



SOCIAL AND ECONOMIC IMPACTS OF SOCIAL SECURITY FUND TO PENSIONERS IN TANZANIA; A CASE STUDY OF NATIONAL SOCIAL SECURITY FUND (NSSF) - ILALA OFFICE

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Abstract

This study investigated the Social and Economic impact of Social Security Funds on Pensioners with specific objectives; examining the economic and social impact of NSSF Pensions Fund to its pensioners, analyzing the influence of customer satisfaction on the level of adequacy of benefit offered and assessing the challenges pensioners face while accessing benefits. The research designs used in the study were exploratory and descriptive research design. A sample

size of 35 from a total population of 100 was used. Primary data was collected from respondents with vast experience, NSSF Benefitters and pensioners. Data was analyzed quantitatively coded and presented in form of tabular, frequencies, figures and percentage. The study found that there is a direct connection between socio-economic development caused by Social security funds to individual and community at large. The multiplier effect of benefits paid to pensioners and retirees of the funds and the investment policies of the funds has direct connection with improving lives of individuals in the society. Social security schemes improve education, health and income of individuals. The study recommends that; there is the need of increasing focus by NSSF to the Informal Sector Economic Groups through improved education provided that will promote awareness among the informal sector. NSSF should also implement schemes to rural areas in Tanzania by initiating development projects such as cheaper houses, surveyed plots for sale to the society and developing infrastructures on the place of the scarcity

Keyword: Social Security, Pensioners, Social Security Policy, Social Economic, Social Protection Floor, Tanzania

INTRODUCTION

The conception of social insurance has evolved over a time. Throughout early periods it absolutely will human struggles against insecurity to shield himself from the unpredictable of nature, because of the actual fact that person isn't exempted from uncertainties and risks, in order that they required protection from friends, family, community or social that once face those difficulties in life. Because of those insecurities man set to make teams within which that will facilitate and support one another in the community, The social teams fashioned went through varied reformations and diversifications till once United Nation in its General assembly on tenth Dec 1948 adopted Universal Declaration of Human Rights. Article twenty two (22) of this declaration needed everybody during a society to be protected, it insists that; "Everyone, as a member of any society, has the proper to social insurance and entitled to realization, through national effort and international co-operation in accordance with the organization and resources of every State from social and economic contingencies". UN (CESCR), (2012)

The history of social insurance in African country began a few years back before the union of Tanganyika and Zanzibar island 1964, in those days' social insurance was conducted in a casual manner, systematization of the world began within the early Forties with the formation of state staff Provident Fund (GEPF) in 1942, Another modification within the social insurance sector in African country was the formulation of the social insurance administrative body (SSRA) because the principle monitor and regulator of the world in 2008. The formation of

SSRA was because of the institution of the social insurance administrative body Act of 2008 that among alternative things, provided freedom to new staff to settle on a compulsory theme to that they want to contribute to.

The latest modification in social insurance in African country will be the merging of security funds to main 2, presently the International Labor Organization (ILO) once suggested the government to merge the pension funds into one or 2 entities to cut back prices the prices} of pension advantages and operation costs, conflict that having several of them reduces their ability to supply quality services

According to SSRA, before there have been (five) 5 social insurance funds within the country, with virtually similar advantages. They're the National social insurance Fund (NSSF), PPF Pension Fund, Public Service Pension Fund (PSPF), Local Authorities Pension Fund (LAPF) and Government Staff Provident Fund (GEPF)

National Social Security Fund (NSSF) was established by the Act of Parliament No. 28 of 1997 to replace the defunct National Provident Fund (NPF). NSSF is a compulsory scheme providing a wider range of benefits which are based on internationally accepted standards and it is a formal institution that provides social security protection in Tanzania, where offers social security coverage to employees of private sector and non-pensionable parastatal and government employees.

Parastatal Pension Fund (PPF) is a social security institution established by Act of Parliament No.14 of 1978 offering social security coverage to employees of the both private and parastatal organizations. The Act was further amended in subsequent years to reflect and accommodate new developments within the social security sector. The main objectives of the Fund is to provide pensions and other related social security benefits to all employees in the Parastatal organizations, private companies, NGO's, self-employed and those in the informal sector.

Local Authorities Pensions Fund(LAPF) is a social security institution established under The LAPF Act No 9 of 2006 and aiming; To provide a scheme for payment of benefits to insured persons payable under the Act, To work towards a gradual and continuous improvement of benefits payable under the Act, To register employers and employees who by law are required to contribute to the Fund and collect contributions from them, To safeguard members' contributions and other resources of the, Fund through keeping and maintaining up to date accounts and records, To invest members' funds in secure and high yielding investments; and To formulate, offer and administer retirement and other benefits packages which are attractive to persons and institutions who are and may become depositors or contributing employers,

Public Service Pension Fund (PSPF) this is created by an act of parliament (the public retirement benefits act no.2 of 1999) in order to replace the pension ordinance of 1954.

The management of the fund is under the broad of trustees and the day to day activities are under the director general who is assisted by directors.

Government Employees Provident Fund (GEPF) this is created by act No.8 of 2013 to replace Act No.51 (R.E 2002) of the former Government Employees Provident Fund. GEPF operates both compulsory and Voluntary Scheme to cover the wide range of members from formal to informal employment. Formally under Act No.51 (R.E 2002) covered only government employees working under contractual terms and those who are not eligible for pensions under existing laws.

In 2018 president John Pombe Magufuli is combined all those social insurance fund in single social insurance fund which are PSSF because all are doing the same social insurance funds.

This fund may help people to have a good life even though he/she is in hard time like sickness and many other problems. Though through that services people can afford to acquire his or her basic needs. After that recommendation from (ILO), the government created the regulation meaning currently the country have the general public Service social insurance, (NSSF,LAPF,EGPF,PPF) are combined to formulating PSSF which are doing the same function in the society but different is small and therefore the National social insurance Fund (NSSF), to cater for the general public and personal sectors, severally.

Social security in United Republic of Tanzania covers a wider type of public and personal measures meant to produce advantages within the event of the people. The main domains of social insurance are economic condition interference, economic condition alleviation, social compensation and financial gain distribution. Several problems about social insurance are sensitive, as they bit on the fabric interests of organized employees and also the unorganized poor still as insurance trade and leader organization which are caused many people and pensioners to getting letter and some time the poor management it caused also poor services.

National social insurance Fund deals with development project such as house and plot at different part in Tanzania such Dar es salaam in Kigamboni and others part, investment such plot in Nyakambindi, Simiyu Mtoni Kijichi House and Kigamboni and some area in Tanzania like Mbeya, Mwanza, Arusha, Kilimanjaro and others area in Tanzania, public services such as to insurances that help getting health service to pregnancy people and their family in generally, social responsibilities such as Building of road like in Kingamboni, coming up with assortment of contribution from members though the provision of loan to members and other thing. Through

this perform there's a job within which the society gained and inflicting the NSSF to be the leading service supplier in United Republic of Tanzania.

Most of the general public aren't alert to the nice job that is finished by social insurance funds, so it's the responsibilities of a research worker of this study to form aware the society to grasp the vital social insurance funds to socio-economic, improved customary of living, economic condition alleviation, financial aid, financial gain distribution, credit facilities and improved customary of education and given of loan to the members of NSSF. These would be earned by the full of the general public once they need to utilize effectively the betterment that is obtainable by social insurance funds like homes and plots at a less expensive worth, employment opportunities, student loan, infrastructures and planned settlement by permitting

LITERATURE REVIEW

Definition of the Key terms

Social security; is outlined in its broadest that means by the International Labor Organization (ILO) as: "The protection measures that society provides for its members, through a series of public measures against economic and social distress that will preferably be caused by the stoppages or substantial reduction of earnings ensuing from illness, maternity, employment injury, state, disability, old age, death, the availability of medical aid subsidies for families with their kids"

The term "social security" is ambiguous in the sense that it means different things to different people in different places. In the United Kingdom, for example, it means all cash benefits, which are transferred to the needy through via the state; while in the United States of America social security refers to retirement pensions. In continental Europe, on the other hand, the term social security is much less in use and instead, the term "social protection" is frequently used and refers mostly to cash benefits as well as health care. Under what conditions such financial support is provided to those in need, the criteria of eligibility used, the value of payments and the length of time for which they be paid varies greatly from one country to another.

Social security therefore can be broadly refined in terms of the aims of its schemes as: *"A set of policy instruments that is set up to compensate for the financial consequences of a number of social contingencies or risks. It can also be argued that social security should also refer to actions that are aimed at preventing the contingencies or risks from occurring. This approach to social security has the effect of acquiring much broader aims. Preventive measures for safety in the work place, preventive health care, empowerment policies and (re)training programmes then become part of the social security realm"*.

Also, a lot of the literature on Social Security in United Republic of Tanzania has outlined Social Security because the protection provided by society to its members through public measures against the economic and social distress that otherwise would be caused by the stoppage or reduction of earnings arising from contingencies. In most cases the contingencies are related to either the temporary or the permanent loss of financial gain Prasad L.M (2014). Samples of NSSF that are contingencies that might cause economic and social distresses embrace illness, employment injury and industrial disease, maternity, old age, invalidity, death state and Members' loans.

The benefits offered by NSSF

Maternity, NSSF should be payable to a female member who due to marriage proves to the satisfaction of the Director General that she has permanently given up employment and will not seek any gainful employment in the Public service,

Employment injury, Also NSSF is providing the benefit payment is made to a member as a result of loss of earning capacity due to inability to work. The assessment of invalidity is undertaken by an established Medical Board. This benefit is paid to any member who has been proven to have physically or mentally disabled as to be employable.

Old age, NSSF also provide the pension payment is to provide a replacement of income to persons who have permanently lost income because of old age. It calculated that, the Amount payable equals $1/540 \times$ complete number of months of services \times last annual salary. Pension benefit is based on years of service and annual pensionable emoluments,

Death, the Board of NSSF shall grant to legal representative a gratuity of an amount not exceeding either his annual pensionable emoluments, or commuted pension Gratuity whichever is greater. It is calculated as Amount payable equals $1/540 \times$ complete number of months of services \times last annual salary $\times 5$ (payable once), the availability of medical aid subsidies for families with kids.”

Members' loans, Also the following previous experience, NSSF has noted that a number of public servants do not have houses to dwell after their retirement. In order to assist its members to address housing problem, the Fund introduced a housing loan facility for its members who have at least five (5) years to compulsory retirement date. For example in the financial year 2011/12 the Fund issued a total of TZS 24.00 billion to 949 members.

Invalidity benefit payment is made to a member of NSSF as a result of loss of earning capacity due to inability to work. The assessment of invalidity is undertaken by an established Medical Board. This benefit is paid to any member who has been proven to have physically or mentally disabled as to be employable. Pension benefit is based on years of service and annual

pensionable emoluments. The annual compensation is based upon the highest pensionable emolument enjoyed by the member within twelve months preceding his termination date.

Social Protection; Social protection incorporates policies and programs designed to cut back financial condition and vulnerability by providing economical labor markets, decreasing people's exposure to risks, and enhancing their capability to manage economic and social risks, like state, exclusion, sickness, incapacity and adulthood (United National analysis Institute for Social development Armstrong M.(2014). In NSSF are provided the social protection to the member incorporates policies and programs are designed to cut back financial condition should be cutting the financed through employer and their contributions of 15% and 5% of monthly salary respectively vulnerability by providing economical labour market through the provided the loan to the members, decrease people risks and enhancing the economy and social risks though the provide the insurance to the members and their family such as state, exclusion, sickness, incapacity and adulthood also are given insurance..

Social Security Schemes; Social Security theme could also be outlined as any program of social protection established by legislation, or the other obligatory arrangement, that has people with a degree of financial gain security once round faced with the contingencies of adulthood, survivorship, incapacity, disability, state or rearing kids. It should conjointly supply access to curative or preventive medical aid (ILO 2010). NSSF in Tanzania area provide social security schemes are responsible for the collection of the tax from the wages for their members, safekeeping of their money and distribution of retirement fund of all employees and the people in all sectors of the Tanzania economy that do not fall under the government pension schemes.

Social Insurance; is that the provision of social advantages wherever the advantages received are conditional on participation in an exceedingly theme, proved by means of actual or imputed contributions created by or on behalf of the recipient. Welfare might type a part of an employer employee relationship between employment connected social insurance or might arise outside an employer and employee relationship social security insurance.

Benefit; could be a payment created or a claim accessible in accordance with a wage agreement, a policy, or a public help program (thefreedictionary.com). International Labor Organization set an instrument that was adopted at its thirty fifth session in Gregorian calendar month 1952, popularly referred to as 'Social Security (minimum Standards) Convention No. 102. Itemized variety of contingencies and advantages needed within the minimum standards convention include' adulthood, Invalidity, Survivorship, Employment Injury, maternity, medical aid, sickness, state and Death (URT, 2013). NSSF in Tanzania are benefits payable old age special lump sum for non-qualifying members such as the average of 60 months contribution times the member of credit minimum pension is 40% of the lowest sectorial statutory minimum

wages. Maximum pension is 72.5% of the Annual pensionable Emoluments. Social security advantages confer with a contract between a human and therefore the underwriter. The underwriter during this context refers to a public program designed specifically to produce protection against loss of financial gain because of an outlined set of contingencies. (Issa, 2016). Bandwe, (2019) classified {the advantages} given by SSIs in to long run and short term advantages as follows; Short term benefits are medical aid, Sickness, state, Employment injury, Maternity, Family help and long run advantages are adulthood, Invalidity, Survivorship

The benefits of ILO in social security benefits

Medical care; in the convention no. 102 it provide the prevention of care general practional care including home visiting, specialist care, essential pharmaceutical supplies as prescribed, prenatal, condimental and hospitalization ere necessary slinkiness benefit

Unemployment benefits; convention no 102 explain that that the employment should be getting 455r reference wages must be generating healthy and reasonable living condition in with the national standard

Old age benefit; predicable payment corresponding to at least 40% of reference wages in convention no 102 are explain on how their getting the benefit such as medical care and services and others benefits from NSSF.

Employment injury benefit; medical care payment corresponding to at least 50% with the children in case of death of breadwinner and others benefits.

Family benefit; periodic care payment of the provision of food, clothing, housing, holidays or domestic help the family and medical care.

Maternity benefits; to ensure that women can maintain herself and her children all the period of growth of their children and the medical care.

The right to Social Security; there's solely restricted data on the proper to Social Security in United Republic of Tanzania. The sole study on this fact is that the work by Armstrong M. (2014). They suggest that social protection could be a human rights offering. Per Article twenty-two of the Universal Declaration of Human Rights of the tenth Gregorian calendar month 1948 everybody, as a member of society, has the proper to Social Security. The State, therefore, is duty-bound to make sure a minimum customary of fabric welfare to all or any its voters on a basis wide enough to hide all the most contingencies of life. This includes general basic social support for all voters, in spite of contribution or employment. In United Republic of Tanzania, the proper to Social Security for all voters is stipulated within the Constitution of the United Republic of United Republic of Tanzania of 1977, as amended in 1984, 1995 and 1998. A number of these rights embrace the proper to welfare every now and then of adulthood,

illness or incapacity and in alternative cases of incapacity. Armstrong, M. (2014) argue that the rationale this right isn't given upon voters is because of a shortage of monetary resource

Theoretical Framework

Maslow's hierarchy of Needs theory

Maslow's hierarchy of needs is a theory in psychology, proposed by Abraham Maslow in his 1943 paper a Theory of Human Motivation. In his theory, Maslow argues that most people are motivated by the desire to satisfy specific groups of needs. These needs include physiological needs; person's needs for food, drink, shelter, sex, clothing, and another physiological requirement. Safety needs; person's needs for stable environment relatively free from threats, meaning that needs for security and protection from physical and emotional harm, as well as assurance that physical needs were continue to be met, social needs; person's needs for affection, belongingness, acceptance, friendship relations with others, and status within a group. Esteem needs; person's needs for internal esteem factors such as self-respect, autonomy, and achievement, and external factors such as status, recognition, and attention. Self-actualization needs; person's needs for growth, achieving one's potential, and self-fulfillment, the drive to become what one is capable of becoming Armstrong,(2014). So, from this theory it is seen that the importance of social security comes in where people thought of protecting themselves against any risks and vulnerabilities in the coming near future for all members and the employment.

Systems Theory View of Pension Funds

Saleemi, (2014) used systems theory view of pension funds (inputs, conversion, outputs) to study the strategy to improve pension funds efficiency. He used the variables membership age, design, regulations and operational efficiency (inputs) as independent variables. The results showed that these variables exerted no significant influence on their financial efficiency (outputs). (Davis, 2015) argues that, Pension funds like other organizations, can be considered as open systems since they collect and accumulate contributions from their contributing members and invest the same in various investment avenues and hold the proceeds in stewardship for the benefit of the members upon retirement in NSSF all things are going and operating in the system when the starting, in the processing and the output when the people needed in services and the benefits in different aspect to the members in NSSF.

Research conducted by ILO (2018), on social protection expenditure and performance review and social budget survey of NGOs providing social protection in Tanzania Mainland. The study is use survey in order to capture any available information. The findings which will

demographics show there will a need to give high priority to developing a social protection framework addressing the needs of the young and elderly people if the country was serious in wishing to reduce the numbers of its citizens living in poverty, GDP, employment and the labour market is highly formalized with youth unemployment rates in urban areas, coverage by both contributory and non-contributory schemes is low, and benefits are inadequate.

Research conducted by Armstrong, (2014) on the general performance of the existing social security institutions in Tanzania, revealed that social security system is poor in terms of coverage, provision of quality benefits and efficiency. There are many problems that limit provision of adequate social protection including lack of budgetary provision. Walsh (2018) on the other hand, shows that the government faces serious financing problem. Currently, the government fails to allocate sufficient budgetary so as to adequately meet the needs of the older people. Armstrong, (2014) on the other hand stipulated that Government always face management problem in dealing with the effective provision of social security services to older people. "Too big to fail is too big not to fail. When [social security] get that big, they are inevitably going to fail, because you can't manage them."

Research conducted by Armstrong, M. (2014) on Social security schemes in Southern Africa where they examined an overview and report for future development of pension funds. Their study used descriptive statistics covering the period from 1985 to 1995.

The findings revealed, among others, that the social security schemes or pensions funds faced higher administrative costs. For instance, in Tanzania, administrative spending will be 36 percent, averaging between 25 and 30 percent of members' annual contributions during 1985 up to 1995; in Swaziland, about 40 percent; and in Zambia, between 65 and 110 percent. Thirty seven (37) percent of these costs were driven by high staffing levels and employee benefits. Today personnel costs comprise approximately 50 percent of total administrative spending in Swaziland, 48 percent in Tanzania, and 70 percent in Zambia. This reduces investible funds which could otherwise produce interest income and hence generate more investment income

As above stated, the relevancy of social security has great effects to the economic growth and wellbeing of the members in the society. The importance of the social security in poverty reduction and promoting economic growth curtails from its roles in saving mobilization, income redistribution and capital market development.

Furthermore, according to studies in monetary sectors, it is revealed that significant progress can be made in improving living standards of people in the developing countries, if social security is considered in social economic and poverty reduction programs. On the other hand, majority of the people do not real understand the importance of joining various social security schemes and challenges which pensioners face. It is from that perceptive where the

researcher of this study feels that there is a gap and hence needed to undergo a research on the impacts of social security funds to pensioners.

METHODOLOGY

The research design applicable in the study concerning assessment of the social and economic impacts of social security funds to pensioners, are exploratory and descriptive research design. The study includes 35 sample size out of 100 target population. This study was based on collecting data from two sources of primary source and secondary source. Data was collected from reliable sources from respondents with vast experience NSSF Benefitters and pensioners". Also data was collected within a short time to avoid any major event changes that could occur. The system of the data which was collected in qualitative data through questionnaire, interview and observation. This helped to neglect the weakness of using one method. Data was analyzed quantitative which contain the exactly number of respondents with their views are coded and presented in form of tabular, Frequencies, figure and percentage will be based in form of numeric and Qualitative analysis will be subjected analysis through content analysis is techniques in terms of words, where by content analysis is the research method that allows the collected qualitative information to be analyzed systematically, reliably and meaningfully so that generalization can be made in relation to the category of interest to ward study topic. SPSS, and excel will be the instrument which will be used to analyze the data.

FINDINGS AND DISCUSSION

The social and economic benefits of Social Security Pensions Fund to its pensioners *Benefit they get from NSSF*

Respondents were asked to explain the impacts of social security on their socioeconomic life. The question was closed type and respondents were required to choose the answer provided in the list as follows; (a) Individual Income Increase (b) Creation of Employment (c) access to social services (d) Improving Community Lives (e) Economic Growth. Data of this question is presented on the figure below

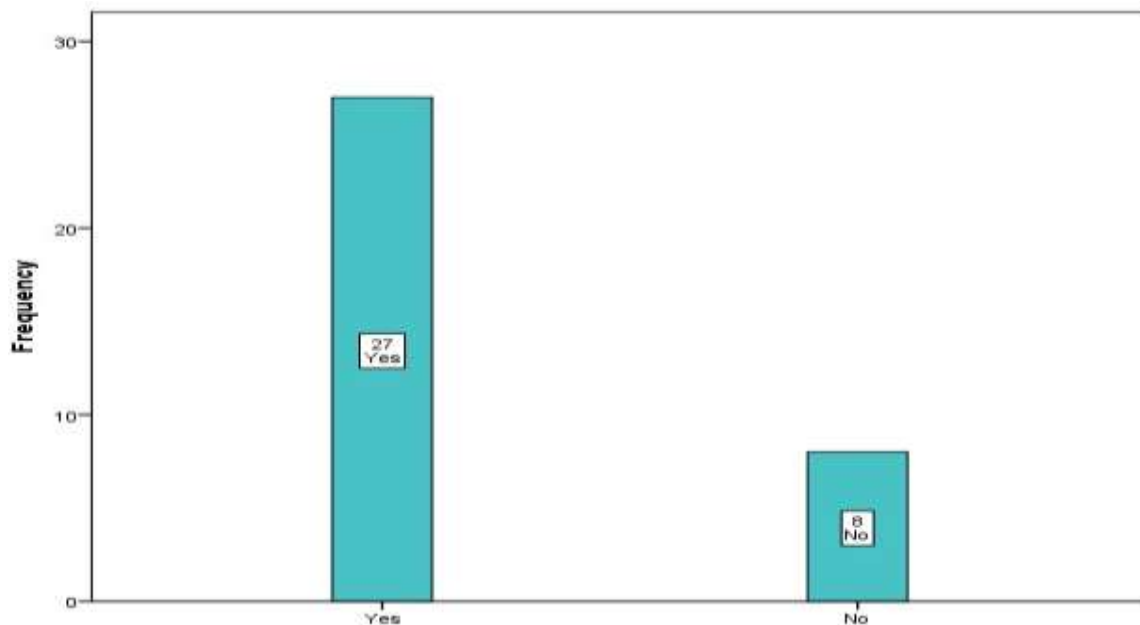
Table 1: The social and economic benefits of Social Security Pensions Fund to its pensioners

Response	Frequency	Percent	Valid Percent
Yes	27	77.1	77.1
No	8	22.9	22.9
Total	35	100.0	100.0

The data above show that 77.1% of the respondents said that Social Security contributed to the increase of their individual income, while 22.9 of the respondents said social security did not contribute; according to the results it concludes that the NSSF have the large contribution to their people.

Social security pensions have become important institutional solutions to guarantee income security to benefiteres. For example, cash income from pensions or other transfers is sufficient to ensure income security depends on many other factors, such as the need to pay for health-care services, housing, long-term care, and other goods and services if needed.

Figure 1: The social and economic benefits of Social Security Pensions Fund to its pensioners



As shown in the figure the bar with yes that they agree that the NSSF has social and economic benefits of Social Security Pensions Fund to its pensioners that the bar with yes had increase more than the bar with those who disagree through that the result shows that NSSF has the contribution to their users

The graph tries to explain more about the result of satisfaction that the graph pie with yes has the highest percentage compares to the other that shows somehow the service provided is good that make their customers to be satisfied with it, which help to make them to tolerate with it.

Benefits Covered under the Scheme

Respondent were asked to provide information on types of benefits which are covered by NSSF Fund. The question also is a part of the research questions and objective of the study, was

questioned so that to know type of benefit that is covered by NSSF; this helped the researcher to realize types of benefit that an individual can get out of NSSF fund. The question was open ended type and respondents were free to mention only benefits that are offered by NSSF fund. The questions matter in the following ways

- a) **In Retirement Pension**, the main objective of the Retirement Pension is to guarantee income security to elderly members by providing periodic payments.
- b) **In Invalidity Pension** is paid to an insured person who has lost at least 2/3 of his/her earning capacity due to physical or mental inability as certified by the medical board
- c) **In Survivors' Pension** is paid to a spouse and/or child of the lifeless, insured person under 18 or 21 years if in full time education. If a deceased insured person had no surviving spouse and children, the pension shall be paid to parents and if all are not around a family member will be paid in accordance with the inheritance Law of Tanzania
- d) **In Maternity benefits** are allocated to insured female members of the Fund who is expecting confinement. It's paid for memberships who contribute not less 36 months and 6 months continuous
- d) **In Medical Care** covers medical treatment costs for illnesses directly related to diseases. Treatments are made by recognized medical providers

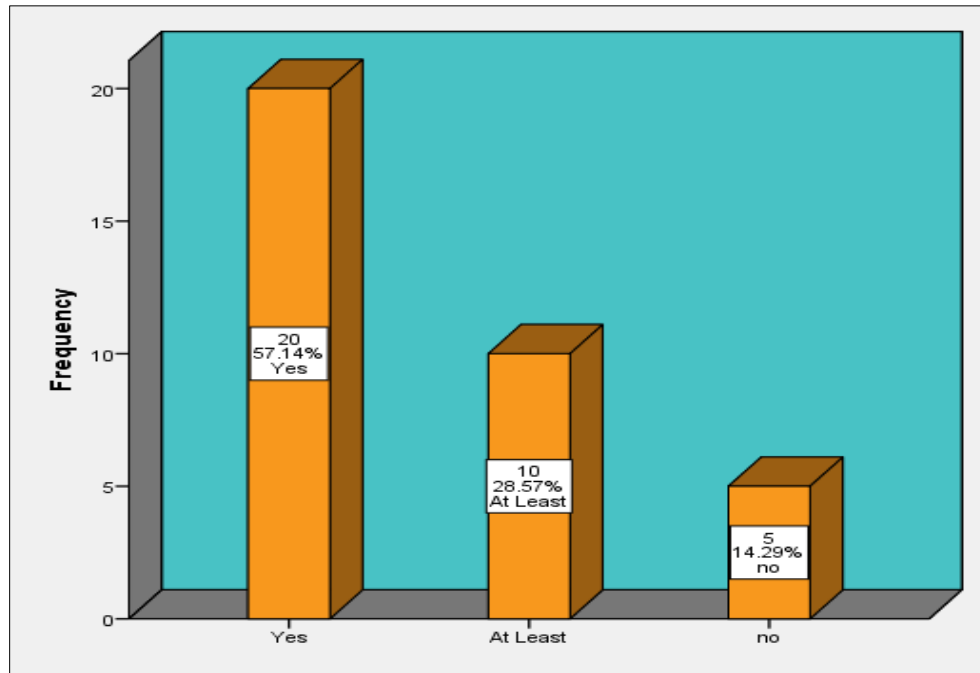
The respondent was asked to show that the above features are available in their organization that the customers get it or are not available the findings was as follows-

Table 2: The Retirement Pension, medical care, maternity benefits, and Survivors' Pension is available in the organization

	Frequency	Percent	Valid Percent
Yes	20	57.1	57.1
At Least	10	28.6	28.6
No	5	14.3	14.3
Total	35	100.0	100.0

The findings show that most of benefiterers they get what they are supposed to get where by 57.1 % the agree with yes response that the types of benefit are available in the organization as followed with 28.6 % were at least response that they are agreed with at least the service are available lastly was no response by 14.3 which was on few response according to the sample.

Figure 2: The Retirement Pension, medical care, maternity benefits, and Survivors' Pension is available in the organization



Benefits are more prevalent and claimed than others NSSF

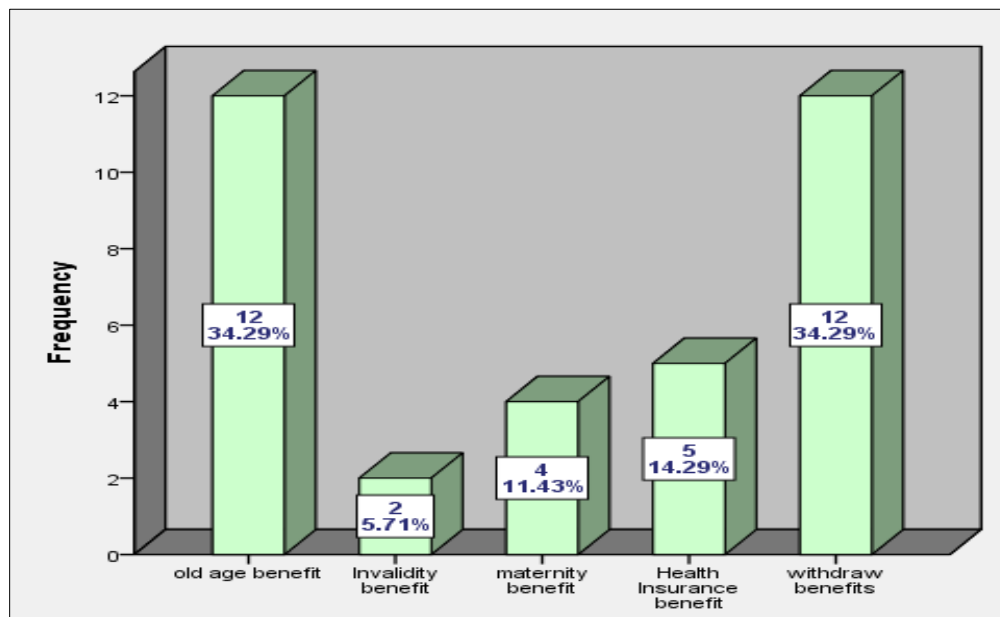
Respondents were asked to provide information on risks/benefits which are more prevalent and claimed than others. The question is not part of the research questions but was asked so that used to address so that to know type of benefit that is more claimed than others; this helped the researcher to realize economic or social benefits of social security to individuals. The question was closed type and respondents were required to choose the answer provided in the list. Data of the contention is presented on the figure below.

Table 3: Benefits are more prevalent and claimed than others NSSF

	Frequency	Percent	Valid Percent
Old age benefit	12	34.3	34.3
Invalidity benefit	2	5.7	5.7
Maternity benefit	4	11.4	11.4
Health Insurance benefit	5	14.3	14.3
Withdraw benefits	12	34.3	34.3
Total	35	100.0	100.0

The findings show that most of respondent cover over old insurance and with draw where by 34.3 was old benefit, 34.3 was with draw benefit, 14.3 was heath benefit 11.5 was maternity and 5.7 was invalid benefit, all benefit shows that there is the reason to use NSSF.

Figure 4: Benefits are more prevalent and claimed than others NSSF



There is high withdraw rate in Tanzania, because schemes attract members by assuring issuance of withdrawals. This is funny and different to roles of social security schemes which promotes for lifetime members' protection. Competitions in these Schemes should be in quality provision of benefits and efficiency rather than entertaining withdraws. If this habit is not monitored, sooner all Schemes will run without members to protect and the meaning of social protection in the country will be lost.

Observed that amount and quality of benefits paid by current social security schemes in Tanzania are little and no social protection for unemployed persons in Tanzania and those who loses jobs falls in to big poverty. From this reality it is believed that repelling withdrawal benefits as introduced by SSRA and Government attracts workers and their families tracked into deeper poverty.

The influence of customer satisfaction on the level of acceptability of benefit offered

Are you satisfied with the services and benefit provided by NSSF?

Respondents were asked a question to explain if they are satisfied by services and benefits of social security so that to provide information on the satisfaction to the social security funds. This question form part of the research questions and used to address objective of the study. The question was closed type and respondents were required to choose the answer provided in the list as yes, no and uncertainty

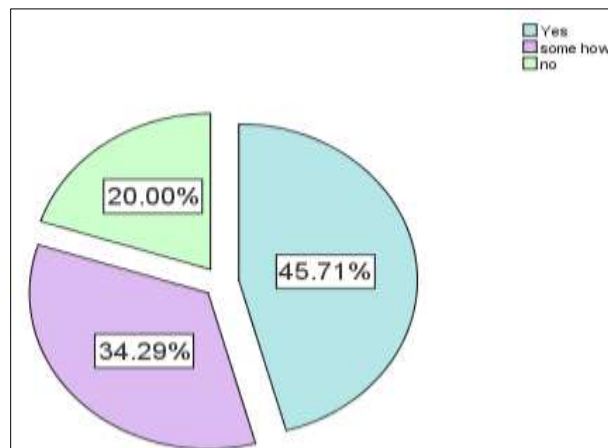
Table 5: The satisfied with the services and benefit provided by NSSF

	Frequency	Percent	Valid Percent
Yes	16	45.7	45.7
Some how	12	34.3	34.3
No	7	20.0	20.0
Total	35	100.0	100.0

The findings show that 45.3% of respondent agreed that they are satisfied, 34.3% they are mutual agreed, 20% disagree due to the result it shows that the customer or users of NSSF the accept the performance of the NSSF.

This can be proved that some of pensioners are not satisfied with the services provided by Funds which lead them to form their own groups of social assistance amongst. Example of some of them are; Christian group at Mabibo Dar es salaam launched a program known as Development Entrepreneurship for Community Initiative (DECI) this, aimed at offering assistance among members but was terminated by the government following lack of financial procedure. Village Community Banking, (VICOBA) is another example of social protection, it was formed within women employed in the informal sector where by members are loaned money for small business establishment and offered assistances of other social needs at times

Figure 4: Are you satisfied with the services and benefit provided by NSSF



The figure above tries to explain the satisfaction by the member with the service, the figure with yes shows had the large percent compares with other graphs by 45.71 % followed by the graph with somehow this also had at least bigger percent by 34.29% compare with no respond where have 20%. Through the result help to explain much that the service provided by NSSF is good to their users. That the satisfaction increases the confidence to their user with at most trust to NSSF as they will have the believe on it

Respondents Perception towards their Respect in the Scheme after Retirement

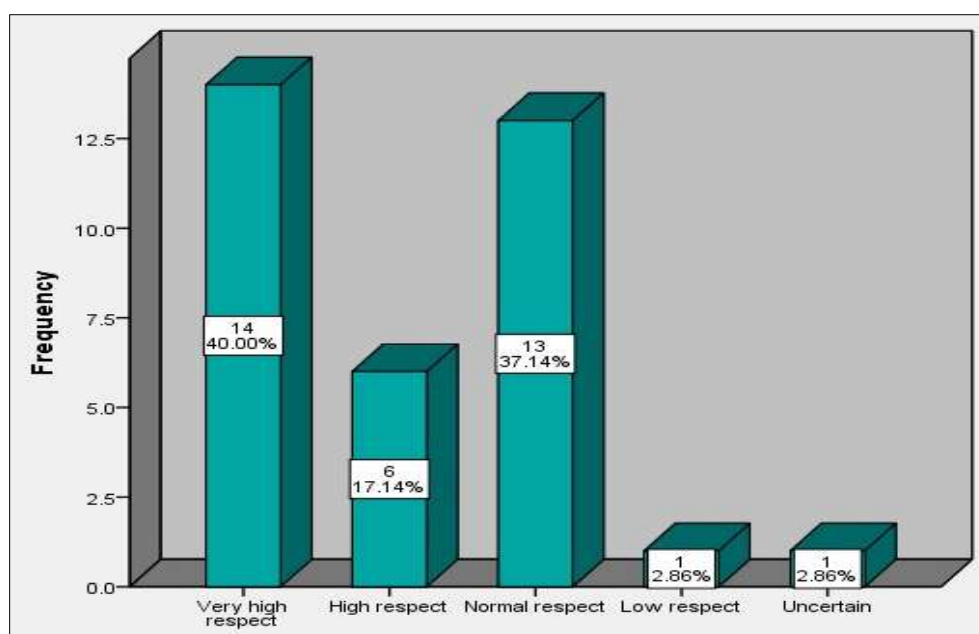
Respondents were asked to respond on having the same level of respect after retirement in the scheme, this question tries to address on their level of satisfaction by the services provided by NSSF after retirement, when they are leave. The question does not form part of the research questions used to address objective of the study, but it tries to measure level of respect and services respondents expect to get from schemes after retirement. The question was closed type and respondents were required to choose the answer provided in the list as follows; (a) Very high respect (b) High respect (c) Normal respect (d) Low respect (e) Uncertain. Data of the question is presented on the figure below.

Table 6: Respondents Perception towards their Respect in the Scheme after Retirement

	Frequency	Percent	Valid Percent
Very high respect	14	40.0	40.0
High respect	6	17.1	17.1
Normal respect	13	37.1	37.1
Low respect	1	2.9	2.9
Uncertain	1	2.9	2.9
Total	35	100.0	100.0

The findings mostly show that mostly they have the high perception of respect compares with other kinds , where by 40% was very high, 37.1 was normal respect 17.1 was high respect and 2.9 was low respect and uncertain

Figure 5: Respondents Perception towards their Respect in the Scheme after Retirement



The challenges faced by pensioners in accessing pension benefits in NSSF

Challenges facing pensioners in accessing pension benefits

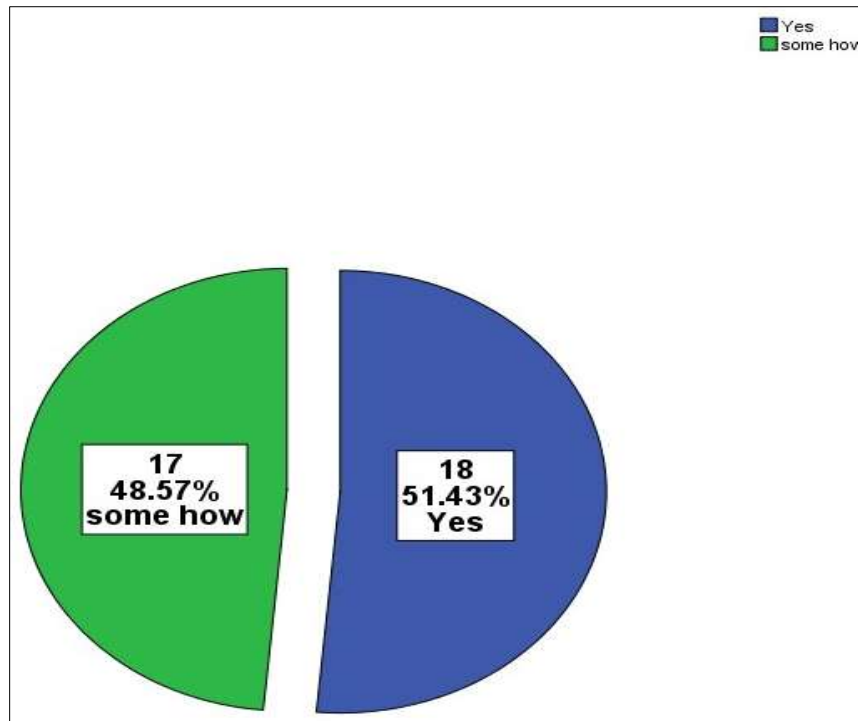
Respondents were asked to mention any challenges which they do face in accessing pension funds, the question also is a part of the research questions and objective of the study, was questioned so that to know the challenges that NSSF pensioners face; this helped the researcher to realize challenges that an individual can face out of NSSF fund. The question was open ended type and respondents were free to mention any challenges, answer was as follows.

Table 7: Challenges facing pensioners in accessing pension benefits

	Frequency	Percent	Valid Percent
Yes	18	51.4	51.4
some how	17	48.6	48.6
Total	35	100.0	100.0

The findings show that most of respondent they agree that there is the number of challenges that facing pensioners where by 51.4 was yes respond, 48 was somehow respond. According to the result give the researcher to conclude that there is the number of challenges that hinder NSSF.

Figure 6: Challenges facing pensioners in accessing pension benefits



Most of Respondents answers the researcher have identified the following as major challenges which pensioners do face while trying to access their pension.

- i. There is limited pension awareness among employees on the type of pension fund to join. As a result, employees join the pension fund that they are not interested with. When respondents were asked to say where they got information about the fund, they joined nearly a half of them said that they got the information at the work place, from colleagues, trade unions, peers and personal analytical abilities. Not only that but also the pensioners were not well informed on their own pension plans. Usually, a person is aware of his/her pension if he knows the amount of pension income, how high the costs are, and how long he/she can last with this income after retirement. Sometimes, pensioners lack knowledge and information on how to even begin processing pension benefits
- ii. Delays in payment Pensioners are overwhelmed with a number of challenges including delay in payment. Most of respondents said that delay in payment of their monthly pension is a common occurrence, client care and service delivery are the areas that have generated a lot of dissatisfaction among the members of the social security funds. One of the most common complaints is delay in payment.
- iii. Bureaucracy is a deep rooted problem in Social Security Funds. Due to bureaucracy it is difficult for members to promptly reclaim their contributions and obtain their funds after resigning, retiring from work or after death. The process of finalizing terminal benefits of retirees continues to be problematic and bureaucratic. Pensioners are faced with the problem of long bureaucratic procedures. It takes too long both in terms of time efflux ion before benefits are received, and bureaucratic and even unnecessarily complicates the approval of the pension benefits

Strategies implemented to address the challenges above

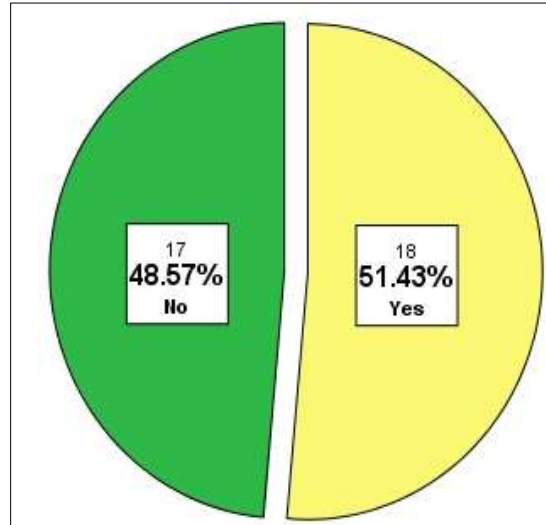
Table 10: Strategies implemented to address the challenges above

	Frequency	Percent	Valid Percent
Yes	18	51.4	51.4
No	17	48.6	48.6
Total	35	100.0	100.0

The respondents were asked if the is the need of strategic implementation to address the challenges above the result was as follows the results shows 51.4% respondents were agreed that there is the need of strategic implementation to elevate the challenges facing the

organization that percentage was the majority of the respondent. Again 48.6% were the respondent who did not agree that there is no need of strategic to solve the challenges

Figure 7: Strategies implemented to address the challenges above



The figure shows respondents agreement in the question were asked if there is the need strategic implementation to solve the challenges the results shows the YES respondent agrees that there is the need strategic implementation, so as to solve the challenges facing organizational the provision of pensioner.

CONCLUSION

Poverty and vulnerability are quite inescapable affecting a large majority of the Tanzania population both in rural and urban areas. The magnitude and scale of poverty and vulnerability has extremely worsened since the turn of the 1990's. This started facing those who were employed immediately after independence (1961). This was due to weak social security system established during the colonial error. The social security system seemed to favor colonial masters and only a few black indigenous workers who were working for the colonial government.

The findings of this study concluded that there is a direct connected with socioeconomic development caused by Social security funds to individual and community at large. The multiplier effect of benefits paid to pensioners and retirees of the funds and the investment policies of the funds has direct connection with the improving lives of individuals in society. Social security schemes improve education, health and income of individuals while increasing tax revenues to the government in which is used to improve social needs.

Also both financial and non-financial measures should be used to measure organizations performance. This is evidenced by the direct link that exists between customer satisfaction and the service provided to members, this is proved on the findings that most of pensioners are not satisfied with the services provided by Funds which lead them to form their own groups of social assistance amongst, there is a direct link between enjoying economies of scale and employees' satisfaction which increases their morality towards performing their responsibilities.

Based on the Conclusion provided above the study provides areas which call for further studies. Further researcher should assess the role of regional social security Scheme on poverty reduction. Other researcher should examine the contribution of Social Security Fund on Tanzania industrialization economy

RECOMMENDATIONS OF THE STUDY

On the basis of the study findings, the following recommendations are made: The study revealed that fund still concentrates on employed members from formal sector who are few in number from both private and public. From that perceptive therefore it is advised the fund to strengthen its strategies in ensuring that majority of the people from informal sector are being converted into fund membership by establishing schemes that will attract members to join.

It is evident that majority of the people in informal economic sector do not real understand the importance of joining various social security schemes. Social security Funds focus on increasing mass education campaign to informal sector economic group so that to understand the importance of social security schemes and its benefits. This can be done through public meetings, intensive advertisement and workshops to informal economic groups like small entrepreneurs and small and medium income earners.

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