

## ABSTRACT

The study generally evaluates the effectiveness of investment portfolio management on enhancing pension funds performance in Tanzania, using the case study of NSSF. Specifically, it focuses at attaining the specific research objectives such as identifying key indicators of the effectiveness of portfolio management on enhancing pension funds' performance in Tanzania; identifying factors facilitating the effectiveness of portfolio management in pension funds in Tanzania and indicating challenges facing pension fund organizations in adopting effectiveness portfolio management process in Tanzania. It was governed by theory of the firm that advocates for organizations acting in manners that maximizes return on investment while a paradigm of effectiveness in investment portfolio management process underpinned the study as selected conceptual framework.

The study adopted qualitative and quantitative research perspectives, and was designed as a descriptive cross – sectional using a case study technique in exploring operations reality of the effectiveness of portfolio management on enhancing pension fund organizations' performance using a study sample of 40 respondents. In collecting data, questionnaires were used as primary method while gaps that were realized during data analysis were filled using data collected using focus group discussion. Data processing and analysis employed the descriptive statistics using a Statistical Package for Social Scientists (SPSS) by the application of descriptive statistics. A five point's likert scale was used in coding data, whereby interpretation and discussion of study findings was made on the basis of both *qualitative* and *quantitative* techniques. At one hand, qualitative, technique dealt with describing the non quantifiable relationship between dependent and independent variables; while at the other hand, quantitative technique dealt with determining quantitative relationship between dependent and independent variables. In addition, In order to ensure logical results that would be generalized, validity and reliability of the study findings were two critical aspects. In particular, Chronbach's Alpha technique was useful in testing the reliability of the study data and findings whereas validity of the study findings was tested using the test – retest and spilt half testing technique.

Based on the findings, the following conclusions were drawn: Indicators of the effectiveness of portfolio management includes timely attainment of objectives and within budget, breadth of portfolio, structural pattern of investment, target market share, competitiveness of returns on