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THE IMPACT OF THE CONTRIBUTORY PENSION SCHEME ON JOB PERFORMANCE OF SELECTED PUBLIC SECTOR INSTITUTIONS IN ANAMBRA STATE

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ABSTRACT

This study evaluates the impact of the contributory pension scheme (CPS) on employee retirement benefits. Being a survey investigation, interview and questionnaire were the major instruments used in the data gathering. Taro Yamen formula was used for derivation of appropriate sample size of 380 respondents. The researcher employed SPSS (Statistical Package for Social Sciences) Version 16 for Microsoft Windows to analyse the data. The Electronic Statistical System designed to make Statistical Analyses (Exploratory Data Analyses) - frequency count, percentage analysis, mean score, chi-square test was used in the analyses. Cronbach alpha (α) test was used for reliability of data evaluation. Findings revealed that CPS significantly seems to be favourable and good, in terms of operation and management when compare to the old scheme. The study recommends among others that strict measures should be put in place by Government/PENCOM to ensure effective monitoring, supervision and management of the Pension Fund Administration (PFA) and custodians. Necessary sanctions should be meted to any PFA which fails to adhere to the norms of the reform. E-Payment should equally be adopted for easy references and updates in order to build up corporate governance and investment decisions.

Keywords: Contributory Pension Scheme, Retirement, Workers Commitment, Workers Retention, Workers Welfare, PEN-COM, PFA, PFC.

1. Introduction

Pension as a scheme is designed to cater for welfare of the pensionable retired worker and had long gained global recognition and acceptance. Workers generally, whether those in the public or private sectors are expected to live a comfortable life devoid of any form of dependency after their successful retirement from service.

Ideally, governments and organizations need to identify a way of accommodating and adequately rewarding employees' past efforts, through organized pension plans, so that it can achieve the goals of their existence. Essentially, this is often through different retirement policies which include the Defined Benefit (pay-as-you-go) Scheme, the National Provident Fund (NPF) Scheme and in particular the new Contributory Pension Scheme (CPS) that is expected to be fully funded. However, some of the existing pension schemes seem inadequate and ineffective (Kantudu, 2005).

Some retirees are fortunate to save enough money to take them through the retirement period or the "rainy day" while majority leave the service with little or no saving at all. Scholarly publications have also focused on the plight of pensioners regarding inadequacy, shoddy and irregular payment of their pension entitlements, among other problems (Ogunbameru & Elumilade, 1999; and Idowu, 2006). The dehumanizing suffering of the pensioners has been widely reported in the television stations and newspapers on how pensioners, who are no longer in their prime on many occasions, queued for long hours, waiting to be attended to by civil servants (see; The Punch, 2005). Some of them have collapsed in the process. Some other woeful experiences of pensioners had been reported to include offering bribe to civil servants, so that their files could be located and processed. It is against the above backdrop that Omiunu (2001) aptly described civil servants as enemies to their retired colleagues. All of the above have been to the detriment of productivity, retired public servants, their dependants and a tell tale on the image of the government. The whole problem has been predicated on the inability of the government to continue to maintain its solely or fully funded defined benefits pensions scheme (FFDBPS). This is despite the rather small percentage of old people in Africa and Nigeria in particular, compared to other parts of the world.

Nevertheless, our pension travail started when the 1979 constitutionary privilege of being a first charge on the constitutionary revenue of the federation was reversed by the 1999 Constitution. Pension expenditure had to compete with other expenditure charges on the consolidated revenue of the federation. This led to serious pension office expenditure under funding, culminating in mounting pension liabilities. When the situation was becoming precarious in 2001, Pension and Records Department Office of the Head of Civil Service of the Federation convened a stakeholders workshop at the International Conference Centre in Abuja from 11th – 13th September 2001. The theme of the workshop was "Pension Reform: A New Approach to Pension Regime in Nigeria". In conclusion, on 30th June 2004, the need to move from the Pay – As – You – Go (PAYG) system of pension to the Contributory Pension Scheme in Nigeria emerged.

According to Aminu (2004), the contributory pension scheme would address the pension deficit of the past in Nigeria; the scheme as at July, 2010, has an asset of 1.7 trillion Naira (11.3 billion US Dollars) across the country. The contributory pension scheme is expected to have multiplier effects on workers' attitude towards retirement as their welfare is enhanced which would on the other hand improve their commitment to duty, as well as reduce the spate of corruption especially in the public service. This is because the uncertainty of receiving pension and gratuity after retirement was largely responsible for high labour turnover in the civil service (WHO, 2007).

The Defined Contributory Pension Scheme of 2004 came to replace the former pension scheme, Defined Benefit (Pay As You Go) with its major objectives as, ensuring that each individual who has worked in the public service of the federation receives his entitlement as and when due; and ensuring adherence to a uniform set of rules, regulations and standards of administration in payment of retirement benefits, among others. These objectives were to correct the anomalies with regard to inadequate, shoddy and irregular payment of pension entitlements among other problems (Ogunbameru, 1999) and to fill the lacuna identified in the former pension scheme in Nigeria. The poser questions are; have these been achieved? Has the scheme taken care of the pensioner receiving his entitlements as and when due? Before 2004, there was usual problem of delay in payment of pension which resulted in the pensioners undergoing ordeal and trauma, largely because government was overwhelmed with the huge arrears (amounting to over three trillion Naira) coupled with ceaseless demands for improvement in the provision of social services and infrastructures on the part of the government.

Furthermore, even though the contributory pension scheme emphasizes individual responsibility, savings and returns, it looks as if the voluntary savings is not enough to cater for individual welfare of the retiree significantly.
Again, one wonders whether PENCOM has strong capacity in the area of corporate governance which bedevilled the old scheme because managing and administering pension funds have continued to pose a major challenge to government in Nigeria (Okotoni and Akeredolu, 2005).

Objectives of the Study
The main aim of this study is to assess the impact of the Contributory Pension Scheme (CPS) on the employees' job performance and retirees' welfare in the Nigerian public sector. To do this, the researcher conducted a field investigation with the following specific objectives:

I. To determine whether CPS has ensured timely payment of retirement benefit as motivator to employees in the Public Sector.
II. To assess the mandatory savings scheme in order to determine its impact on retiree welfare and employment retention in Nigeria.
III. To assess the effectiveness and efficiency of the Pension Funds Administrators (PFA) and Pension Funds Custodians (PFC) in the management and implementation of the CPS.

2. Literature Review

Pension Schemes in Nigeria: An Overview

The exact origin of pension in Nigeria is debatable. However, the privilege of receiving gratuity and pension appeared with the manifestation of the victory of labour in its fight with the employer over its exploitation. Nigeria's first ever legislative instrument on pension matters was the Pension Ordinance of 1951, which had retrospective effect from 1st January, 1946. The National Provident Fund (NPF) scheme established in 1961 was the first legislation enacted to address pension matters of private organizations. It was wound up for public servant after it had lost ₦17bn in corruption (International Journal of Humanities and Social Science Vol. 1.No.21, Special Issue –December 2011). Before April 1974, gratuity and pension

for public servants were not treated as rights but as privilege. The applicable law provided that 'no officer shall have an absolute right to pension or gratuity' (section 6(1)).

Moreover, prior to the Pension Reform Act 2004, most public organizations operated a Defined Benefit (pay-as-you-go) scheme. Final entitlements were based on length of service and terminal emoluments. The Defined Benefit (DB) scheme was funded by Federal Government through budgetary allocation, and administered by Pension Department of the Office of Head of Service of the Federation (Balogun, 2006).

Nevertheless, the pension scheme became a great burden on the government, as it could no longer cope with the payment of pension and gratuities to teeming retiring workforce. This was apparently due to the fact that there was no long term plan put in place to forestall this problem. It became imperative to embark on reform to restore the hope of the pensioners and the entire Nigerian worker, thus, the Federal Government of Nigeria enactment of the Pension Reform Act 2004.

Conceptual Framework

Pension

Pension is a form of social security for the retired. It is meant to serve as a supplementary source of income to retired workers when their current earning power ceases (Modigliani and Murahlidhar, 2004). It has been defined as "sum of money paid regularly to a person who no longer works because of age, disablement, etc., or to his widow or dependent children by the state, by his former employers or from funds to which he and his employers have both contributed'' (Onifade, 2001).Alternatively, pension can also be defined as post employment benefit paid to a pensioner to make that person financially independent at old age Raji (2006). Conceptually, pension consists of payments usually made in monthly instalment which may be contributory or non contributory, fixed or variable benefits, group or individual, insured or trusted, private or public, and single or multi-employer. In many advanced countries of the world, income from pension to an individual may be supplemented by social security benefits, which apply to citizens of a country whether or not they belong to the working class. Ugwu (2006) classifies pension under:

- ***Retiring pension***: workers are permitted to retire after completing a fixed period of qualifying service; usually practiced in Nigeria between 30-35 years of service.
- ***Compensating pension***: this is paid to a worker whose permanent post is abolished and government is unable to provide him with suitable alternate employment.
- ***Superannuating pension***: this type is given to workers who retire at a prescribed age limit of 60 - 65 years, respectively.
- ***Compassionate allowance***: this is a grant paid to a public servant who is not entitled to pension on account of his removal from service for misconduct, insolvency or incompetence or inefficiency (Amujiri, 2009).

Retirement

This can be conceptualized as a process that separates an individual from a job role (Atchley, 1977). Omoresmi (1987) and Asuquo (2002) see it as a termination of a pattern of active life and transition to inactive life. Retirement signifies the detachment from primary activity in business, industry or active service as full time employee (Manion, 1976). The idea of retirement was introduced in the 19th and 20th centuries. Retirement with pension is

considered a right of the worker. Nwajagu (2007) defined three ways of public servants may retire, namely; voluntary, statutory and compulsory retirement.

- Voluntary retirement is self imposed, meaning that a person may decide whether to retire or remain in service as his career.
- Statutory retirement is according to the provisions of the relevant statute on retirement age. It attracts payment of gratuity and pension.
- Compulsory retirement is externally imposed by authority which may consider that continuing in office of the individual is no longer in the interest of the service.

Theoretical Framework

Pension schemes are social security maintenance plan for workers after their disengagement as employees through retirement until death. According to Bloom (2005), one of the first publicly financed social security system was developed in late 16th century in England from a series of legislative acts known as "poor laws". Under these laws, local government built large alms house facilities that housed the people that were too old or unfit to work. Poor laws also established work houses and facilities like public housing for the employed. These laws gave rise to the social insurance in Europe and social security in the United States of America (Momoh and Idomeh, 2008).

Social Contract Theory

The need for pension reform was necessitated by the myriad of problems that plagued both the defined arrangement: Pay- As- You- Go (PAYG) in the public sector and other forms of pension system like occupational scheme mixture of funded and defined benefit (DB) scheme that operated in the private sector.

Evidences abound that good governance concerns itself with the well being of the citizenry, promotes development and economic growth (Kaufmann and Alia, 2002). This is true particularly if good governance is considered to include the redistribution of income to those in need.

Elements of the Contributory Pension Scheme in Nigeria

The scheme is compulsory for all the employees in the public sector and for employees of the private sector institutions employing more than five persons. Under the scheme, the individual exercises judgment regarding which administrator to patronize, open an account, Retirement Savings Account (RSA) and makes a minimum contribution of 7.5% of the monthly emolument, (basic salary, housing and transport allowance) which is equally supplemented by the employer making a total monthly contribution of 15% of total emolument. But armed forces personnel are expected to contribute only 2.5% while the government contributes the equivalent of 12.5 % of emoluments thereby bringing the total monthly contribution similarly to15% of emolument.

Employers and employees in the private sector will contribute a minimum of 7.5 % each of the monthly emoluments of their employees. An employer may elect to contribute on behalf of the employees but the contribution shall not be less than 15% of the employees' monthly emoluments. An employer is obligated to deduct and remit contributions to a custodian within 7 days from the day the employee is paid his salary while the custodian shall notify the PFA within 24 hours of the receipt of the contribution. An employee is allowed to withdraw from the balance standing to the credit of the retirement savings account provided

that the amount remaining after the withdrawal is sufficient to produce an annuity or fund programmed withdrawal that will produce an amount not less than 50% of the monthly remuneration as at the date of retirement.

Contribution and retirement benefits are tax-exempt. However, for voluntary contributions, the tax relief is only applicable if the amount contributed or part thereof is not withdrawn before five years after the first voluntary contribution was made (Pension Reform Act, 2004). The new pension scheme is contributory, fully funded, based on individual accounts that are privately managed by Pension Fund Administrators (PFA) with the pension fund assets held by Pension Assets Custodians (PAC) and based on good insurance policy. There will be strict regulation of the process. Employees with three years or less to their retirement and existing pensioners are exempt from the scheme.

Pension Scheme, Employees' Commitment, Employees' Welfare and Workers' Attitude to Work

There exist a significant positive relationship among Pension scheme, Workers' commitment, Employees' welfare and Workers attitude to work. It includes internal work motivation (Hackman & Oldham, 1978) and the willingness of an employee to invest personal effort for the sake of the organization (Agba, Nkpoyen & Ushie, 2010). It involves attitudes or orientation towards organizational goals or objectives (Hall & Schneider, 1972). Workers' commitment is a function of many variables including, characteristics of job situation, the work environment, leadership style and career development (Salanick, 1977; Agba, Nkoyen & Ushie, 2010; Ushie, Agba, & Chime, 2010; Ushie, Agba, Agba & Best, 2010). According to Becton, Wysocki & Kepner (2009) staff retention refers to the necessary measure put in place by management of an organization to encourage workers to remain in the establishment for a maximum period of time. Most often gratuities and pension are not paid as and when due; the provoking thought of facing life after retirement creates psychological and emotional abnormality among workers especially those who are approaching retirement age (Ogunbameru & Ramiwuye, 2004). This also is responsible for low morale among workers and workers ineffectiveness in most organizations (Ushie, Agba, Agba & Best, 2010). According to Onyene (2001), workers' attitude to work and the goal attainment of any organization are tied to various degrees on staff welfare and retention. Agba and Ushie (2010) observed that workers in some public sector in Nigeria do move to where good conditions of service exist and where their future is protected after retirement. In order words, a good pension scheme with improved workers' welfare could determine the level of workers commitment, retention and attitude to work.

Supervision and Examination of Affairs of Pension Funds Administrators and Custodians:

The importance of institutional capacity and effective regulation for the successful operation of a pension system, based on individual accounts is widely acknowledged. Effective banks and life assurors, the providers and custodians, and a transparent and well-functioning equities and securities market for the investment of assets are required. A dedicated regulator of the pension system and a dedicated regulator of financial services and financial markets are also necessary. Some elements pre-dated the 1981 pension reform, some were created simultaneously and others later (SAFP, 2003). The World Bank economic governance project sought to improve the capacity of the Economic and Financial Crimes Commission (EFCC) –

the body set up to fight corruption and the Securities and Exchange Commission (SEC), to assist in the greater use of International Accounting Standards and to strengthen the Nigerian Standards Accounting Board. The appropriations for these objectives (US$6.6m) were almost as great as those made to assist the pension reform (World Bank, 2004).

The Nigerian Pension Commission (Pen Com) closely mirrors the Chilean Pensions Superintendence. These overseeing bodies are responsible for approving Pension Fund Administrators (PFAs) and Pension Fund Custodians (PFCs).

Management and Custody of Pension Funds:
Prior to the promulgation of Pension Reform Act (PRA) in 2004, pension benefit scheme was either managed in-house or under the custody of another company, usually insurance firms (Pension Act, 1990). Under the then act, pension assets suffered from chronic under funding and carried no definite penalties for offenders (Abade, 2004).

However, with the promulgation of PRA 2004, the administration and custody of pension funds now lie with the Pension Administrator and Custodian, licensed by the Commissioner (Part viii, sections 44-46). The Pension Administrator performs services such as opening a savings account for all employees, investment and management of pension fund assets, maintenance of books of account and payment of retirement benefits to employees (section 45). The Pension Fund Custodians are, under section 47 of the Act, required to hold pension funds and assets in trust for the beneficiaries. The Pension Fund Administrator and Custodian are required by the Act to have as a precondition for a license certain minimum level of net worth. The requirement for the Pension Fund Administrator is ₦150million (section 50) and a statutory reserve fund to be credited annually with 12.5% of the net profit after tax (section 69), while for the custodian, it is ₦5 billion in addition to a balance sheet total of at least ₦125 billion.

The Impact of the Contributory Pension Scheme on the Nigeria Economy
The importance of pension fund to the economic growth and development of any economy cannot be overemphasized. Global indices indicate that pension assets are playing an important role in mobilising savings for investment in the critical sectors (Njuguna, 2010 and BGL, 2010). Pension funds contribute directly and indirectly to the economic growth of countries worldwide (Njuguna, 2010). Pen Com (2004) described the 'strategic implications' of the pension reform to include promotion of national savings and by implication, promotion of capital market development'; and generation of positive economic externalities, including the promotion of deeper, more competitive, and more liquid financial markets'.

Pension funds add value tothe world economies through direct contribution to the GDP, accumulation of savings, financial market development, reducing old-age poverty and acting as consumers of financial services (Clark, in Njuguna, 2010). In Nigeria, the pension industry under the new scheme is expected to generate over ₦900 billion long term loan-able fund annually (Balogun, 2006). The implication of CPS on Nigerian economy apart from its potentials to contribute to GDP is that these funds provided will be made available to finance infrastructural projects such as electricity, railway, tourism etc (Balogun, 2006).

Problems of CPS in Nigeria

Dostal (2010) opines that the defenders of the current system would argue that, it is too early to make any claims about the failure of CPS to have a positive impact on the trajectory of the Nigerian economy. They would point to the global economic crisis and the 2008 crash of the Nigerian Stock Market as unexpected events that explain negative returns of PFAs but do not question the system's viability. However, the question about poor performance of CPS in Nigeria generally can be traced directly to the larger question of how the banking system, stock market and macro-economic performance of the Nigerian economy might interact with it (Dostal, 2010). It is important to mention that one major problem of CPS is still the dearth of investment outlets. The top twenty companies in the capital market have more than 70% of the total market capitalisation. Thus, there will be a pool of Pension Funds chasing few quality investments.

Another challenge confronting the scheme is the compliance rate within the working population. Pen Com confirmed that only 10 out of 36 states of the federation have fully aligned with the pension reform in the country (Pen Com, 2008). In the private sector, organizations with at least five employees are required by the Act to implement the Contributory Pension Scheme. However, compliance by the private sector has remained a serious challenge due to lack of comprehensive database of employers of labour in the country, which limits the extent of enforcement by the regulator (BGL, 2010). Also, the employers themselves are not willing to comply with the provision of the Act, because it is regarded as additional cost to their organizations. (*International Journal of Business and Behavioral Sciences Vol. 2, No.8; August 2012)*

Similarly, the integration of informal sector into the new scheme has become difficult, perhaps because the informal sector in Nigeria lacks a coherent structure and has an unwieldy composition. BGL (2010) opines that the ability to design products for the informal sector which is largely dominated by sole proprietors and small and medium scale enterprises has been constraint due to lack of trust on both side: One, the operators believe that the informal sector contributions would not be regular, and on the other hand, the informal sector believe that they could manage their funds better.

3 Research Methodology

The research design utilized was a survey method. Primary data used were responses from a careful design questionnaire sampled Federal Civil Servants in Anambra state, Nigeria. They include Nnamdi Azikiwe University, Awka, Federal Polytechnic Okoh and Federal college of Education (Technical) Umunze. Taro Yamane formula for finite population was used to determine the sample size of 380 used in the research. Three set of questionnaire were distributed, one to the sampled population of the employee in the three institutions, another to the retiree and the last to the Pension Fund Administrators(PFA). Three hypotheses were formulated and tested using SPSS (Statistical Package for Social Sciences) version 16 for Microsoft Windows. The Electronic Statistical System (ESS) is designed to make Statistical analysis (Exploratory Data Analysis (EDA): Frequencies Count, Percentage analysis, Mean Score; Chi-Square Test, used by the researcher, easy and quick.

The Chi-Square test was tested at 5% significance level.

Finally, the data for these analyses are coded into the SPSS system in numeric (see appendix for variable information and data).

4 Reliability of the Study Instrument

Since the main instrument used for data collection is a carefully designed questionnaire with a five-point Likert Scale, the researcher decided to use Cronbach Alpha (α) test to test how consistent or correlated the five points are. On computation, the researcher discovered that the Cronbach Alpha (α) test revealed that Alpha (α) value for questions in Sections A, B and C lies between the positive range of 0 and 1 (i.e 0.546). The reliability test therefore confirmed that the tool/instrument for data collection is reasonably fair and that prompted the usage in the collection of data for this study.

Analysis of the Chi-Square Test

S/N	Questions		SA	A	U	D	SD	Total
1.	**Workers' Commitment Analysis:** CPS has motivated workers Attendance to Work	frequency	34	133	19	138	26	350
		Percent	9.7	38.0	5.4	39.4	7.4	100.0
2.	CPS has removed emotional disturbance of not receiving Pension after retirement	frequency	80	141	24	102	3	350
		Percent	22.9	40.3	6.9	29.1	.9	100.0
3.	A good pension scheme could determine the level of workers punctuality as well as influence whether an employee would do his/her work properly	frequency	30	105	53	135	27	350
		Percent	8.6	30.0	15.1	38.6	7.7	100.0
4.	Good Pension Scheme guarantee employee's comfort and job Performance to the organization during his/her active years in Service	frequency	89	181	7	63	10	350
		Percent	25.4	51.7	2.0	18.0	2.9	100.0
5.	**Workers' Retention Analysis:** Delay in payment of salaries and fringe benefits to workers even after retirement has negative effect on employee	frequency	229	108	1	12	-	350
		Percent	65.4	30.9	.3	3.4	-	100.0
6.	Pension reform has removed low morale and ineffectiveness in workers in public sector	frequency	28	111	86	106	19	350
		Percent	8.0	31.7	24.6	30.3	5.4	100.0
7.	Ineffective Pension Scheme Impacts negatively on workers' lengths of Service and psychological needs	frequency	101	207	4	38	-	350
		Percent	28.9	59.1	1.1	10.9	-	100.0
8.	Pension and gratuity are paid as at when due under the Contributory Pension Scheme	frequency	46	164	57	68	15	350
		Percent	13.1	46.9	16.3	19.4	4.3	100.0
9.	**Workers' Attitude to Work Analysis:**	frequency	141	171	9	23	6	350

	The fear of uncertainty after retirement is responsible for age falsification among the public sector in PAYG pension scheme	Percent	40.3	48.9	2.6	6.6	1.7	100.0
10.	The provoking thought of facing life after retirement creates psychological and emotional abnormality among workers under the old pension scheme	frequency	181	137	12	20	-	350
		Percent	51.7	39.1	3.4	5.7	-	100.0
11.	The absence of good pension scheme in the past was largely responsible for physiological and economic problems among retirees in Nigeria	frequency	205	118	1	25	1	350
		Percent	58.6	33.7	.3	7.1	.3	100.0
12.	Before the introduction of the new scheme, most retirees looked for jobs to avoid social isolation and poverty	frequency	114	171	34	30	1	350
		Percent	32.6	48.9	9.7	8.6	.3	100.0

Source: Field Survey,2020.

Tests of Hypotheses 1 and 2

Hypothesis 1 predicts that Contributory Pension Scheme (CPS) has not ensured timely payment of retirement benefits as motivation to employees in the public sector;

Test Of Hypothesis 1 Using SPSS Analytical Output for Part A

Case Processing Summary for Workers' Commitment

	Cases					
	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Questions of Part A * Work Commitment	1400	100.0%	0	.0%	1400	100.0%

These summed up the cases to 1400 which in-turn increases the acceptability and applicability of the test result (The Large Number Theory). Processing of the fed responses for chi-square test analysis is presented below.

Questions in Part A * Work Commitment Cross Tabulation

			Workers' Commitment					
			Strongly Agree	Agree	Undecided	Disagree	Strongly Disagree	Total
Questions in Part A	Question1	Count	34	133	19	139	26	**350**
		Expected Count	58.4	140.3	25.8	110.0	16.5	**350.0**
	Question2	Count	80	141	24	102	3	**350**
		Expected Count	58.2	139.9	25.7	109.7	16.5	**350.0**
	Question3	Count	30	105	53	135	27	**350**
		Expected Count	58.2	139.9	25.7	109.7	16.5	**350.0**
	Question4	Count	89	181	7	63	10	**350**
		Expected Count	58.2	139.9	25.7	109.7	16.5	**350.0**
Total		**Count**	**233**	**560**	**103**	**439**	**66**	**1400**

Chi-Square Tests

Statistic	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	1.735E2[a]	12	.000
Likelihood Ratio	180.785	12	.000
Linear-by-Linear Association	33.046	1	.000
N of Valid Cases	1400		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 16.49.

The test result is statistically significant at 5% level of significance; with χ^2 value = 1.735; degrees of freedom (df) = 12 and P-value = 0.000 < 0.05.The test showed significant difference between pension scheme and workers' welfare (motivation). The prediction of hypothesis 2 holds.

Questions of Part B * Workers' Retention Cross Tabulation

			Workers' Retention					
			Strongly Agree	***Agree***	***Undecided***	***Disagree***	***Strongly Disagree***	***Total***
Questions in Part B	*Question1*	*Count*	*229*	*110*	*1*	*12*	*0*	*350*
		Expected Count	*101.4*	*148.6*	*37.2*	*56.2*	*8.5*	*350.0*
	Question2	*Count*	*28*	*111*	*86*	*106*	*19*	*350*
		Expected Count	*100.9*	*147.8*	*36.9*	*55.9*	*8.5*	*350.0*
	Question3	*Count*	*101*	*207*	*4*	*38*	*0*	*350*
		Expected Count	*100.9*	*147.8*	*36.9*	*55.9*	*8.5*	*350.0*
	Question4	*Count*	*46*	*164*	*57*	*68*	*15*	*350*
		Expected Count	*100.9*	*147.8*	*36.9*	*55.9*	*8.5*	*350.0*
Total			***404***	***592***	***148***	***224***	***34***	***1400***

Chi-Square Tests

Statistic	**Value**	**Df**	**Asymp. Sig. (2-sided)**
Pearson Chi-Square	5.512E2[a]	12	.000
Likelihood Ratio	586.294	12	.000
Linear-by-Linear Association	83.482	1	.000
No of Valid Cases	1400		

a. 0 cells (.0%) have expected count less than 5. The minimum expected count is 8.49.

Test Of Hypothesis 3 Using SPSS Analytical Output for Part C

Hypothesis 3 states that Pension Fund Administrator and Pension Fund Custodian are not efficient and effective in the management of CPS in Nigeria.

Workers' Attitude to Work			**Strongly Agree**	**Agree**	**Undecided**	**Disagree**	**Strongly Disagree**	**Total**
Questions in Section C	Question1	Count	141	171	9	23	6	350
		Expected Count	159.1	148.2	13.9	26.8	2.0	350.0
	Question2	Count	181	127	12	30	0	350
		Expected Count	163.7	152.4	14.3	27.6	2.0	360.0
	Question3	Count	205	118	1	25	1	350
		Expected Count	159.1	148.2	13.9	26.8	2.0	350.0
	Question4	Count	114	171	34	30	1	350
		Expected Count	159.1	148.2	13.9	26.8	2.0	350.0
	Total		**641**	**587**	**56**	**108**	**8**	**1400**

Chi-Square Tests

Statistic	**Value**	**df**	**Asymp. Sig. (2-sided)**
Pearson Chi-Square	1.002E2[a]	12	.000
Likelihood Ratio	100.484	12	.000
Linear-by-Linear Association	2.121	1	.145
N of Valid Cases	1400		

a. 4 cells (20.0%) have expected count less than 5. The minimum expected count is 1.99.

The test result is statistical significant at 5% significant level with χ^2 value = 1.002, Degrees of freedom (df) = 12, P-value = 0.000 < 0.05. The test showed significant difference between pension scheme and workers motivation (Workers' Attitude to Work).The hypothesis 3 is however confirmed.

5. Findings, Conclusion and Recommendations

Finally, the researcher observed from the respondents that in the old pension scheme, workers experienced social isolation and poverty.

From the discussions of the result of the data analyses and findings, it can be said, arguably though, that there appears to be a mild positive impact of the effect of contributory pension

scheme on job performance for public sector workers in tertiary institutions in Anambra State; and in comparison with old scheme, the contributory pension seems to be favourable and good in term of operations and management.

The researchers recommend a further intense statistical hypothesis testing (study) involving more factors in the data gathering process. Again, good management of the reform by the PENCOM in monitoring the affairs of the PFA and the custodians making sure that necessary sanction is meted to any who fails to adhere to the norms the reform. E-payment adopted for easy reference, easy update and logistics of the pension scheme system should be made advanced and the application programs that manage the e-pension system should be updated always. It should also be highly protected from computer hackers and fraud thirsty Nigeria. When these are put in place, will bring transformation in the national economy and this will invariably help to achieve corporate governance in Nigeria.

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