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Journal of Social Development in Africa, Vol. 41(1), 81-109
DOI: https://dx.doi.org/10.4314/jsda.v41i1.4

Social Security in Zimbabwe: An Institutional Analysis of the National Social Security Authority (NSSA) – the Coverage, Adequacy, and Institutional Challenges

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Abstract

This study examines the coverage, adequacy, and institutional challenges of the National Social Security Authority (NSSA) within Zimbabwe's evolving social protection system, with particular attention to challenges of coverage and access in an economy characterised by a growing informal sector. Drawing on the broader international conceptualisation of social security as a core pillar of social protection, the study situates Zimbabwe's social security arrangements within contemporary global debates on inclusivity, sustainability, and poverty reduction. The study was a case study evaluation that commenced with a review of the existing literature on social protection in general and as it relates to Zimbabwe, that was followed by a case study analysis of NSSA – that was premised to answer (i) how NSSA fulfils its social insurance role, (ii) what challenges constrain the effective provision of social security in Zimbabwe. A set of strategies and recommendations are presented that can be adopted by NSSA and related stakeholders to improve on the

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Cite as: Dhlamini, J. & Madzikanda, D. 2026: **Social Security in Zimbabwe: An Institutional Analysis of the National Social Security Authority (NSSA) – the Coverage, Adequacy, and Institutional Challenges** *Journal of Social Development in Africa, 41(1) 81-108* https://dx.doi.org/10.4314/jsda.v41i1.4

mandate of NSSA for the provision of social protection for the citizens of Zimbabwe. The study contributes to the body of knowledge by providing (i) a framework on how to increase the scope of contributions from those formally employed and those classified as being informally employed – Figure 1, (ii) suggestions to improve the operations of NSSA and thus grow the fund and provide adequate social protection, and (iii) considerations for NSSA to further its support for national development in education, infrastructure development and provision of health services.

Keywords: Informal sector, NSSA, Social insurance, Social protection, Social security

Introduction

Zimbabwe is a sovereign country which is part of the Southern African region and has a vibrant economy that faces numerous challenges, some emanating from the sanctions (that had been) placed on the country (Kanyenze *et al.*, 2017; Ndakaripa, 2021). It is endowed with a lot of wealth – a wide range of mineral resources such as gold, platinum, ferrochrome, rich agricultural lands and highly rated tourist attractions such as the Victoria Falls (Kanyenze *et al.*, 2017). Despite these natural resources, the country is faced with numerous challenges premised on the sanctions (had been) imposed on the country. It has been debated in various platforms that the sanctions are not country specific but instead are targeted sanctions. However, given the challenges at a macro-economic level related to the sanctions, one can argue that they are country level sanctions (Ndakaripa, 2021). One of the major challenges faced by the Zimbabwean economy is maintaining a high level of formal employment, as companies struggle to survive and thus keep staff formally employed (Kanyenze *et al.*, 2017; Dube and Zivengwa, 2022).

In observing the economic activity of the country (2021 – 2022) there is a recognisable growing activity in the economy evidenced by the increased number of infrastructure developments such as roads, bridges and airports, increased activity in the formal sector and a thriving informal sector. This can be argued that it is due to the somewhat stable multi-currency system currently in place, as it allows both large and small to medium enterprises (SMEs) as well as those classified as informal traders to plan or develop and implement successful strategies for their businesses/ventures.

In 1989, and in an effort to provide social security for employees that would have left formal employment and possibly not having accumulated sufficient funds for their retirement, the Government of Zimbabwe (GoZ) established a social security entity called the National Social Security Authority (NSSA) (Kaseke, 2003; Nhapi & Mathende, 2016; Chikwawawa, 2019), where an employee is required to contribute a percentage (%) of their earnings and in many cases the employers would also make a contribution towards the fund, which is backed by the government of Zimbabwe in order to plan for retirement. The requirement was primarily premised on the need to provide social security cover for workers of African descent who did not have cover from all the other available retirement plans due to colonial racial discrimination (Kaseke, 2003; Tererai, 2018; Mtetwa, 2018; Mupedziswa *et al.*, 2025).

Despite facing operational challenges related to failure of good corporate governance and business ethics, NSSA or ultimately the GoZ faces a challenge of how to ensure the NSSA schemes are capacitated to serve as many eligible Zimbabwean citizens as possible, both current and into the future. The main issue being the growing disparity between the formally employed, who are mandated to contribute to the NSSA schemes versus those citizens classified as being informally employed, who are growing in numbers but are not mandated to contribute to the NSSA schemes.

The challenge is possibly the classification of employees as being 'formally employed' or 'informally employed' – with the 'formally employed' being easier to identify and collect contributions from, due to their linkage to their formally registered employers (Smit & Mpedi, 2010). Other developed nations do not just classify all of the non-formal sector/economy as 'informal' – they categorise these entities or activities based on the 'engagement contract type/tenure', 'number of employees' or 'turnover level', and use titles such as 'self-employed' rather than just classifying this grouping as informal (Dasgupta, 2016). This is important given the high level of productivity associated with this grouping (informal sector) and its increased contribution to the gross domestic product (GDP) of the country.

From observations, this supposed informal market in Zimbabwe is very active and thus productive. In this regard, efforts should be made to develop a market classification criteria or scale, so as to be able to sub-categorise the supposed informal sector. An important factor in this regard, is if one is self-employed and classified as being informal and does not contribute to social security schemes (such as NSSA) whilst they are productive – yet still expect to have social security cover in the later years when no-longer actively productive, how will the GoZ cope in the provision of the required social security? The dilemma the GoZ faces is that there is a higher number of the productive population in informal employment than formal employment (ZIMSTAT, 2022) – how does it capture this active/productive informal sector whilst the legislative framework that enables social insurance (NSSA) only recognises and mandates contributions from those that are formally employed. It is important to look into options of how to include the informal sector so that there are sufficient contributions to the NSSA schemes for the provision of adequate social security (pension pay-outs) to all eligible citizens of Zimbabwe.

From a corporate governance perspective, NSSA has faced several challenges related to the tenure of its senior administrative staff (Herald, 2022b & c). The staff turnover has been high due to several governance challenges related to fraud and maladministration allegations, resulting in some of the senior management staff members being suspended and/or dismissed (Herald, 2022b & c). This could also have been aided by the changes/high turnover of some of the members to the board of directors. To ensure sufficient internal controls and management oversight of the NSSA operations, the senior management roles should be filled with staff with the requisite administrative and technical skills, qualifications, and experience.

This study establishes (i) how NSSA fulfils its role of providing social insurance? and (ii) what challenges NSSA faces in providing social insurance to eligible members? This is achieved by understanding how NSSA can effectively address the following objectives:

1. How to increase the scale of contributions from the formal sector?
2. How to get the informal sector to contribute to the NSSA schemes?
3. Managing the scheme investments to maximise returns and increase the total value of the fund
4. Paying adequate pensions (providing adequate social security) to valid members efficiently
5. Contribution to the social development of the country (through enabling education and infrastructure development)

There is a paucity of research on social security in Zimbabwe. Through bringing together the subjects of 'strategy', 'corporate governance' and 'social security', the study makes a theoretical contribution to the understanding of the social security environment in Zimbabwe; and presents strategies and recommendations (also illustrated through a theoretical framework in Figure 1) that NSSA can adopt to deliver on its mandate of providing social security to the citizens of Zimbabwe and enable the achievement of the GoZ 'Vision 2030' – to make Zimbabwe a prosperous upper middle-income society (Ncube, 2020). Strategy as an enabler to achieve a set vision, goals and objectives - has been defined as *'how an organisation moves from its current position to a desired future position within the confines of its mission, vision,* *capabilities and environment'* (Dhlamini, 2022b). The setting of strategy involves (i) defining the products and services offered, (ii) identifying the target customers, and finally (iii) determining how the value from the products and services offered is delivered to the targeted customers (Dhlamini, 2022b).

Research Agenda

The research agenda sets out an understanding of social security in general, an overview of the Zimbabwean economy and that of NSSA.

What is social security (social protection)?

Social security was defined *"security that society furnishes, through appropriate organisation against certain risks to which its members are exposed"* (Kaseke, 1988, 2003). Social security, increasingly referred to in the international literature as *social protection*, broadly denotes the set of public and private measures designed to protect individuals and households against life-course risks that may result in income loss or reduced well-being (OECD, 2018; Midgley, 2022). In the Zimbabwean context, social security is essentially necessary to protect citizens who are no longer economically productive due to old age, disability, or incapacity arising from occupational injuries or other causes (Nhapi & Mathende, 2016; Mupedziswa *et al.*, 2025). It is also recognised as a core policy instrument for poverty reduction and social inclusion and is strongly aligned with the objectives of the International Labour Organization (ILO) as well as Goal 1 of the United Nations Sustainable Development Goals, which focuses on ending poverty through the expansion of social protection systems (Dhemba, 2013; Nhapi & Mathende, 2016). The ILO defines social security as the protection that society provides to individuals and households to ensure access to health care and income security, particularly in cases of old age, unemployment, employment injury, sickness, disability, maternity, and the loss of a breadwinner (ILO, 2017). Similarly, the World Bank conceptualises social protection as a system of policies and programmes aimed at reducing poverty and vulnerability by promoting labour market participation, reducing exposure to risks, and enhancing people's capacity to manage economic and social shocks (World Bank, 2018). Thus, in this broader framing, social security constitutes a central pillar of social protection systems, particularly through contributory arrangements linked to employment and income generation (OECD, 2018; Midgley, 2022).

In practice, social security arrangements are commonly categorised into two broad components. The first is social insurance, which consists of contributory schemes that provide benefits such as pensions and compensation for employment-related injuries to eligible members; the second is social assistance, which comprises non-contributory benefits targeted at vulnerable individuals or groups who may lack the capacity to participate in formal contribution-based schemes (Kaseke, 1988, 2003; Mtetwa, 2018; Midgley, 2022; Mupedziswa *et al.*, 2025). Together, these mechanisms are intended to prevent individuals and households from falling into poverty as a result of predictable and unpredictable socio-economic risks.

Within the Zimbabwean context, social security assumes heightened importance given persistent economic volatility, labour market informality, and demographic pressures. NSSA, as the primary institution responsible for administering contributory social security schemes, occupies a central position within the country's evolving social protection architecture. However, the increasing dominance of informal employment presents significant challenges for coverage, inclusivity, and sustainability – issues that are increasingly debated in both national and international policy and academic discourse.

Overview of the Zimbabwean economy:

Zimbabwe is a sovereign country which is part of the Southern African region and has a vibrant economy that faces numerous challenges, mostly emanating from the sanctions placed on the country (Kanyenze *et al.*, 2017; Ndakaripa, 2021). It is endowed with a lot of wealth – a wide range of mineral resources, rich agricultural lands and highly rated tourist attractions (Kanyenze *et al.*, 2017).

The population of Zimbabwe is currently 15,18 million, of which 59 percent is the working age population (15 years and above), however only 34 percent of the working age population is believed to be active and/or productive – labour force participation rate (ZIMSTAT, 2022). It is estimated that 4 percent of the population is above 65 years of age (ZIMSTAT, 2015; NSSA Annual Statistical Report, 2019). However, 60 years is the normal retirement age to be eligible to access social security benefits (pension pay-outs) from the NSSA schemes. In specific situations, those that are 55 years and above but below 60 years, can also be granted permission to start receiving NSSA pension pay-outs. The informal sector (including agriculture and activities at household as employer) being at 71 percent of the labour force participation, is estimated to be made up of about 2,2 million people - whereas the formally employed are 29 percent of the labour force participation – amount to about 897,000 people (ZIMSTAT, 2022).

The prosperity of a nation from a macro-economic perspective is commonly measured through the GDP, and the GDP of Zimbabwe in 2021 was USD28,37 billion and is expected to grow by 3.5 percent in 2022 (International Monetary Fund – IMF & World Bank Group).

The major impact of the sanctions has been the inability to engage and obtain support from international institutions, such as the IMF, World Bank and other international trade partners/institutions. This ultimately affects the smooth functioning of the entities operating within the borders of Zimbabwe or that are of Zimbabwean origin – as it generally costs more to access financing if available. The other impact is the instability of the local currency against other currencies, thus making it difficult for organisations to plan and structure financing arrangements to purchase equipment/machinery or access working capital.

However, amidst all these challenges, the GoZ has to still provide for its citizens and one such obligation is the provision of social security. To effectively determine the level of social security required, it is important to be able to provide answers to the following questions regularly: (i) How big is the formal sector in Zimbabwe? How much of this formal market is currently captured by NSSA? and (ii) How big is the informal sector? What options are available to have this market contribute to NSSA? and Does NSSA have a mandate to collect contributions from this sector? If not, what options can be pursued to capture this market?

Overview of the National Social Security Authority (NSSA) of Zimbabwe:

NSSA was established in 1989 through an act of Parliament – the NSSA Act [Chapter 17:04] of 1989, to provide social security for staff that would have left formal employment and possibly not having accumulated sufficient funds for their retirement (Dhemba *et al*., 2002; Nyakumwa *et al.*, 2023; Herald, 2025). The requirement was premised on the need to provide social security cover for workers of African descent who did not have cover from all the other available retirement plans due to colonial racial discrimination (Dhemba *et al*., 2002; Nyakumwa *et al.*, 2023; Herald, 2025). NSSA commenced operating in 1994 and is thus the primary social security provider for most Zimbabweans who make contributions through their formally registered employers (Kaseke, 2003; Herald, 2025). It currently has two operational schemes, namely the (i) pension and other benefits scheme (POBS) and the (ii) accident prevention and workers compensation scheme (APWCS) (Herald, 2025). NSSA also promotes Occupational Safety and Health (OSH) in Zimbabwe to ensure that the workplaces are safe and secure for both workers and visitors alike. In this regard, they conduct compliance inspections, assessments and offer training on various aspects of OSH, they also oversee the implementation of the Factories and Works Act Chapter14:08.

The NSSA schemes follow the concept of risk insurance, that involves the pooling of resources from members (in this regard, this would be the contributions and resources acquired from these resources) and paying out benefits to those eligible when the need arises (Mtetwa, 2018). The normal retirement age for the NSSA schemes is 60 years and above. It is estimated that 4 percent of the population is 65 years and above (NSSA Annual Statistical Report, 2019) and 2 percent of the population falls in the 60 to 64 years age group – this is using the 2012 census data as a basis (ZIMSTAT, 2015), however, not all this population is eligible to access social security benefits from NSSA as the NSSA benefits are limited to those who would have contributed to the schemes, because of them being formally employed at some stage in their working career.

NSSA has faced several challenges with the short tenure of some of the senior management that is related to corporate governance failures – there have been allegations of fraud and maladministration, which have resulted in some of the senior management staff members being suspended and/or dismissed. This could also have been aided by the changes/high turnover of some of the members to the board of directors. At the most senior level, just below the board of directors, the administration team should be made up of eight directors headed by the General Manager. The roles/titles of the eight directors are (i) Director Legal Affairs and Corporate Secretarial Services; (ii) Director Contributions and Compliance; (iii) Director of Human Resources and Operations; (iv) Director Finance and ICT; (v) Director Investments; (vi) Director Occupational Safety and Health; (vii) Director Social Security and (viii) Director Corporate Affairs.

Another challenge related to the macro-economic situation is the loss of value of pension pay-outs to eligible pensioners and the inability to provide social security cover to all senior citizens who qualify to be pensionable, since not all would have contributed to the NSSA schemes and thus not qualifying to access these pension benefits.

Research Methodology

This study adopts an exploratory qualitative case study approach, focusing on the National Social Security Authority (NSSA) as Zimbabwe's primary statutory provider of contributory social security. The case study design is appropriate given the institutional, policy-oriented, and context-specific nature of the research, which seeks to generate analytical insight rather than statistical generalisation.

The study was guided by two core research questions: (i) *how does NSSA fulfil its mandate of providing social insurance within Zimbabwe's social security system?* and (ii) *what institutional, structural, and contextual challenges constrain NSSA's ability to provide adequate social security?*

To enhance transparency and methodological rigour, the literature review component of the study followed a structured, PRISMA-aligned process, where PRISMA refers to the 'Preferred Reporting Items for Systematic Reviews and Meta-Analyses' (Page *et al.*, 2021). This process was adapted for an exploratory qualitative inquiry rather than applied as a full systematic review protocol. The review commenced with the (i) identification stage, during which relevant literature on social security and social protection was located through targeted searches of academic databases, institutional repositories, and policy publications, with particular attention to studies addressing contributory social insurance, informality, and public social security institutions in developing economies. This was followed by a (ii) screening stage, where sources were assessed based on relevance to the study's research questions, conceptual alignment, and academic or institutional credibility. In the (iii) eligibility stage, full texts were reviewed to determine their analytical contribution to understanding social security systems, institutional capacity, and coverage challenges, leading to the exclusion of sources that were purely descriptive, duplicative, or not directly relevant. The final (iv) inclusion stage comprised peer-reviewed journal articles, authoritative policy reports, and foundational Zimbabwean scholarship that informed the study's conceptual framing and analysis. Consistent with PRISMA principles, this approach enhanced clarity and transparency in source selection while remaining appropriate to the study's exploratory qualitative orientation.

The research process commenced with a targeted review of the social security and social protection literature, both internationally and within the Zimbabwean context. The purpose of the literature review was not to reproduce publicly available information, but rather to establish a conceptual and analytical foundation for understanding contributory social security systems, informality, and institutional effectiveness. In this regard, the study builds on prior Zimbabwe-focused scholarship by Kaseke (1988, 2003), Dhemba (2013), Nhapi and Mathende (2016), Tererai (2018), and Mtetwa (2018), and follows a similar exploratory qualitative research orientation. Exploratory qualitative research focuses on understanding complex social and institutional phenomena through in-depth analysis of context, processes, and relationships, with the aim of developing theoretical insight rather than testing predetermined hypotheses (Rouse *et al.*, 2025). Consistent with Rouse *et al*. (2025), the study's theoretical contribution lies in articulating new contextualised insights through qualitative analysis, rather than hypothesis testing.

Following the literature review, an in-depth case study analysis of NSSA was undertaken. NSSA was selected as the focal case due to its statutory mandate under the NSSA Act [Chapter 17:04] of 1989 and its central role in administering social insurance schemes in Zimbabwe. Alternative institutional cases were not considered, as the study's objective was to examine systemic challenges within the national social security architecture rather than to conduct a comparative institutional analysis.

Data utilised in the case study analysis were drawn exclusively from the public domain, reflecting NSSA's status as a public entity. Sources included NSSA annual statistical and financial reports, published policy and regulatory documents, population and labour force data from ZIMSTAT, and peer-reviewed academic literature. The analytical process involved the systematic collation, interpretation, and synthesis of these sources to identify patterns related to coverage, contribution structures, demographic trends, and institutional constraints.

The key national and international sources informing the conceptual and analytical framing of this study are summarised in Annexure 1, which outlines their contextual focus and specific contributions to the present analysis.

Some of the social security indicators analysed are presented in Table 1. In instances where year-specific authoritative data were unavailable, averaged estimates were calculated using prior NSSA data and population and housing census data from 2012 (ZIMSTAT, 2015) and 2022 (ZIMSTAT, 2022). These estimates were used cautiously and primarily to illustrate trends and coverage gaps, rather than to make precise actuarial claims.

The study relied solely on publicly available information, and any confidential information encountered was deliberately excluded from the analysis. This ensured that all conclusions and recommendations presented in the paper are grounded in verifiable data and transparent analytical reasoning.

Findings and Discussion

There are two new NSSA schemes under consideration namely (i) National Health Insurance (NHI) scheme and (ii) Extension of social security coverage to the informal sector – this is indicated on the NSSA website under the section on NSSA schemes (accessed 10 February 2023). The detail on the initiative to introduce a scheme to cover the informal sector is further evidenced by an article on the subject released in the Herald newspaper in March 2022 (Herald, 2022a; Sunday Mail, 2022).

Due to fluctuations in the population demographics (see Table 1), there is a natural gap in the number of NSSA members (those eligible to receive NSSA scheme benefits) and the combined number of formal and informal employees, since the current schemes do not cover the informal employees. However, the more informative difference, to see the social security cover gap is the one between the NSSA registered pensioners versus the population in retirement age (those in the age groups – 60 to 64 years and, 65 years and above) – as this shows that not all who are in retirement have the necessary social security cover they need – this gap was 568,007 in 2014 and, 642,071 in 2022.

Table 1: Social security data overview

	2014	2019	2020	2021	2022
Population of Zimbabwe	13,447,286	14,277,179	14,546,146	14,829,988	15,178,979
No. of NSSA registered pensioners (*those 60 years +)	238,830	252,706	257,467	262,491	268,668
No. of NSSA members	2,603,776	3,188,190	3,248,154	3,311,536	3,389,466
Population 60 to 64 years old (*being 2% of the population)	268,946	285,544	290,923	296,600	303,580
Population 65 years old + (*being 4% of the population)	537,891	571,087	581,846	593,200	607,159
No. of Formal employees	344,623	706,884	872,250	876,034	896,767
No. of Informal employees	859,060	2,190,180	2,477,473	2,159,385	2,225,586

Source: ZIMSTAT and NSSA

With a growing number of employees categorised as being informally employed and with NSSA not being able to capture contributions from this grouping, the social security cover gap will likely increase. NSSA has to keep track of these population demographics so as to ensure that all those who are eligible to start contributing to the NSSA schemes are captured timeously and contribute accordingly. Ideally, strategies should be developed and adopted to ensure that the gap between those in retirement and the number of NSSA registered pensioners is minimised or closed to zero.

To address the objectives captured in the sections below, it is important to note that the Minister of Public Service, Labour and Social Welfare through the NSSA Act [Chapter 17:04] of 1989 is empowered to introduce schemes so as to provide social security for the citizens of Zimbabwe. In this regard, an exploratory exercise can be commissioned to explore ways to:

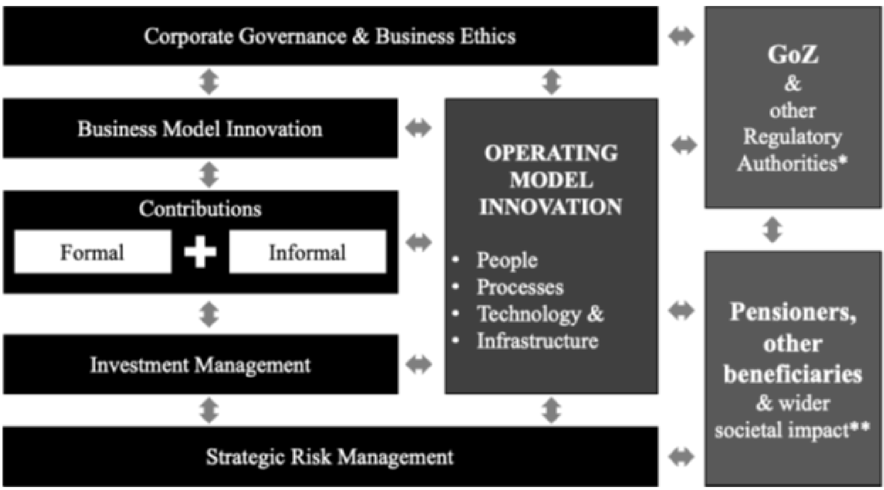
- Increase the scale of contributions from the formal sector to close the gap between what currently is being captured by NSSA and the potential scope by capturing the whole formal sector.
- Collect contributions from those classified as being informally employed so as to ensure there are sufficient contributions to the NSSA schemes to be in a better position to provide the necessary social security to eligible Zimbabwean citizens.

The introduction of the proposed new NSSA schemes especially the one targeted at the informal sector would go a long way in addressing some of the current gaps (see Table 1) in the provision of social security to all eligible citizens of Zimbabwe.

Analysis of NSSA strategies and recommendations for adoption by NSSA

The strategies and recommendations that NSSA can adopt to improve on its mandate to deliver social security services in Zimbabwe are listed under the five research objectives of this study in the following sub-sections and they are also illustrated in the theoretical framework to improve social security in Zimbabwe see Figure 1 – the arrows connecting the different boxes in the theoretical framework (Figure 1) depict casual relationships between the activities represented by the boxes.

Figure 1: Theoretical framework to improve social security in Zimbabwe



** Other regulatory authorities include ZIMRA, the Zimbabwe Companies Registry, and the Labour Department.*

*** The concept of 'wider societal impact' includes pension adequacy, poverty reduction among the elderly and incapacitated labour, labour market stability, and broader social development outcomes.*

Source: Authors

How to increase the scale of contributions from the formal sector?

- Alignment and collaboration with other regulatory organisations such as the Zimbabwe Revenue Authority (ZIMRA), Zimbabwe Company Registry entity and the Labour department to identify registered entities that are not currently contributing to the NSSA schemes.
- Expand the campaigns to inform the public about NSSA, then elaborate on the need and benefits from the growth and success of NSSA schemes.
- Increased compliance inspections at organisations and/or work environments for compliance with the NSSA Act and implement penalties for non-compliance.

How to get the informal sector to contribute to the NSSA schemes?

- A percentage of what is collected through Value Added Tax (VAT) or the fuel levy (and/or any other centrally collected levy that will enable the equitable contribution to the respective NSSA scheme for the targeted grouping) could be channelled to NSSA as a contribution towards social security for those categorised as being in the informal sector during the years they are deemed to be productive whilst not captured anywhere in the formal employment records.
- There is the option to introduce a voluntary contribution by those deemed to be in the informal sector. However, the challenge with this approach is that it will limit access to social security cover to those in the informal sector who would have made contributions to the NSSA schemes over the years. However, if the intent is to provide social security cover for all eligible Zimbabwean citizens when they are no longer productive, the contributions to the NSSA schemes will not be sufficient (if made voluntary for those in the informal sector) to enable the fund to grow appropriately or sufficiently to provide such cover in future it should include all those who are classified as falling in the informal sector.
- If a voluntary contribution scheme is introduced for the informal sector, a campaign has to be commissioned to encourage as many of those informally employed to contribute to the scheme, so they have the

necessary social security cover when required. The benefits of making these social security contributions as well as the consequences of not making the contributions have to be highlighted in the campaigns so the intended message is clearly communicated.

Managing the scheme investments to maximise returns and increase the total value of the fund

This can be achieved by ensuring that the administration of the NSSA schemes is effectively conducted by fostering and enabling business model and operating model innovation, good corporate governance and business ethics, effective investment management and practicing strategic risk management. These are further set out in more detail below:

- **Business model innovation** – Business model innovation is a review process to create and exploit opportunities for new revenue and profit streams in ways that counter any existing impediments, whether internal or external (Geissdoerfer *et al.*, 2018; Johnson, 2018). Innovation and entrepreneurship are necessary for organisations to continue to be sustainable (Drucker, 2014). Innovation has been defined as a change in the processes by which an organisation transforms labour, capital, materials, and information into products and services of greater value (Christensen, 2013). It has also been defined as the commercialisation of creative/new ideas – that is, the success of the innovation in the marketplace (Drucker, 2014).
- **Operating model innovation** – An organisational operating model is an enabling function that governs the delivery of the required resources, such as people, processes, technology, and infrastructure, to operationalise the business model to achieve the strategy (Dhlamini, 2022a). Thus, it is important to review and improve on these elements to ensure aspects of each element are still relevant and they do not impact the delivery and effective functioning of the operating model. These elements are foundational to enabling the day-to-day functioning of any organisation (Dhlamini, 2022a).
- **Good corporate governance and business ethics** – corporate governance is how an organisation is directed and controlled, taking into

consideration the interests of both internal and external stakeholders (Süsi & Jaakson, 2020; Dhlamini, 2023). To achieve good corporate governance, it is important to ensure that the organisation has all the necessary governance structures in place and that all mandates are carried out accordingly with the necessary approvals – that is, sufficient internal controls, compliant financial reporting, including succession planning (Dhlamini, 2023). Whereas business ethics are the morals or ethical norms of the individuals within an organisation – principles of human conduct that guide a person or a groups behaviour (Nainawat & Meena, 2013; Dhlamini, 2023). There are GoZ Acts such as the Public Entities Corporate Governance Act [Chapter 10:31] and the Public Finance Management Act (PFMA) as well as the NSSA Act [Chapter 17:04] of 1989 that aid the administration of entities such as NSSA and these should be complied with, and independent audits as guided by the Audit and Exchequer Act [Chapter 22:03] conducted to check the level of compliance.

- **Investment management** – Identification and selection of investment opportunities that bring about the maximum benefit possible to NSSA schemes in compliance with its mandate and in alignment with the overall GoZ (Herald, 2025). This also involves the process of investment reviews that will determine if funds are to continue being invested in the identified investments or redirected to other investments so as to avoid losses (avoiding imprudent investment decisions) and continue to meet the objective of maximising the returns for the NSSA schemes. It is important to ensure that funds are channelled to investments which produce a net positive return for NSSA and do not result in a conflict of interest with the NSSA mandate and/or the GoZ.
- **Strategic risk management (SRM)** – is the process of developing insight to understand what could go wrong that would affect the achievement of a given strategy, and adopting appropriate mitigating actions (Dhlamini, 2022a). It was suggested that one of the biggest factors leading to the destruction of value is to develop and implement a strategy without assessing the associated risks (Grove & Clouse, 2016; Dhlamini, 2022a). SRM is important because it is a link to enabling strategy formulation and

its execution (McConnell, 2015). It is argued that strategic risks commonly fall into the following categories: (i) regulatory and compliance risks, (ii) competitor risks, (iii) economic risks, (iv) political risks, and (v) technology risks (Bromiley *et al.*, 2016; Dhlamini, 2022a).

Paying adequate pensions (providing adequate social security) to valid members efficiently

- Ensure pension pay-outs or other benefits are sufficient to enable eligible members to sustain a 'minimum living standard' as set by the GoZ, that enables pensioners not live in abject poverty as defined by the World Health Organisation and United Nations. Thus pension pay-outs should be adjusted timeously, to address inflationary losses or other economic pressures that impact on the sustainability of the pension pay-outs to NSSA scheme members.
- Commission an actuarial assessment to establish how big the fund should be to effectively pay-out a sustainable pension to all eligible members to assess if there is a gap between the total value of the fund now versus its commitments, also get an assessment of minimum contribution levels and growth levels of the fund for it remain sustainable whilst meeting its mandate of providing social security to its eligible members. This requirement is provided for in the NSSA Act [Chapter 17:04] of 1989 under section 26.
- Develop different scenarios that include both formal and informal members for a future state, assuming the necessary approvals to enable informal members to contribute to the NSSA schemes is granted.
- Another factor to consider as NSSA addresses the three strategic alternative points raised prior to this one, is the growing population and retirement age to qualify for NSSA pension benefits vis-a-via the longer life spans the population is now enjoying as a result of advancements in healthcare and improved development of medicines.
- Given the high number of Zimbabwean citizens in the diaspora, another consideration in the interest of providing social security to all eligible pensioners is the accommodation of Zimbabwean citizens who are in the

diaspora – especially those that eventually come back to Zimbabwe but do not have sufficient funds for retirement. Can those in the diaspora be enabled to contribute to the NSSA schemes or a special scheme introduced for this group?

Contribution to the social development of the country

NSSA is well positioned to support social developmental initiatives related to education, infrastructure development and health services in Zimbabwe. On the educational front, if NSSA is to support the further education of students as well as its members, it could directly improvise the employment opportunities of the citizens and thus ultimately increasing the contributions to its social security schemes. Infrastructure is a key enabler to productivity and thus the development of infrastructure will increase the GDP of the country and ultimately provide NSSA with returns that will improve the value of its fund, thus creating further ability to preserve capital and be better positioned to provide adequate pension pay-outs to eligible members. NSSA through its service of promoting and ensuring compliance with OSH and the Factories and Works Act Chapter 14:08, could further assist in social development by broadening its scope to cover all workplaces including those classified as being informal. This will ensure that all workplaces and related infrastructure meet set standards and thus provide work environments that are compliant with both OSH and the Factories and Works Act Chapter 14:08 requirements.

Education

Education is a key enabler to economic development as it is linked to increased employment and entrepreneurship which enables the creation of new ventures that create more jobs. Considering that ZIMDEF is responsible for skills development, NSSA can assist in building schools which will assist in education of learners who will eventually contribute to the scheme. This will ultimately have a direct benefit for NSSA as they will have more people contributing as a result of formal employment or contributions from the informal sector through the increased active in the economy.

Infrastructure

Infrastructure can be linked directly to increased productivity. For example, the contribution to the development of bridges will bring about efficiency in movement of people, and the development of dams is linked to numerous developments such as electricity, water reservoirs for provision of water to towns near/around the dam, shopping complexes create centers for commerce thus enabling easy access or provision of services to the surrounding communities.

To bolster efforts by the GoZ in the providing infrastructure developments, NSSA established the National Building Society (NBS) as a vehicle that enables access to mortgages and provision of affordable housing to eligible citizens of Zimbabwe - housing is critical in enabling social development (Nhapi & Mathende, 2016).

Health Services

Given NSSA's access to investable funding, another area of focus for the provision of social security and thus assisting the GoZ's efforts in social development, is the capacitation of delivery of health services. Investable funds could be channeled to the development of various health services, such as clinics and hospitals. NSSA is already currently doing this through the Rehabilitation Centers they are building and operating, however, access to these state-of-the-art facilities is currently limited to eligible members of the NSSA APWC scheme – consideration could be given to commercialise the Rehabilitation Centers such that access can be widened to include those who can afford to pay for the services.

Conclusion

NSSA is a critical enabler for the GoZ in the provision of social security to the citizens of Zimbabwe and the achievement of the GoZ 'Vision 2030' – to make Zimbabwe a prosperous upper middle-income society. However, the current scope of NSSA is limited to serving those who would have been fortunate to have been formally employed at some stage in their working career and currently excludes those that are classified as being informally employed.

The administration of the NSSA schemes as currently mandated through the NSSA Act [Chapter 17:04] of 1989 is clear and operations can be improved by taking into consideration some of the strategies and recommendations outlined under the findings and discussion section of this paper – specifically the sub-section on – managing the scheme investments to maximise returns and increase the total value of the fund.

The strategies and recommendations for NSSA to provide social security to the citizens of Zimbabwe have been categorised into five themes namely (i) how to increase the scale of contributions from the formal sector? (ii) how to get the informal sector to contribute to the NSSA schemes? (iii) managing the scheme investments to maximise returns and increase the total value of the fund, (iv) paying adequate pensions (providing adequate social security) to valid members efficiently and, (v) contribution to the social development of the country through supporting initiatives related to education, infrastructure development and health services in Zimbabwe.

The importance of addressing the contributions and provision of social security to those in the informal sector cannot be overemphasised or underestimated – currently and into the future. It is estimated that, the part of the active workforce that is classified as being informal is about 71 percent of the total active workforce (3,1 million people), this amounts to about 2,2 million people or 14 percent of the total population (ZIMSTAT, 2022). This is a sizeable number of the population that will go without social security cover when needed, if this sector does not start making contributions to a suitable social security scheme. Adopting measures to collect contributions from or on behalf of those that fall into this category of informal employment is important for the provision of social security for all.

On the aspect of good corporate governance and business ethics senior management having access to such crucial public funds and tasked with the mandate to administer such funds with integrity it is important to practice good corporate governance and business ethics to preserve the funds for their intended purpose and to also gain trust from the contributing members, so they are encouraged to continue to contribute purposefully, as this will also serve to encourage those not yet contributing to do so intentionally.

Managerial implications, research limitations and proposed future agenda

It is proposed that the strategies and recommendations set out in the framework are considered for implementation as practically as is possible for the improvement of social security services for the overall benefit of all Zimbabwean citizens and other economic environments that face similar challenges as it relates to social security and governance.

The major limitation of this research study was reliance on the 'population and housing census' that was conducted in 2022, as there has been no recent comprehensive 'population and housing census' data beyond the year 2022 at the time of conducting this study. This had the impact of limiting the assessment of the NSSA cover (gap) data beyond the year 2022 as shown in Table 1.

Future research can be conducted to assess and compare best practices in social security provision, management structures and governance with (or in) other economic settings. An empirical study could also be conducted to test the efficacy of the proposed theoretical framework (Figure 1) to improve social security in Zimbabwe, and also test the strength of the casual relationships between the activities represented by the boxes.

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