

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division.



Samuel Nsambo¹, Chaste Nsama², Chrine C. Hapompwe³

^{1,2,3} The University of Zambia, Graduate School of Business, 10101

ABSTRACT: There have been dynamics in the pension systems globally which have witnessed various countries embracing the pension reforms within their Pension Scheme arrangements in respective jurisdictions. This evolution compelled Malawi to introduce the Contributory Pension Scheme (CPS) in 2011, targeting all employees, but received it with mixed feelings. This study purposed to establish public secondary school teachers' perception of the CPS and its implementation effect. The study was guided by three objectives which were; to assess secondary school teachers' knowledge levels of the CPS; to describe the perception of secondary school teachers about the CPS, and to establish factors that influence secondary school teachers' perception of the CPS. A mixed method approach was used with questionnaires and scheduled interviews as data collection tools. Slovin's formulae was used to derive the sample size of 240 employees from the 2000 target population. Purposive and random sampling were used as sampling techniques in which 240 were targeted for questionnaire administration on drop-and-pick-basis, while 5 respondents were selected purposively for qualitative data collection through scheduled interviews. Descriptive statistics was used to analyze quantitative data using SPSS V25 while qualitative data was firstly organized, reviewed and later themed for content analysis. The response rate was 90.8%. The study results show that secondary school teachers' knowledge levels of the CPS are low as indicated by 50% of the respondents. Similarly, 57% stated that they do not accept the CPS as a replacement to Defined Benefit Pension Scheme (DBPS) owing to the haphazard manner in which it was implemented with a strong perception that it was devoid of stakeholder consultation / engagement. On the other hand, 62% stated that they did not receive required scheme transaction and funds information of the new pension scheme as a major factor for the none acceptance, contrary to the aspirations of the Agency-Principal Theory. To this effect, the study concluded that despite the many merits of the CPS, employees are lacking some basic information on how their contributions are made, kept, and the pre-retirement utilization of the same by the Administrative Managers. Therefore, the study strongly recommends a paradigm shift in the management and administration of the scheme, by among others, entrenching principles of corporate governance of being transparent, accountable, ethical, responsible, and responsive to the primary stakeholders' information needs from government and Administrators / Managers of the scheme in the manner of handling the funds on behalf of the pensioners as the same has implications on employees' work motivation. There must be intentional communication to all pensioners in raising awareness of all activities related, and /or incidental to the pension scheme in order to demystify all misconceptions and negative publicity of funds misuse by the Administrators and Managers.

KEYWORDS: Employees, Perception, CPS, Implementation, Effect, Malawi

1. INTRODUCTORY BACKGROUND

Pension is the amount of money set aside by the employer or employee to ensure that at retirement, there is something for an employee as income (Fapohunda, 2013). This pension definition has been expanded by (Blackwell, 2008), who adds that it is a regular payment that is made to an employee after retirement, usually from a fund to which the person contributed while working. In order to synthesize the definitions, (Onukwu, 2017) submits that pension is a regular monthly payment received by a retired person called a pensioner for the duration of his life, and that the payment commences from the date of retirement. It is fair to agree with (Fapohunda, 2013), who argues that employers have a huge responsibility of ensuring that their employees are provided with the necessary support upon their retirement, through pension provision and this can be regarded as a moral

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

obligation of the organisation to provide a reasonable degree of social security and which is a demonstration that they have the interest of employees at heart.

Historically, pensions schemes were first introduced in Germany in 1889 by Otto von Bismarck, who was the Chancellor of the empire until 1890, to promote workers' well-being in terms of better life after retirement. The Germany empire further enacted the Old Age and Disability Bill as part of the social legislation intended to ameliorate workers' sufferings. The International Labour Organisation (ILO) of the United Nations considers and recognizes pension as one of the best forms of addressing social security for the citizens of all countries as stipulated in its 1952 Convention. Social security in this case, is the protection that the society furnishes to its members or citizens through a series of public measures against different forms of economic and social distress that otherwise would be caused by either stoppage or considerable reduction in one's earnings resulting from sickness, maternity, employment injury, unemployment, invalidity, old age, and death. Further, the Sustainable Development Goal (SDG) of 2030 Agenda target of the International Labour Organisation (ILO) also promotes national protection and systematic implementation of pensions, which have a particular focus to those vulnerable and poor citizens in different regions within its member countries (ILO, 2018). In other societies, such as Nigeria, the idea of pension provision is described to have a similar origin and understanding of the traditional system or society of man saving for the rainy season (Onukwu, 2020).

It must be stressed that social security provision does not only protect the direct receiver of the benefit, in this case the employer, as the entire family members benefit too, due to benefit packages that in most cases cover their financial security and health care (Rangarajan & Saravanan, 2019). It is reported that throughout the history of social security, public pension schemes have proved to be an effective instrument in ensuring the income security of older persons and combating poverty and social inequality (ILO, 2018).

In trying to comply with the international labour norms and practices, Malawi undertook the labour reforms specifically targeting the pension scheme as far back as 2011. The pension reform was done as part of its social security, which led to the introduction of the mandatory Contributory Pension Scheme (CPS) on 1st June 2011 through the enactment of the *Pensions Act 6 of 2011*. Ideally, this new Pension Scheme was to replace the old one called the Defined Benefit Pension Scheme (DBPS), which had been described as having no proper coordination in ensuring that employees are accorded the necessary treatment after retirement (Malema, 2019). According to (Mhango & Thejane, 2012), the enactment of this Pensions Act 6 of 2011 addressed the Pension regulatory framework challenges that have been there since independence which were described as misdirected, fragmented and non-comprehensive.

Meanwhile, one of the other challenges with this old pension system is that it took a long time for beneficiaries to receive the pension benefits due to the bureaucratic nature of the system, making it technically ineffective. Furthermore, since only the government was the sole contributor to the pensions funds, the annual budget allocation could only manage to pay few Pensioners in a particular financial year. The Defined Benefit Pension Scheme could also be affected by those employees retiring under voluntary arrangements, since at the first place, they were not budgeted for that particular financial year. This clearly means that most retired employees could wait for a long period of time before getting the pension benefits, which is against the whole purpose of a pension.

On the other hand, the Contributory Pension Scheme (CPS), also known as the Defined Contributory (DC) Pension Scheme, aims at dealing with the various challenges the previous Defined Benefit Pension Schemes faced. According to (Mhango, 2012), Malawi passed the Pension and the Employment Amendment Acts concurrently to resolve two crucial application problems; which were a double burden on employers, who operated voluntary pension schemes for their workers and were required to pay severance allowance as well as pension benefits upon the termination of employment. In comparison with Defined Benefit Pension Scheme, employees benefit at retirement is determined by the period of service and the final salary, while those under Contributory Pension Scheme make contributions to the retirement funds.

Notwithstanding the scheme's implementation in 2011, the Malawi government requested for an exemption to its mainstream civil service employees. This was meant to clear out several outstanding pension issues it had at that particular time. This temporary relief expired on 30th June 2017 which ushered in the implementation of the Contributory Pension Scheme for civil servants on 1st July 2017. Despite this positive development, not all the employees were taken on board to the Contributory Pension Scheme. Government used the phased approach as indicated in the circular from the Department of Human Resource Management and Development (DHRMD) which states that the only affected employees were those who were 35 years of birth and below as of the date of implementation and any employee recruited thereafter. This meant that the rest of the employees

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

would continue with the old, Defined Benefit Pension Scheme, through its Civil Service Pension Scheme (CSPS), until necessary arrangements are made to bring them to Contributory Pension Scheme. It was further communicated that the previous employees that were under Defined Benefit Pension Scheme, and had their pension transferred to Contributory Pension Scheme, would have their past liabilities calculated and remitted to the new pension accounts managed by Old Mutual as Pension Administrator, through the Public Service Trust Fund (PSTF) as its Pension Manager.

Currently, the Malawi Civil Service is running two different pension systems; Contributory Pension Scheme and Defined Benefit Pension Scheme. This means that if those still under the Defined Benefit Pension Scheme are not absorbed into Contributory Pension system as initially planned, the expectation is that 2041 will be the year when the old system will completely phase out in the Civil Service of Malawi, as the youngest group of employees under this arrangement will be retiring in that year.

1.1. Problem Statement

Shire Highlands Education Division is among the public institutions whose employees are affected by the implementation of the CPS. This Division has over 2000 public secondary school teachers out of which 641 (32%) were migrated to the Contributory Pension Scheme, following the implementation of the *Pensions Act 6 of 2011* in Malawi. There are no full scale studies which have been conducted to establish the effectual perception of employees about the implementation of the CPS (Malema, 2019) in Malawi though anecdotal evidence exists to the effect that there are teething issues (Malenga, 2017) about the implementation of this policy as also demonstrated in the article carried out in Malawi24 Newspaper in which a teacher union was reportedly raising issues about the newly implemented CPS. Not addressing these perceptual issues has far telling consequences on human resource productivity, performance, morale, and motivation, and ultimately affects the performance of learners under the affected employees' charge. One of the critical ingredients of a motivated workforce according to Abraham Maslow's Hierarchy of Needs model is "security" which entails a peace of mind for an employee to achieve desired labour output. It is, therefore, imperative that a systematic study be conducted in order to bridge the knowledge gap notable and ultimately to the amicable resolution of the issues envisioned, which are of paramount importance to the furtherance of the organizational mission and vision.

1.2. Study Objectives

- To assess secondary school teachers' knowledge levels of the CPS
- To describe the perception of secondary school teachers about the CPS and its implementation effect.
- To establish factors that influence secondary school teachers' perception of the CPS

2. LITERATURE REVIEW

2.1. Introduction

Pension is a global phenomenon recognized by scholars, policymakers, and professionals as a welfare strategy to provide financial security for senior citizens (Unachukwu, et al., 2020). In support to this, Rangarajan & Saravanan (2019) strongly believe that pensions play a very crucial role for older individuals as it maintains their quality of life, through greater independence in their decisions, improved status in the family, and generates greater self-confidence. As further alluded to (Ogaboh, 2011) cited by (Tsedee, et al., 2015), life after retirement is considered as one of the most feared periods by most workers, therefore pension package becomes the available remedy to minimize this. In his contribution, (Armstrong, 2010), submits that pension helps employees to readjust themselves properly into society after leaving employment. Pension should be regarded as starter park for income generation, as agreed by (Fapohunda, 2013), who believes that financial package earned through pension payments could be used by retirees to establish small enterprises, thereby contributing positively to the economies of their society and country, at large. This section, therefore, is intended to survey related literature to the subject topic under review, as a way of trying to establish gaps hoped to be bridged by this study.

2.2. Empirical Review

2.2.1. Overview of the Implementation of Pension Schemes in Different Jurisdictions

One study on pension systems in Africa observed that most Sub-Saharan African countries did not have meaningful publicly managed pension and social security systems, although to certain extent, some forms of pension coverage were available in a limited number of countries (Stewart & Yermo, 2009). A study about Mauritius by (Stewart & Yermo, 2009) discovers that pension systems for the country, consist of a universal, non-contributory Basic Retirement Pension, two mandatory, income-related pension schemes for the private sector (both National Pension Fund and National Savings Fund), all administered by the public sector, and several voluntary schemes providing supplementary pension income.

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

Occupational pension schemes can be simply understood and classified into Defined Benefit (DB) Schemes and Defined Contribution (DC) Schemes (Ramaswamy, 2012), and they commonly emphasized systems in the study of pensions. Despite the differences in the types of pension schemes, it must be agreed that the provision of an adequate income stream during the post-employment period to beneficiaries is the overarching objective (Ramaswamy, 2012). In Malawi, similar to most countries in the African region, two fundamental types of pension fund designs stand out and these are: Defined Benefit fund and Defined Contribution (Stewart & Yermo, 2009), where a Defined Benefit fund promises a fixed monthly benefit at retirement.

In the Contributory Pension Scheme, the actual amount of money to be contributed to the pension funds is specified, mostly on a percentage of the salary, although the benefits payout is known at the time of retirement (Ramaswamy, 2012). There has been correlation identified between the general contributory pension scheme coverage and levels of poverty and informality, whereas in countries that have lower incomes, individuals have less disposable income to contribute to a pension (MGCDWSW, 2016). Meanwhile, the study cannot be fully believed to apply to each and every country, therefore, more studies need to be done to have similar views or contrary to what was found.

Contributory pension scheme in the United Kingdom, which was not universal, but compulsory, emerged in Widow, Orphans and Old Age Contributory Pensions Act of 1925 (Bozio, et al., 2010). In the United States, a shift from defined benefit plans to defined contribution plans in the Public sector was due to the 2008 financial crisis that affected the states (Munnell, et al., 2011). According to (Tapia, 2008), the Bolivian government enacted a new law in 1996, which automatically closed the old pay-as-you-go (PAYG) pension system and created a mandatory private pension system known as Seguro Social Obligatorio (SSO) and also an old age social assistance program called BONOSOL.

The contributory pension scheme in India is said to provide many benefits to the country as well as to the pensioners, although it is reported that employees were not ready to invest their money in the stock exchange because the amount of pension was not guaranteed to be received without risk (Rangarajan & Saravanan, 2019). Countries such as Albania or USSR, had a unique contributory system, where employers were the only contributors to the pension system, and for USSR, this is said to date back to the October Revolution in 1917 (Grunewald, 2021).

Building on the foregoing literature especially in the Indian pension scheme scenario, it is paramount to note that the level of knowledge, awareness and perception by the contributing stakeholders greatly affect the implementability and acceptability of the schemes in all instances. All the stakeholders to the scheme need prior preparedness by policy-makers before the actual implementation of the policy or scheme in order to solicit their input and obtain a buy-in. The misconceptions about the policy, whether out of ignorance of the same, has negative ramifications on stakeholders' appreciation of the scheme and ultimately on its sustainability. Prior to the enactment of 2011 Pensions Act in Malawi, the pension funds industry was governed and controlled by the third Schedule to the Taxation Act and several directives issued by the Reserve Bank of Malawi, with rigid policies (Muhome, 2018). The defined benefit pension provision for the Malawi Civil Service and Military was organized as a pure Pay-As-You-Go (PAYG) scheme that covered about 125,000 active workers and pays benefits to about 30,000 beneficiaries (IMF, 2008).

Most employers came to like the contributory pension scheme, as Pratt in (Mhango, 2012) describes it as reasonably simple to administer because it operates like a bank account; therefore, they are simple to explain to employees and cost-effective to manage and run. Similarly, (Aiyabei, 2010), declares that a defined contribution pension scheme is more secure since employees can check the contributions reflected in their pension accounts. According to (Kotun, et al., 2016), a contributory pension scheme is a fully funded pension scheme that generates adequate funds through a certain percentage of contributions from monthly contributions by both employer and employee that is later saved.

In Nigeria, Contributory Pension Scheme is a fully funded pension scheme that are expected to generate adequate funds through savings through a certain percentage of contributions from monthly earnings by both employees and employers (Kotun, et al., 2016). The Nigerian contributory pension scheme was said to have been implemented with an expectation that it will eradicate the pension management crises plaguing the country over the years (Christopher & Edomwonyi, 2016). Similarly, (Onukwu, 2020) reports that a Contributory Pension for lecturers was introduced to ensure that lecturers at retirement access their retirement benefits intended at increasing job performance and commitment at the workplace. (Kotun, et al., 2016) reveal that the aims of a contributory pension scheme are; to help workers to save towards

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

their retirement, ensure workers receive their terminal benefits when due; and establish a set of rules and regulations for the administration and payment of retirement benefits.

Despite the positive expectations that both employees and employers had, (Christopher & Edomwonyi, 2016) report that with the introduction of the new pension system in Nigeria, the Nigerian Union of Pensions (NUP) expressed lack of confidence in the Pension Reform Act and called on the National Assembly to review the law to be more responsive to the plight of pensioners. They further discover that some corporate organizations and government institutions threaten to pull out of the scheme.

In Zambia, the National Provident Fund (ZPNF) was restructured in the 1990s and later converted to a basic, compulsory social insurance scheme administered by the National Pension Scheme Authority (NAPSA), whose current members are those old ZPNF and new employees, including central and local government civil servants who started work from the year 2000 (Stewart & Yermo, 2009). Just like many countries in the region, a change in pension system from the old to contributory pension was necessary in Zambia, directly triggered by various notable weakness that were there, such that could be attributed to deficiencies in their design, pension financing and pension administration. Consequently, (Mwenda & Chungu, 2021) report that the National Pension Scheme Act created a contributory pension scheme that is mandatory for all employees in the country, except those earning K15 per month.

Results from several studies have also revealed that pension is an active part of motivation which can determine the level of commitment on the part of employees (Ikeji, et al., 2011). Green and Robinson (2012), cited in (Amusan & Ajibola, 2018), indicated that a survey conducted in 2012 asserts that employers of labour are propelled to provide pensions to their employees because they believe that it enhances their commitment. A similar study carried out in India found employees' opinions to be negative against the new Pension Scheme, with the view that the new pension scheme is not favorable to the pensioners due to three major reasons such as inadequate government contribution of 10 percent, unsafe principle amount and high risk in expected return due to investments of contributions in the stock market (Rangarajan & Saravanan, 2019).

2.2.2. Challenges to Contributory Pension Scheme Implementation

In their study on "perception of employees on the mandatory pension savings in the case of Kosovo", (Ziberi, et al., 2021) recommended that pension funds managers need to be transparent and accountable in their dealings with clients through regular updates of employees' pension funds, and adequate awareness tools or interactions such as seminars to constantly update employers and employees on the management and administration of their funds. In a study by (Unachukwu, et al., 2020), it was found out that non-remittance of pension contributions into the retirement savings account and non-compliance with the pension reform as amended by the government at all levels are the major challenges affecting the successful implementation of the contributory pension scheme in Nigeria.

A report by (IMF, 2008), affirms that the reforms introduced in the Malawi civil service pension scheme in recent years were in the right direction but they were designed on an ad hoc basis, and further analysis of the long-term implications needed to be conducted to design a set of parameters that was consistent with the principles of sustainability, equitability, and affordability. Additionally, (Malema, 2019), quoted the Reserve Bank of Malawi (2017) Report, indicating that non-placement of employees on pension; non-remittance of pension contributions; reported and unresolved complaints from a period before the existence of the Pension Act; late and delayed payment of pension benefits; incorrect payment of pension contributions and benefits; withholding of pension benefits by employers; complaints from the civil service pension scheme and employers' wrongful deduction of pension contributions (both employer and employee contributions) from the employees' basic salaries as some of the outstanding challenges affecting the implementation of Contributory Pension Scheme in Malawi.

It is further pointed out that with a defined benefit pension, there were issues of underfunding and abuses which resulted in employees retiring with no or little pension (Mhango, 2012). One of the features of the 2011 Pension Act is that it provides a mandatory pension for all employees, with exception of domestic tenants, seasonal workers, Members of Parliament, and Expatriates that have valid temporary employment permits (Malema, 2019). Employers are expected to ensure that all employees are members of the National Pension Fund or any other licensed private pension fund (MGCDWSW, 2016). Despite these efforts in ensuring extensive coverage of pensions scheme to more employees, it is reported that based on the recent analysis of administrative data by the ILO, only around 4 percent of older people over the age of 65 receive a pension (1.6 percent of government civil service pensions and 2.6 percent of statutory pensions in the formal economy (Meerendonk, et al., 2015).

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

Onukwu(2020) believes that effective implementation of a contributory pension scheme is a powerful means of ensuring the desired commitment from employees, and those organizations providing a benefit plan for their employees show a caring attitude about financial security, well-being, and peace of mind. In a study(Christopher & Edomwonyi, 2016) reveal that staff of the University of Benin did not see 2004 Pension Act (contributory pension scheme) as a right policy to solve the problems of pension administration they were facing, citing lack of transparency; a view that the monthly pension deduction from the salary being high and fear of financial mismanagement by the custodians of funds.

2.2.3. Perception and Contributory Pension Scheme

Perception is the process of acquiring and processing information surrounding us(Demuth, 2013). Perception can also be understood as a process through which people choose, organize and interpret information to form a meaningful picture of their world (Kotler, 1997). Similarly, (Perreault & McCarthy, 2005) conclude that perception is how people gather and interpret information surrounding them.

Measuring the Perception of employees can be done through interviewing, focus groups, and carrying out an employee survey(Saari & Judge, 2004). According to (Eysenck & Keane, 2010), perception is influenced by a wide range of individual factors that can lead to an inadequate interpretation. A study on public workers' perception of contributory pension scheme from Lagos State, in Nigeria(Unachukwu, et al., 2020) reveals that the perception of workers towards pension scheme encourages workers to save for the future, is convenient for them in the event of changing jobs, their benefits at retirement will not be affected in the event their employer becomes insolvent, it empowers contributor to choose who administers his/her retirement benefits account and provides the opportunity of enjoying some modicum of pension on retirement. On the other hand, (Onukwu, 2017) reports that in Nigeria, many employees have the negative Perception that the contributory pension scheme may not be sustainable and even ascribe the implementation as double deductions from their salaries. Similarly, (Onukwu, 2022) reports that employees and Lecturers in South-South Nigerian universities poorly perceived the Contributory Pension Scheme in Nigeria at its implementation and most of them consider it unsatisfactory

Similarly, in the Malawian scenario, during the case's implementation in 2017, the then Teachers Union of Malawi President bemoaned by describing the move as a surprising as there was little communication with the affected employees. In addition, the article in the (Times Newspaper, 2022) confirms that "there are several things that have to be done, the Pensions Act was introduced in 2011, and most of the institutions are going through learning." In a related development, the Malawi National Assembly has passed the Pension amendment Bill, which seeks to repeal the Pension Act (Cap, 55:02), replacing the it with new piece of legislation to address implementation challenges in the pension sector; enhance coverage of the pension sector; and strengthen compliance and supervision over entities operating in the pension sector¹. All these are due to different perceptions that have developed amongst individuals after the implementation of the pensions scheme. For instance, the amendment of the pensions Act was a direct response to the general public's perceptions towards the pension system. In Tanzania, (James, et al., 2017) revealed that majority of the respondents that took part in their study showed that they were not aware of the Public Pension scheme that was in the country. This was also echoed in the study in Ghana, where (Ainooson, 2011) found that most respondents to the study lacked awareness on the Social Security National Insurance Trust (SSNIT) that administers pension in Ghanaian informal sector.

From the foregoing, it can be inferred that perception can have either positive or negative repercussions. It is also clear that perception can be created both from availability or none availability of information. This implies that in order to form positive perception about a matter, correct information must be available for people's correct judgements. In the case of the various schemes reviewed, it is clear that the negative perception of employees about the pension scheme was created by the manner in which the resources / funds of the pensioners were perceived to be handled by the managers of the schemes. In order to correct this negative impression which resulted from a negative perception, managers were duty bound to engage the stakeholders in various fora in order to demystify the mythologies and misconceptions about the funds management.

2.2.4. Pension Scheme and Employee Turn-Over

According to (Goldhaber, 2017) shifting towards a defined benefit pension structure raised concerns about increasing employee turnover among teachers in the United States of America. Theoretically, employers create a wage profile that pays workers less when they are young and more when they are old to induce greater long-run commitment from employees who will remain with a firm to collect back-loaded pay(Lazear, 1979). It is also stipulated that pension structure may influence

¹ Pension Amendment Bill no. 44 of 2022.

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

employee turnover through financial incentives that make it relatively more or less costly to quit under a particular plan and the self-selection of more (less) mobile employees into employment with organizations that provide more (less) pensions.

In his observation, (Sterns, 2006) admits that pension could discourage labour turnover, in that if employees and employers contribute to the scheme, then it serves as a general area of joint interest and cooperation and therefore helps to foster better employment relations. On this, (Grunewald, 2021) confirms that on average, people retire earlier in contributory pension schemes than in non-contributory financed pensions. Additionally, (Haverstick, et al., 2010), affirm that employees enrolled in defined contributory pension plans with five to ten years of tenure are significantly more likely to change jobs than those employees in the defined benefit pension plan. In contrast, (Goldhaber, 2017) observes that from studies, the relationship between pension structure and turnover is mixed and extremely limited in the case of public pension in the USA, and this could also be the case with other countries.

2.3. Gaps in the Literature

Whereas a number of scholars have written papers on pension schemes in varied jurisdictions covering a broad range of reforms, none has dealt with the current study's focus which is on the employees' perception of the CPS and its implementation effect from the Malawian context with a particular focus on the public secondary school teachers in Shire Highlands Education Division. It is of paramount import to note that this study will bring out unique and dynamic experiences of the teaching workforce with regards to how they perceive this contributory scheme and how the same affect their productivity or the potentiality thereof. Carrying out such a study particularly focusing on this newly introduced scheme in Malawi will essentially help policy-makers as well as legislators in appreciating the beneficent extent of the policy or scheme on the target group and the possible implementation gaps still requiring due attention. A number of studies as reviewed have focused on the public service in general and in some instances university lecturers but the current study will deal with public secondary school educators.

2.4. Theoretical Frameworks

This study was guided by three (3) fundamental theories relevant to the study focus. These being: social exchange, agency-principal, and deferred wage theories.

2.4.1. **Social Exchangetheory** is one of the theories derived from social behavioural theories. This theory was developed by (Homan, 1958). Social exchange theory proposes that social behavior and interactions among individuals are a result of an exchange process, and the perspective suggests that the relationship between individuals is generated by the pursuit of rewards and benefits and the avoidance of costs and punishment (Wan & Antonucci, 2016). Social Exchange theory, according to Blau (1964), cited in (Cook & Rice, 2003), refers to voluntary actions of individuals that are motivated by the returns they are expected to bring and typically do bring from others. The theory, according to (Onukwu, 2020), is also a balanced or reciprocal relationship between two individuals, an employee and the organization. This can mean the relationship built between the organization and the employees in a work environment. Relating the theory to the study (Onukwu, 2020) highlighted that the development and sustainability of pension schemes that employees expect after retirement becomes vital as it fosters steady and amicable relationships between the employees and employers, directly resulting in positive productivity in the organization. Social exchange theory has a direct contribution to the relationship existing between types of pension schemes and employees' perception and how they behave in the labour market, despite facing some criticisms, and this study further seeks to confirm if what has been proposed in the theory would apply to the Malawian pension system.

2.4.2. **Principal-Agency Theory**. This theory explained the relationship between the agent and the principal and was proposed by Michael Jensen and William Meckling in 1976, American Economists. The principal- agent theory, according to (Samborski, 2014) is contracts under which a principal engages a third party (agent) to perform specific actions on their behalf in dealing with a second party, which is a service provider. According to (Amusan & Ajibola, 2018), Agency theory provides insights into the contractual relationship between employees participating in the contributory pension (principal) and agents (Pension Fund Administrator), where the relationship is that the principal delegates the agent to perform a task or do a work of service for consideration of incentive. As far as pension management is concerned, the plan participant is the principal, the plan sponsor is the agent, and the financial institution managing the pension funds is the agent (Samborski, 2014).

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

In its set up, the principal-agent relationship, the theory assumes that there is a considerable decision-making authority that the principal (shareholders or employee) has over pension contributions, and how and where it ought to be invested in. Contrary to the expectation, most pension administrators have assumed more power, to the point that less or no required information about the pension is shared with the pension contributors, which the concern of the current study owing to the potential negative implications if the phenomenon is left unchecked.

2.4.3. Deferred Wage Theory - This is a labour economics theory. In this theory, a pension plan is viewed as a method to defer some compensations up until employees reach retirement age (Malaski, et al., 1981-1982). On the same, (Logue, 1979) describes deferred-wage theory as incorporating long-term or lifetime implicit labour contracts between the employer and employee that has various implications for the employer. In deferred-wage theory, the employer promises to provide a pension payment in exchange for current services (Lauder, et al., 2011). Further to this, (Becker, 1964) explains that firms have the incentive to expand training costs as a result of delayed vesting because it causes average employees to work longer for the company, which results in a more significant payback.

In Malawi, the civil servants' pension scheme had conditions one must satisfy to benefit from it. The period of service would determine whether an employee should receive pension benefits or not. More extended service means more pension benefits; as a result, most government employees waited for long in the service. On the other hand, since the government set a minimum period for an employee to qualify for pension benefits, as a result, resignations were fewer especially those that had worked for more years since doing so would mean an employee loses the benefits. This is not the case with the contributory pension system as an individual can change employers, knowing that the pension can be transferred.

2.5. Conceptual Framework

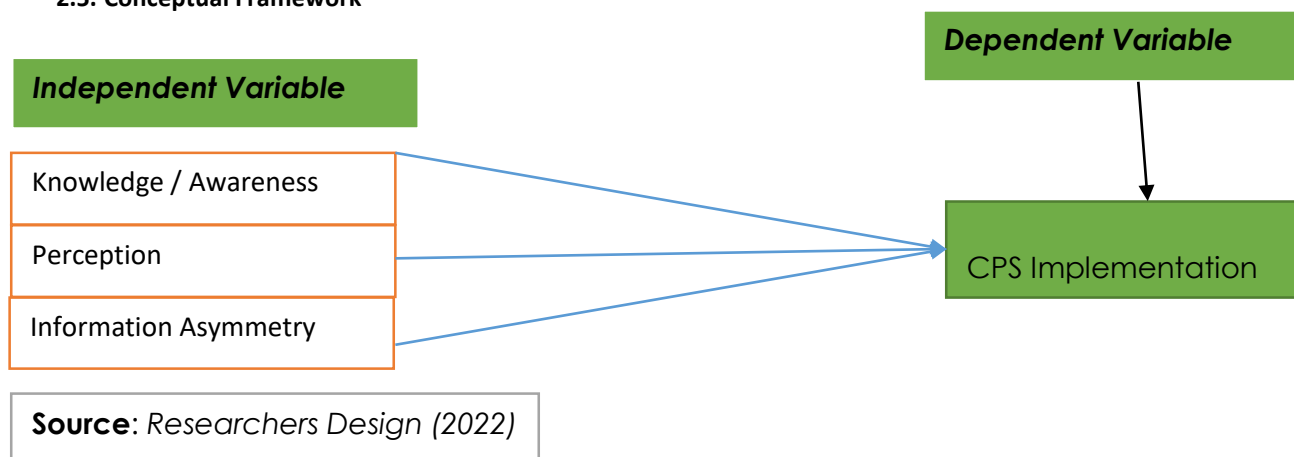


Figure 1: Study's Conceptual Framework

As shown in **Figure 1** above, this study is guided by three variables aligned to the study objectives; knowledge, perception, and information asymmetry. This is also consistent with the tenets of the Agency-Principal, the Social Exchange, and the Deferred Wage theories which anchor this study. Knowledge is power. Misconception is a consequence of misinformation or the absence thereof, and information asymmetry is a disposition of dishonesty or mistrust. The framework assumes that if the pension scheme is well designed and intended, engages critical stakeholders from preparation to implementation, shares all necessary transactional information, beneficiaries or employees in this case are driven to like and adopt it. This brings trust and positive perceptions to the pension system. Consequently, this is also assumed to influence employees' commitment to the employer and stay longer with the organisation. As confirmed by (Onukwu, 2020), a successful implementation of a reward policy in any organization, such as pension scheme, enhances high expectations of employees' commitment towards work. In agreement, (Fapohunda, 2013) believes that pension is one of the benefits that positively impact workers' discipline, loyalty, willingness to remain in the service of an employer, and commitment to the attainment of the organizational goal for its survival.

3. METHODOLOGY

In terms of research philosophy, this study was guided by ontology, epistemology, and axiology. Ontological philosophy is interested in reality and outlines the difference between reality, our perception of reality, and how this influences everything

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

around us (Chege & Otieno, 2020). (Saunders, et al., 2009) add that ontological assumptions shape how we see and study our research objects. These subjects included organizations, management, individuals working lives, and corporate events and artifacts in business and management. According to (Burrell & Morgan, 1979), epistemology concerns assumptions about what constitutes acceptable, valid, and legitimate knowledge and how we can communicate knowledge to others. Further, (Saunders, et al., 2009) observe that the multidisciplinary context of business and management means that different types of knowledge ranging from numerical data to textual and visual data, from facts to interpretations. Axiology is another philosophical branch of research that deals with values, judgment, and ethics in a study. This study carefully considered the ethics and values required so that the results could be regarded as of high credibility and trust. In terms of research approaches, the study employed some mixed method i.e. qualitative and quantitative paradigms.

The study site was Shire Highlands Education Division, located South East of Malawi. The target population were the 2000 secondary school teachers from which the sample size of 240 (12%) was obtained. The sampling frame was obtained from the Human Resources Management Staff implementing the scheme. Random and purposive sampling techniques were employed. The study used both questionnaires and interview schedules. SPSS version 25 was used to analyse quantitative data while content analysis was applied on qualitative data. Ethical considerations and measures of data quality control were adhered to with the deserved strictness.

4. FINDINGS

4.1. Teachers' Knowledge Levels of the CPS

The teachers were asked to what extent they were aware that moneys deducted were channelled towards their contributory pension scheme and the results as indicated statistically paints a picture that the majority were not aware. In this instance, 29.8% indicated to no extent at all, followed by 26.6% that were not sure, 17.9% of those indicating to greater extent, while moderate extent and little extent were represented by 10.6% and 7.3% respectively.

It has been more than five years since Contributory Pension Scheme was introduced in Malawi, and it was expected that majority of stakeholders would have enough knowledge of it. The study was interested to understand the extent of knowledge among secondary school teachers of the Contributory Pension Scheme in Malawi. To this question, majority of the secondary school teachers lack knowledge of the Contributory Pension Scheme, as shown by 50% that indicated to no extent at all, while 18.3% were of little extent. Those not sure, greater and moderate extents were represented by 11.5%, 8.3% and 6.9% in that order. Additionally, summarized analysis indicates that 55.5% of secondary school teachers did not agree to the statement that they have knowledge of their pension Administrator and Manager, while some secondary school teachers, represented by 16.1% were not sure, while 10.1% of them indicated to greater extent, with those of little extent and moderate extent represented by 8.7% and 5% respectively.

4.2. Perception of Secondary School Teachers about the CPS Implementation

The teachers indicated by 66% that time given before introduction of the scheme was not enough. The research was also interested to understand if the secondary school teachers got affected personally with the implementation of the Contributory Pension Scheme. In terms of percentages, 47.2% respondents indicated that they were affected to the greater extent, followed by 24.8% that showed they were to no extent all affected, not sure was represented by 10.6%, while little extent and not sure had 8.3% and 5.5% of respondents respectively. Furthermore, 56.4% agreed that they were forced to join the Contributory Pension Scheme, while 24.3% of respondents show to no extent, not sure had 8.3% while moderate and little extent were shown at 2.8% each. In terms of the extent to which the scheme motivated them, the study established that 56.4% of secondary school teachers were to no extent at all are motivated with Contributory Pension Scheme, followed by 13.8% with so little extent.

Secondary school teachers were also asked to show their acceptability of the Contributory Pension Scheme in Malawi. According to the results, 57.3% of the respondents do not accept Contributory Pension Scheme as indicated by majority in the no extent at all. This is followed by those not sure as represented by 11.9%. To greater extent and to little extent are represented by 9.2% each, while to moderate extent is shown by 5.5% of the respondents.

4.3. Factors Influencing Secondary School Teachers' Perceptions of the Contributory Pension Scheme in Malawi

Financial mismanagement has been one of the issues in determining the employees' perception of the Contributory Pension Scheme. In this study, the study was interested to learn if financial mismanagement is there in the management and administration of the pension funds, which might have a direct influence on secondary school teachers' perception of the Contributory Pension Scheme.

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

Research findings on this show that 89 respondents, represented by 40.8% agree to a greater extent that there is financial mismanagement in the pension funds.

The interviews conducted across the thematic areas of the study reviewed that there was little knowledge about the implementation of the CPS among the teaching staff. It was also noted from the submissions that the abyss of knowledge about the scheme was a fundamental factor for the misconception of the scheme by the teaching fraternity.

"My money is deducted monthly but do not know where it is taken and invested!" Some would say.

5. DISCUSSION OF FINDINGS

5.1. Knowledge of CPS by Secondary School Teachers

First and foremost, knowledge of the Contributory Pension Scheme by employees was one of the successful characteristics that implementers of the Contributory Pension Scheme had an interest in. Employees satisfaction as well as perception is built on how deeply they know about this Pension Scheme. Meanwhile, secondary school teachers, despite being at the center and affected groups in the implementation of this Pension Scheme, do not have knowledge of the Contributory Pension Scheme as revealed in the study. This knowledge gap has, to some extent, influenced their general perception to the Contributory Pension Scheme and its intention, no wonder there is a general misconception and negativity of this Contributory Pension Scheme among secondary school teachers. According to scholars that conducted similar studies in Tanzania, majority of those that took part in their study indicated that they were not aware of the Public Pension scheme implemented in the country (James, et al., 2017).

Furthermore, the study revealed that secondary school teachers were not provided with the required information on the newly introduced Pension arrangement, consequently resulting in their negative perceptions towards it. Apart from these secondary school teachers, a scheduled interview with the staff at the Shire Highlands Education Division also agrees to this lack of information on the part of the staff, including themselves despite being one of the main stakeholders in the implementation of this Contributory Pension Scheme in Malawi. This study agrees to what (Ziberi, et al., 2021) reported about Kosovo, where there was lack of transparency and accountability from those trusted with the Pension management, resulting into majority losing trust in it. In both cases, public awareness and education is of paramount importance to all stakeholders and this would have avoided employees' ignorance and misinformation on the Contributory Pension Scheme at all levels. The Agency-Principal theory requires a health relationship between the agent and the principal through full disclosure of information to the later which is critical the decision making, security and sustainability of one's investment.

5.2 Employees' Perception of the CPS and Its Effect

Time that was given to all concerned teachers to prepare themselves before the implementation of the Contributory Pension Scheme was not enough, according to the study. As it was expected, a considerable amount of time was needed so that the affected secondary school teachers, could have to psychologically prepare themselves for that particular change, especially those teachers that were under Defined Benefit Pension Scheme and were moved to Contributory Pension Scheme. Communication of the introduction of Contributory Pension Scheme and its implementation in July 2017 did not give ample time to affected employees as the communication that went to various heads of Ministries and Agencies only states that implementation would be done immediately. It must be reported that majority of civil servants are located widely within the country, and majority of secondary schools are located in rural areas, and it was difficult to inform the concerned teachers about the change with the little time that was given, as a result most of the employees only discovered that there was a certain deduction to their salary that had no explanation at that particular time.

Moreover, Secondary School Teachers were to a greater extent affected by this change from not contributing towards pension scheme to Contributory Pension Scheme. This effect could be financial since a percentage of what they used to earn had been taken out in the form of contribution towards their pension fund. Majority are not happy especially comparing themselves with fellow employees where their full pension funds are provided by the government, being an employer for both. As it was expected that with time government would bring the other group to Contributory Pension Scheme, this is not the case and it has been more than six years from the time this was introduced. The feeling that Secondary School teachers were forced to join the Contributory Pension Scheme was thought to contribute to their negative perception to the new pension scheme. This study was much interested to inquire from secondary school teachers to indicate, if at all they feel that they were forced to join this Contributory Pension Scheme. The study revealed that majority of the Secondary school teachers believe that they were forced to join the Contributory Pension Scheme at its inception. This result explains why most secondary school teachers are currently not happy with the arrangement despite being into existence for more than six years since its introduction in the civil service. This feeling

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

was also revealed in a study of public workers in Nigeria, where they had also a concern that based on the conduct of the government, they were forced to join a pension scheme that they were comfortable with.

Now, employees are motivated through a number of factors in the workplace. Motivated employees are likely to contribute positively towards the achievement of organization's goal. As proposed in the Social Exchange Theory by (Homan, 1958), where motivation of employees is attributed to the benefits that they would get from the employer, in employee-employer relationship. This study clearly shows that secondary school teachers are not motivated with this Contributory Pension Scheme, as indicated through their responses. On this, there is no direct relationship between this new pension scheme and work motivation on the part of secondary school teachers due to misinformation. The results of this study also disagree to a similar study by (Onukwu, 2022), where it was revealed that there was a significant relationship between Contributory Pension Scheme implementation and job motivation on the part of Lecturers in Nigeria. It can be concluded that although Contributory Pension Scheme is considered to be a motivating factor for employees in some parts of the World, it is not the case with what this study found, primarily, due to the haphazard manner in which the scheme has been implemented devoid of stakeholders' input.

Owing to the misconception and mal-implementation of the scheme, acceptability among the employees has become a nightmare. Accepting a change has not been an easy thing in most societies, so is workplace setting. Contributory Pension Scheme has brought a change in the pension systems in Malawi by replacing the Defined Benefit Pension Scheme. It is established through this study that secondary school teachers do not wholly accept the Contributory Pension Scheme, as an alternative to the Defined Benefit Pension Scheme. There are factors that have led to this as their fear of the scheme is more when compared to the Defined Benefit Pension Scheme which they have information about and have been comfortable with for a long period of time. In relation to this, a study by (Onukwu, 2022) revealed that at CPS implementation, employees and Lecturers in South-South Nigerian universities poorly perceived the Contributory Pension Scheme most of them consider it unsatisfactory due to several factors that were associated with the process. This evidence is loud enough to conclude that despite the intention to bring positive impact to the management of pension systems, there are some important areas that were overlooked during the implementation of the Contributory Pension Scheme which would have necessitated its positive perception and reception by the employees.

5.3 Influencing Factors to Teachers' Perception of the CPS

The study established that secondary school teachers strongly believe that there is financial mismanagement of their pension contributions by the Pension Manager and Administrator. This is one of the reasons that they have developed negative perception towards this Contributory Pension Scheme. This financial mismanagement feeling is coming in due to poor communication, lack of adequate pension information and consultation as shown in this study. It can be concluded that this view to some extent influences secondary school teachers' perception of the Contributory Pension Scheme. There is high expectation amongst these employees that time will come when there will be openness on the part of those trusted to manage their funds. This concern is also shared by a similar study conducted amongst Lecturers at a University in Nigeria, where the conduct of the Pension Administrator was feared to result into financial mismanagement (Onukwu, 2022). There is also no information about where the funds are invested as well as any due updates on the management and administration of the funds.

6. CONCLUSION AND RECOMMENDATIONS

6.1. Conclusion

It must be submitted that Contributory Pension Scheme is a positive development that needs to be accepted. This Pension Scheme arrangement was introduced by the Malawi government as an improvement to the old pension scheme which was observed to have challenges on both employers and employees. It must be accepted that Contributory Pension Scheme has come and it is there to stay, and what government must do is to appreciate the challenges that have been established and make efforts to address them for the betterment of both employees and employers. The lack of knowledge, the misconception, and the factors influencing the negative perception of the scheme by the stakeholders have been well established from the perspective of this study thereby laying a firm foundation for amicable resolution. The Agency-Principal theory clearly prescribes the need for full disclosure of information to the primary and secondary stakeholder benefactors to the facility as an integral aspect of effective and efficient management of the scheme.

As a matter of fact, the study has revealed that despite the many advantages of this Contributory Pension Scheme, employees are lacking some basic information on how their contributions are made, who keeps their pension funds, and what those pension funds are being used for their future benefits. The Principal-Agent relationship that was supposed to be there between employee, employers, pension administrator and managers, as earlier proposed, does not seem to exist. Instead, the Pension Administrator

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

and Managers have assumed more power to the detriment of the employer, who is regarded as the Principal in this relationship. There should be a paradigm shift in the manner in which the scheme is being managed in order to restore confidence among the stakeholders for its sustainability.

6.2. Recommendations

This study has openly revealed that secondary school teachers have a negative perception towards the Contributory Pension Scheme in Malawi in the jurisdiction under review and if there was an opening, majority would have withdrawn and returned to the Defined Benefit Pension Scheme. The study, therefore, strongly recommends the following to the stakeholders of this Contributory Pension Scheme in order to minimize the negativity that is there amongst employees and restore peace, order and stability:

- 6.2.1. According to the Pensions Act No. 6 of 2011, the Ministry of Labour has the duty and mandate to inspect and raise awareness of employers, employees, and concerned stakeholders on the Contributory Pension Scheme before, during, and even after implementations to ensure knowledgeability and willful acceptance of the scheme by the beneficiaries. From this research, it is clear that the Ministry of Labour has not done enough, especially on the part of raising awareness of the employees about the scheme and its relevance to their after work life. The study had clearly shown that without proper information and awareness initiatives, majority of employees will continue to be unhappy with the new pension system and government will be faced with a number of challenges to fully implement it. It is further recommended that there should be a deliberate effort by Ministry of Labour and line agencies to have a special budget for raising awareness campaigns aiming at sensitizing all employees to Contributory Pension Scheme.
- 6.2.2. There must be transparency and accountability by government, Pension Administrator and Pension Managers regarding how the contributions of employees in the civil service are handled. During the study, it was discovered that the government secretly moved all pension funds that were previously held at Old Mutual, to another company Zamara, without the knowledge of the employees, which brought some form of suspicion. Additionally, the Pension Administrator must provide updates of employees' pension contributions from time to time to avoid frustrating them and bring back the trust and confidence to them.
- 6.2.3. Government should also settle and remit the pension funds of those that were under the Defined Benefit Pension Scheme and were transferred to the Contributory Pension Scheme. On this, it was communicated that employees that were moved to Contributory Pension Scheme, would have their previous pension transferred to a new pension arrangement, but according to records, no one has accessed these funds in their new pension accounts. This is worrisome and might contribute to their negative perception of the Contributory Pension Scheme as employees perceive their funds to be misapplied, misappropriated and misused.

6.3. Recommendations for Future Studies

- 6.3.1. Through this study, it has been noted that apart from this study, no studies have been conducted on a similar topic of the Perception of employees on the Contributory Pension Scheme in Malawi. More studies need to be done, not only on government institutions, but other private corporate organizations to compare how they are managing the Contributory Pension Scheme issues and the employees level of satisfaction.
- 6.3.2. This study only targeted secondary school teachers in the Shire Highlands Education Division, which is under Ministry of Education due to lack of enough resources. The targeted employees are not enough to generalize the results to the whole civil service, which includes the Ministry of Health workers, Ministry of Agriculture workers and various Ministries under the civil service. It is recommended that other similar studies must consider including other Ministries which probably would come up with different results.

REFERENCES

- 1) Abels, M., & Guven, M. U. (2016). *Pension Systems in Sub-Saharan Africa: Brief Review of Design Parameters and Key Performance Indicators*. World Bank Group.
- 2) Adu, E. O., & Okeke, C. I. (2022). *Fundamentals of Research in Humanities, Social Sciences and Science Education: A Practical step-by-step approach to a successful research journey* (1 ed.). Braamfontein: Van Schaik.

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

- 3) Ainooson, B. (2011). Providing Social protection in the form of Pension Funds in Ghana: A case study of SSNIT Informal sector fund. Accra: Institute of Distance Learning.
- 4) Aiyabei, J. (2010). Challenges to pension schemes shift from defined benefit to defined contribution. Nairobi: East and Central Africa pension funds conference.
- 5) Amodu, L. O. (2006). SOPHIA. *An African Journal of Philosophy*, 9(1), 148-153.
- 6) Amusan, L., & Ajibola, K. (2018). Adoption of Contributory Pension Schemes and its Influence on Employees' Commitment Among Nigerian Civil Servants. *African Journal of Public Affairs*, 10(4), 231-239.
- 7) Armstrong, M. (2010). *Handbook of Personnel Management Practice*. London: Kogan Page.
- 8) Babatunde, M. (2012). The impact of contributory pension scheme on workers' savings in Nigeria. *Journal of social sciences*, 7(2), 464-470.
- 9) Becker, G. (1964). *Human Capital: A Theoretical and Empirical Analysis with Special Reference to Education*. New York: Columbia University Press.
- 10) Bernard, H. (2002). *Research methods in anthropology* (3rd ed.). California: Alta Mira Press.
- 11) Blackwell, A. (2008). *The Essential Law Dictionary*. Phinx.
- 12) Blake, D. (2003). *The United Kingdom Pension Scheme in Nigeria*. London: University of London.
- 13) Bodie, Z., Marcus, A. J., & Merton, R. C. (1988). *Defined Benefit versus Defined contribution plan: What are the Real Trade-offs?* Chicago: University of Chicago press.
- 14) Bozio, A., Crwaford, R., & Tetlow, G. (2010). *The History of state pension in the UK: 1948 TO 2010*. London: ESRC Centre for the Microeconomic Analysis of public policy.
- 15) Burrell, G., & Morgan, G. (1979). *Sociological Paradigms and Organisational Analysis*. London: Heinemann.
- 16) Castell, A., & Bridier, N. (2021). Describing population and samples in Doctoral student Research. *International Journal of Doctoral studies*, 16, 340-362.
- 17) Check, J., & Schutt, R. (2012). *Survey Research: Research methods in Education*. California: Sage Publications.
- 18) Chege, K. A., & Otieno, O. C. (2020). Research Philosophy Design and Methodologies: A Systematic Review of Research Paradigms in Information Technology. *Global Scientific Journals*, 8(5), 33-38.
- 19) Christopher, O., & Edomwonyi, J. (2016). The Perception of the Contributory Pension Scheme Administration by the Staff of University of Benin. *An International Multi-disciplinary Journal*, 10(3), 261-278.
- 20) Clark, R. L., Craig, L. A., & Wilson, J. W. (2003). *A History of Public Sector pensions in the United States*. Philadelphia: University of Pennsylvania press.
- 21) Collis, J., & Hussey, R. (2009). *Business Research: A practical guide for undergraduate and postgraduate student* (3rd ed.). New York: Palgrave Macmillan.
- 22) Cook, K. S., & Rice, E. (2003). *Social Exchange Theory: Handbook of Social Psychology*. New York: Plenum.
- 23) Creswell, J. (1994). *Research Design: Qualitative and Quantitative approaches*. California: SAGE Publications.
- 24) Creswell, J. (2003). *Research Design: Qualitative, quantitative and mixed methods* (2nd ed.). California: SAGE Publication.
- 25) Demuth, A. (2013). *ResearchGate*. Retrieved 10 26, 2022, from
 - a. https://www.researchgate.net/publication/310832124_Perception_Theories?enrichId=rgreq-448a59b0d3fc6807fe35f1d4afcf6d3a-XXX&enrichSource=Y292ZXJQYWdlOzMxMDgzMjEyNDtBUzo0Mz1Nzg3NjAwNTY4MzJAMTQ4MDE0NjlyMTg2Mg%3D%3D&el=1_x_2&_esc=publicationCoverPdf
- 26) Etikan, I., Musa, S. A., & Alkassim, R. S. (2016). Comparison of Convenience Sampling and Purposive sampling. *American Journal of Theoretical and Applied Statistics*, 5(1), 1-4.
- 27) Eysenck, M. W., & Keane, M. (2010). Cognitive Psychology. *Psychology Press*, 121-152.
- 28) Fapohunda, T. (2013). The pension system and retirement in Nigeria. *Mediterranean Journal of social science*, 4(2), 25-34.
- 29) Fundtalk. (2017). *What you need to know about your pension fund*. Pretoria: Fundtalk.
- 30) Goldhaber, D. (2017). Pension Structure and Employee Turn-over: Evidence from a large Public pension system. *ILR Review*, 70(4), 976-1007.
- 31) Grunewald, A. (2021). The historical origins of old-age pension schemes. *Journal of International and Comparative Social Policy*, 37(2), 93-111.

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

- 32) Haverstick, K., Munnell, A., Sanzenbacher, G., & Soto, M. (2010). Pension types, tenure, and job mobility. *Journal of Pension Economics and Finance*, 9(4), 609-625.
- 33) Hofstee, E. (2015). *Constructing a good dissertation: A Practical guide to finishing a Masters, MBA or PhD on schedule*. South Africa: Interpark.
- 34) Homan, G. C. (1958). Homans, G. C. (1958) Social behavior as exchange. . *American Journal of Sociology*, 6(3), 597-606.
- 35) Hu, A., & Manning, P. (2010). The Global social insurance movement since 1880s. *Journal of Global history*, 5(1), 125-148.
- 36) Ikeji, C., Nwosu, U., & Ogoboh, A. (2011). Contributory Pension scheme, workers commitment, retention and attitude towards retirement in the Nigerian civil service. *Global Journal of Management and Business Research*, 11(1), 51-60.
- 37) ILO. (2018). *Social protection for older persons: Policy trends and statistics 2017-19*. Geneva: ILO.
- 38) IMF. (2008). *Financial Sector Assessment Programme*. New York: International Monetary Fund.
- 39) James, S., Hauli, E., & Mosha, P. (2017). Awareness and Attitude towards Public Pension: A case of Informal workers at Saba saba market in Dodoma, Tanzania. *International Journal of Research and Methodology in social science*, 3(2), 60.
- 40) Kotler, P. (1997). *Marketing Management: Analysis, Planning, Interpretation and Control* (9th ed.). New York: Prentice Hall.
- 41) Kotun, A. I., Adeoye, A. O., & Alaka, N. S. (2016). Effects of contributory pension scheme on employees' productivity: Evidence from Lagos state government. *African Journal of Business Management*, 10(16), 384-396.
- 42) Lauder, G. H., Reinstein, A., & Fosu, A. K. (2011). An Evaluation of Agency Theory Influence in Pension Accounting. *Journal of Applied Business Research*, 8(1), 13-16.
- 43) Lazear, E. (1979). Why is there mandatory pension retirement? *Journal of political economy*, 87(6), 1261-1284.
- 44) Logue, D. (1979). *Legislative Influence of Corporate pension plans*. Washington Dc: American Enterprise Institute for Public Policy Research.
- 45) Lundberg, J. (2022). *Agency Theory's "Truth Regime": Reading Pension Fund's Decisions Regarding Shell from the Perspective of Agency Theory*. Aarhus: MDPI.
- 46) Maer, L., & Thurley, D. (2009). *Defined Pension Scheme*. London: House of Commons Library.
- 47) Malaski, A. M., Lucas, T., Firend, E., & Capelli, A. (1981-1982). Financial Accounting Standards Board Discussion Memorandum on Employers' Accounting for Pensions and other post employment benefits.
- 48) Malema, K. M. (2019). Factor Analysis of the Challenges Experienced with Regard to Implementation of the Pension Act of 2011 in Malawi. *IOSR Journal of Business and Management (IOSR-JBM)*, 21(5), 38-46.
- 49) Malenga, B. (2017). *Malawi24.com*. Retrieved January 5, 2023, from <https://malawi24.com/2017/11/01/new-pension-scheme-causes-stir/>
- 50) Meerendonk, v. d., Arthur, Cunha, N., & Juergens, F. (2015). *A Social Protection Floor for Malawi: Financial Assessment of Existing Social Protection Programmes and Costing of Policy Options- Part 1: Status Quo Assessment*. Lilongwe.
- 51) Melnikovas, A. (2018). Towards an Explicit Research Methodology: Adapting Research Onion Model for future studies. *Journal of futures studies*, 23(2), 29-44.
- 52) MGCDSW. (2016). *Realising income security in old age: A study into the feasibility of a universal old age pension in Malawi*. Lilongwe.
- 53) Mhango, M. (2012). Pension Regulation in Malawi: Defined benefit fund or defined contribution fund? *17(4)*, 270-282.
- 54) Mhango, M., & Thejane, P. (2012). Provisional Registration of a Refined Fund under scrutiny in Swaziland. *African Journal of Legal studies*, 5, 45-61.
- 55) Mhango, M., & Thejane, P. (2012). The Malawi Pension Act: A General Commentary on some of its core mandatory Provisions with specific reference to Sections 9, 10 and 15. *South African Law Journal*, 129(4), 758-786.
- 56) Muhome, A. H. (2018). *Labour Law in Malawi*. Blantyre: Focus Printers Limited.
- 57) Munnell, A. H., Aubrey, J.-P., Hurwitz, J., & Quinby, L. (2011). *A role for defined contribution plans in the Public sector*. Boston: Centre for Retirement Research.
- 58) Mwenda, W. S., & Chungu, C. (2021). *A Comprehensive Guide to Employment Law in Zambia*. Lusaka: The University of Zambia Press.
- 59) Odo, C., & Chinedu, O. (2016). The contributory pension schemes and the financial system development in Nigeria. *Innovative marketing*, 12(2), 16-21.
- 60) Onukwu, J. (2017). Challenges of implementing the contributory pension scheme in public universities in Nigeria. *International Journal of Educational Administration and Policy Studies*, 9(11), 146-151.

Employees' Perception of the Contributory Pension Scheme (CPS) and Its Implementation Effect in Malawi's Shire Highlands Education Division

- 61) Onukwu, J. N. (2020). Conceptualizing Contributory Pension Scheme Implementation and Job Commitment of University Lecturers in Nigeria. *European Journal of Educational Management*, 3(1), 1-7.
- 62) Onukwu, J. N. (2022). Lecturers' perception of contributory pension scheme implementation and Job commitment in South-South Nigerian Universities. *International Journal of Educational Administration and Policy Studies*, 14(1), 17-28.
- 63) OPM. (2010). Evaluation of Retirement systems of countries within the Southern African Development Community. London: OPM.
- 64) Perreault, W. D., & McCarthy, E. J. (2005). *Basic Marketing: A Global- managerial Approach*. New York: McGraw-Hill.
- 65) Ponto, J. (2015). Understanding and Evaluating Survey Research. 6(2), 168-171.
- 66) Prous, J. G., Salvanés, F. R., & Ortells, L. C. (2009). Validation of questionnaires. *Reumatologia Clinica*, 5(4), 171-177.
- 67) Qiong, O. (2017). A Brief Introduction to Perception. *Studies to Literature and Language*, 15(4), 18-28.
- 68) Raithatha, R. (2017). Understanding the economic impact terrorism has on the destination decision making: Northern Irish tourists.
- 69) Ramaswamy, S. (2012). *The sustainability of Pension schemes: BIS working paper*. BIS.
- 70) Rangarajan, R., & Saravanan, S. (2019). A Study on the Perception of Government employees Towards Contributory Pension Scheme (CPS)-A study with special reference to Chennai city. *International Journal of Research and Analytical Reviews*, 41-48.
- 71) Ravitch, S., & Riggan, M. (2017). *Reasons and rogor: How conceptual frameworks guide research*. (2nd ed.). California: SAGE Publishing Inc.
- 72) Rothenbacher, F. (2004). The welfare state of the civil (or public) servants in Europe: A comparison of the pension systems for civil (or public) servants in France, Britain and Germany. *Mannheim Centre for European Social Research*, 74, 1-57.
- 73) Saari, L., & Judge, T. (2004). Employee attitude and Job satisfaction. *Human Resource Management*, 43(4), 395-407.
- 74) Samborski, A. (2014). *Pension Fund Governance*. Michigan: Upjohn Institute for Employment Research.
- 75) Saunders, M., Lewis, P., & Thornhill, A. (2009). *Research Methods for Business students* (5th ed.). Essex: Pearson Education Limited.
- 76) Schmitt, C. (2015). Social security development and the colonial legacy. *Journal of World development*, 70, 332-342.
- 77) Sterns, W. (2006). *Work and Retirement in older society. In our Aging society, Paradox and Promise*. New York: Carnegie.
- 78) Stewart, F., & Yermo, J. (2009). *Pensions in Africa*. OECD.
- 79) Tanga, P. (2010). The impact of old age pension on households and social relationship in Lesotho. *Review of Southern African Studies*, 12(1-2), 184-215.
- 80) Tapia, W. (2008). *Description of Private pension systems*. Paris: OECD Publishing.
- 81) Times Newspaper (2022).
- 82) Tsede, O. A., Amertowo, A., & Amankwaa, A. (2015). Managing Pension Funds in Ghana: An overview. *Business and Management Research*, 4(1), 25-33.
- 83) Unachukwu, J., Oledjeji, A., Adesola, Egundobi, O., & Grace. (2020). Public Workers' perception towards Contributory Pension scheme: Evidence from Lagos State, Nigeria. *Asian Journal of Education and social studies*, 8(4), 9-15.
- 84) Vause, D. d. (2001). *Research in Social Research*. New Delhi: Sage Publication.
- 85) Wan, W. H., & Antonucci, T. C. (2016, January 1). Social Exchange Theory and Aging. *Enclopedia of Geropsychology*, pp. 1-9.
- 86) Williams, C. (2007). Research Methods. *Journal of Buisness and Economic Research*, 5(3), 65-72.
- 87) Ziberi, B., Gashi, R., Haliti, L., & Haliti, A. (2021). The Perception of Employees on the mandatory Pension Savings in case of Kosovo. *Management&Marketing*, 19(1), 98-107.



There is an Open Access article, distributed under the term of the Creative Commons Attribution – Non Commercial 4.0 International (CC BY-NC 4.0 (<https://creativecommons.org/licenses/by-nc/4.0/>)), which permits remixing, adapting and building upon the work for non-commercial use, provided the original work is properly cited.