**EVALUATING THE EFFICIENCY OF PENSION FUND ADMIONISTRATORS UNDER THE CONTRIBUTORY PENSION SCHEME IN NIGERIA.**

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**Abstract**

The main objectives of this study are to assess the technical efficiency of the pension fund administrators (PFAs) under the contributory pension scheme (CPS) in Nigeria for the period, 2008 - 2017; and explore the key drivers of technical efficiency in the PFAS. In conducting the study, data envelopment analysis (DEA) is utilized on a panel dataset, to compute the efficiency scores of the 16 sampled PFAs during the study period. Then, linear regression was used to test some hypotheses developed in determining the drivers of technical efficiency. The empirical findings indicate that most PFAs are relatively inefficient, as only one PFA was efficient throughout the study period. The major source of inefficiency is scale/size of operations, as there is a high number of small-sized PFAs operating in the industry. In addition, the result of the regression analysis suggests that skilled management and staff, adequacy of capital, and marketing/business development strategy have a significant influence on the technical efficiency of PFAS. On the other hand, information and communication technology has limited impact. There are managerial and policy implications arising from the study. Firstly, there is a need for consolidation amongst PFAs, as scalability is fundamental to attaining high efficiency. Secondly, the pension regulator should address the imperfect competition in the industry by opening up the window for contributors to transfer their retirement savings account from one PFA to another, as provided in extant pension legislation.