kenya.

Conclusion

The study concluded that employee database IT storage, retrieval knowledge, employee IT system management skills influence effective performance, Frequency of employee IT training, employee network management skills all have a positive relationship with employee IT skills on the performance of occupational pension schemes in Kenya.

References


