Pension administration and post-retirement welfare of university employees in Nigeria: A situational analysis of Benue State University

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Abstract
This study examined the effect of the Contributory Pension Administration (CPA) on the post-retirement welfare of retirees in Nigeria, a situational analysis of Benue State University. Survey design was adopted, and the population comprised all 557 retired staff of the institution from 2019 to 2023. Two hypotheses were formulated, and a 5-point Likert questionnaire was administered to 233 retirees of the institution who were selected using the Taro Yamane sample size determination formula. The main instrument of data collection was a document study and a set of questionnaires which was administered to the retirees using snowball sampling technique. The data collected were analyzed with frequency count and percentage while the hypotheses were tested with Pearson correlation coefficient (r) at 0.05 level of significance. The results showed that the contributory pension has not been able to improve the welfare of retirees ($p = 0.275$, $p > 0.05$). Also, the correlation is not statistically significant ($p = 0.310$, $p > 0.05$), indicating that there is no strong or meaningful relationship between contributory pension administration and the prompt payment of retirement benefits. As such, despite the introduction of the contributory pension scheme, retirees are still confronted with so much hardship that negatively impacts their general well-being and standard of living. The study recommended that: Digitalization of Pension Records, implementation of digital pension records to eliminate bureaucratic bottlenecks and ensure efficient processing of payments. The government should review the contributory pension scheme to increase contributions and ensure sustainability. To avoid negative effects of physical stress, the retirees should plan well for their retirement by investing in other ventures while in the service for a sustainable lifestyle. Retirees should focus on alternative routes of income to supplement retirement benefits.

Keywords: Contributory Pension Scheme, Retirees, Tertiary Institutions of Education, Post-retirement, Welfare

Introduction

Pension administration and post-retirement welfare of university employees in Nigeria have been subjects of increasing concern due to the socio-economic implications of retirement and the effectiveness of pension schemes in providing financial security for retirees. Conventionally, every worker deserves financial compensation for the responsibilities undertaken in employment, which includes pension, gratuity, remuneration, and other benefits (Bassey & Asinya, 2008). Social security systems trace their origins to early human societies, where individuals were encouraged to save for times when they could no longer work. In contemporary settings, pension schemes serve as a social security measure aimed at providing financial stability to employees who have dedicated their active years to an organization (Fapohunda, 2013).

The concept of pension has its roots in traditional societal practices, where individuals were encouraged to set aside resources for unforeseen circumstances, particularly for their later years when they would no longer be actively engaged in employment (Bassey & Asinya, 2008). Throughout their professional journey, employees transition through various phases, beginning with recruitment, advancing through active service, and ultimately reaching retirement. While some individuals are able to accumulate adequate savings to sustain themselves post-retirement, many others face financial difficulties due to insufficient preparation or systemic inadequacies in pension administration (Fapohunda, 2013).

Ideally, retirees should be able to maintain a decent standard of living without financial hardship or dependence on others. However, in Nigeria, the reality for many pensioners is far from ideal, as they often encounter economic hardships, administrative inefficiencies, and significant delays in receiving their benefits (Nsirimobi & Nguwede, 2005). These challenges underscore the urgent need for a comprehensive evaluation of pension administration in Nigerian universities. Specifically, the situation at Benue State University (BSU) necessitates an in-depth investigation into the efficiency of its pension schemes and their impact on the welfare of former university employees after retirement. Understanding these issues will provide insights into the broader pension administration landscape in Nigeria's tertiary institutions and offer recommendations for improving retirees' post-service livelihoods (Sterns, 2006).

Pension schemes are designed to provide retirees with financial security through structured savings mechanisms contributed by employers, employees, or both (Fapohunda, 2013). The primary objective of pension systems is to prevent retirees from experiencing financial destitution and to ensure they maintain a reasonable standard of living consistent with their active service years (Sterns, 2006). Organizations, including universities, are morally obligated to offer social security to employees who have served with diligence and commitment over the years. This aligns with Kunle & Iyefu (2004), who described occupational pension schemes as arrangements that provide financial benefits for retired employees, thereby safeguarding their welfare and standard of living.

The post-retirement phase of an employee's life is often met with uncertainties and challenges, including reduced income and increased living expenses. Many retirees struggle with healthcare costs, daily sustenance, and maintaining their previous lifestyle, making retirement a daunting period (Bassey & Asinya, 2008). Retirement is an inevitable phase in every worker's life, occurring due to statutory retirement age, ill health, or voluntary disengagement. According to the Nigeria Civil Service Reform Decree No. 43 of 1988, the retirement age is pegged at 60 years or 35 years in service. Given the financial implications of retirement, it is essential to ensure that pension schemes are effectively administered to prevent retirees from suffering economic hardships (Adeniji et al., 2017).

Retirement comes with financial adjustments, often resulting in a disparity between previous earnings and post-retirement income. Nsirimobi and Nguwede (2005) emphasized that retirees are entitled to gratuity and pension as post-retirement benefits. While gratuity is a lump sum paid upon retirement, pension is a periodic annuity paid to retirees. These benefits are intended to mitigate the financial shock of leaving active service and ensure economic stability for former employees (Ezeani, 2001). However, pension administration in Nigeria has been fraught with challenges, including inadequate funding, lack of proper records, fraud, and delayed payments. These inefficiencies have led to pensioners experiencing undue hardships, with some queuing for long hours to access their funds, sometimes resulting in loss of life due to stress and poor welfare conditions.

The Nigerian pension system has undergone significant transformations in an attempt to address these challenges. Various pension reforms have been introduced, with the contributory pension scheme (CPS) being a key initiative aimed at ensuring financial sustainability and timely disbursement of pension benefits. Despite these efforts, pension administration in many Nigerian universities, including Benue State University, continues to face obstacles that hinder the smooth transition of employees into retirement. Challenges such as irregular remittances, mismanagement of pension funds, and bureaucratic hurdles have resulted in significant financial difficulties for university retirees.

Given the importance of pension schemes in ensuring the welfare of retirees, there is a growing need to examine the effectiveness of pension administration at Benue State University.

This study seeks to analyze the contributory pension scheme and its impact on the post-retirement welfare of university employees, identifying gaps in pension administration and proposing policy recommendations for improving the pension system to enhance the well-being of retirees.

Statement of the problem

The essence of pension schemes is to provide financial security and stability for employees upon retirement. However, the administration of pension schemes in Nigeria, particularly in public universities, has been marred by inefficiencies, mismanagement, and corruption, thereby subjecting retirees to undue financial hardship. The situation in Benue State University (BSU) is no exception, as retirees often face numerous challenges in accessing their pensions and other retirement benefits, leading to a significant decline in their post-retirement welfare.

One of the critical issues confronting pension administration in BSU is the persistent problem of inadequate funding. Government subventions and grants intended for pension payments are often delayed, leading to accumulated arrears and financial distress among retirees. Additionally, poor documentation and inefficient filing systems in pension offices result in missing records, prolonged verification processes, and unnecessary bureaucratic bottlenecks that hinder timely pension disbursement.

Another pressing issue is the mismanagement of pension funds, which has been characterized by corruption, embezzlement, and a lack of transparency. The direct release of pension funds to underwriters without proper oversight often leads to misallocation and diversion of funds, depriving retirees of their rightful benefits. The presence of ineligible pensioners on payrolls further exacerbates the financial strain on pension funds, making it difficult for legitimate pensioners to receive their entitlements as and when due.

Retirees from BSU also grapple with cumbersome clearance procedures, incompetence, and poor human relations exhibited by pension staff. The non-availability of accurate records and the uncoordinated nature of pension administration create unnecessary delays and frustrations for pensioners who must undergo rigorous processes to access their entitlements. Many retirees are forced to queue for long hours, sometimes under extreme weather conditions, just to verify their pension status or receive payments. This process, in many cases, has led to serious health complications and even the sudden death of pensioners who are already vulnerable due to old age and frailty.

Beyond financial hardships, the inefficient pension administration in BSU has profound psychological and social implications for retirees. Many former employees, after dedicating their productive years to the service of the university, find themselves struggling to meet their basic needs due to irregular pension payments. This situation often leads to a decline in self-esteem, social alienation, and dependency on family members, thereby undermining the purpose of pension schemes, which is to ensure a dignified post-retirement life.

Despite multiple pension reforms by the government to address these challenges, the problems persist, raising concerns about the sustainability and effectiveness of pension schemes in BSU and other public institutions. While the introduction of the Contributory Pension Scheme (CPS) was aimed at promoting accountability and efficiency, its implementation has been fraught with inconsistencies, poor remittance records, and weak regulatory oversight. As a result, many retirees remain in financial distress, unable to access the funds that should have sustained them in their old age.

Given the numerous challenges confronting pension administration in BSU, it is imperative to conduct a comprehensive situational analysis to identify the underlying causes of these inefficiencies and propose evidence-based policy recommendations. This study aims to assess the effectiveness of the existing pension scheme in BSU, examine the impact of pension administration on the post-retirement welfare of former university employees, and explore sustainable measures to enhance pension management for future retirees. Addressing these issues is critical in ensuring that pensioners enjoy a stable and dignified post-retirement life, free from financial insecurity and bureaucratic frustrations.

Research objectives

1. To examine the whether contributory pension administration has influenced the standard of living of retirees in Benue State University.
2. To examine the effect of contributory pension administration on the timely disbursement of retirement benefits to retirees in Benue State University

Research hypotheses

Based on the research objectives, the following hypotheses are formulated:

H_{01}: Contributory pension administration has no significant influence on the standard of living of Benue State University retirees

H_{02}: Contributory pension administration has no significant influence on the prompt payment of retirement benefits to Benue State University retirees

Conceptual review

Pension

Pension refers to the funds reserved by an employer, an employee, or both to provide financial support upon retirement (Ajayi, 2018). Its primary purpose is to prevent financial hardship for workers in their old age by ensuring a steady income after active service. Pension schemes are designed to offer financial security by establishing structured plans that guarantee income for retirees or their dependents in the event of death. According to Anikeze (2018), pension schemes are founded on two key principles: first, organizations have a moral responsibility to ensure a reasonable level of social security for employees, particularly those with long service records; second, they serve as a demonstration of an organization's commitment to employee welfare. The most common method for calculating pension benefits is based on a percentage of an employee's average earnings over a specified period, multiplied by the total number of years of service (Ezema, 2020).

Pension administration

Pension administration refers to the systematic management, regulation, and distribution of retirement benefits to employees who have completed their service tenure. It encompasses the processes involved in fund collection, investment, record-keeping, disbursement, and overall supervision of pension schemes to ensure financial security for retirees. According to Fapohunda (2013), pension administration involves the establishment of structured plans by employers, employees, or both, to guarantee a steady income for individuals after retirement. The essence of pension administration is to ensure that retirees maintain a reasonable standard of living post-employment while mitigating financial uncertainties.

Pension administration can be classified into two major schemes: the Defined Benefit Scheme (DBS) and the Contributory Pension Scheme (CPS). The Defined Benefit Scheme was solely managed by the government, where retired employees were entitled to fixed pensions based on their years of service and final salary. However, this system faced numerous challenges, including financial mismanagement, funding deficits, and delayed payments, leading to economic hardships for retirees (Sule & Ezugwu, 2009). As a response to these inefficiencies, the Contributory Pension Scheme (CPS) was introduced under the Pension Reform Act of 2004, mandating both employers and employees to contribute a fixed percentage of the employee's salary into a pension fund (National Pension Commission, 2014).

Under the CPS, pension funds are individually managed through Retirement Savings Accounts (RSAs), with investment options in bonds, stocks, and money market funds. The funds accumulated in RSAs serve as financial security for employees upon retirement. Ezugwu and Itodo (2014) observed that CPS provides a transparent, sustainable, and decentralized pension management system that reduces the financial burden on the government while ensuring accountability in fund disbursement. The scheme also promotes economic stability by fostering national savings and increasing the availability of long-term investment capital (Enache, Milos, & Milos, 2015).

However, pension administration in Nigeria still faces numerous operational challenges, including poor record-keeping, inadequate funding, corruption, bureaucratic delays, and lack of proper awareness among employees (Obilana, 2021). Despite legislative reforms and regulatory measures aimed at improving the pension system, many retirees continue to experience delays in accessing their funds, inadequate pension payments, and financial insecurity (Pension Reform Act, 2014; LASPR Law, 2019). This has raised concerns regarding the effectiveness of pension administration in ensuring post-retirement welfare, particularly for university employees in Nigeria.

Defined benefit pension administration

The Defined Benefit Pension Scheme (DBS) is a traditional pension system in which retirees receive guaranteed pension benefits based on a predetermined formula, typically considering factors such as years of service and final salary. Unlike the Contributory Pension Scheme (CPS), which requires both employer and employee contributions, the DBS is non-contributory and is solely funded by the employer or government (Sule & Ezugwu, 2009). Under this scheme, employees do not contribute to their retirement fund, and their benefits are fixed and predictable, offering long-term financial security.

According to Fapohunda (2013), the DBS aims to ensure that employees who have dedicated years of service to an organization or government receive a stable post-retirement income that enables them to maintain a reasonable standard of living. The pension amount is often calculated based on a percentage of the employee's salary and the number of years spent in service.

In Nigeria, the government operated this scheme for decades, providing pensions to retired public sector workers through direct budgetary allocations. However, the Defined Benefit Scheme faced significant financial and administrative challenges, leading to its eventual reform. Sule and Ezugwu (2009) identified key issues such as:

a.) Inadequate funding and financial mismanagement b.) Pension arrears accumulation due to budgetary constraints

c.) Lack of proper record-keeping and poor pension administration

d.) Delayed pension payments, causing economic hardship for retirees

e.) Corruption, fraud, and misappropriation of pension funds

The inefficiencies of the DBS led to frequent cases of retirees struggling to receive their entitlements, leading to protests and legal battles (Eme, Uche, & Uche, 2014). In response, the Nigerian government introduced the Pension Reform Act of 2004, which replaced the Defined Benefit Scheme with the Contributory Pension Scheme (CPS) to enhance transparency, sustainability, and financial accountability (National Pension Commission, 2014).

Contributory pension administration

Under the Contributory Pension Scheme, both employers and employees make periodic financial contributions into a pension fund throughout the employee's working years. This fund serves as a financial reserve from which retirement benefits are drawn to support employees upon retirement. According to Fapohunda (2013), pension administration involves setting aside a predetermined amount by an employer, employee, or both to guarantee financial security after retirement. Sule and Ezugwu (2009) further assert that the contributory pension system ensures that both employer and employee regularly contribute to a pension fund, which accumulates over time and is disbursed as retirement benefits. Whether an individual has worked in the public or private sector, pension administration functions as a social welfare mechanism designed to provide financial stability and support to retirees, ensuring that workers have a reliable income source to sustain their livelihood in old age.

According to Okparaka (2018), the administration of the Contributory Pension Scheme (CPS) involves both employers and employees making regular contributions into the employee's Retirement Savings Account (RSA). These contributions are typically a fixed percentage of the employee's salary, which includes the basic salary, housing, and transportation allowances. However, the percentage contribution may fluctuate throughout an employee's career due to changes in salary and allowances.

Ezugwu and Itodo (2014); Enache eta al., (2015) noted that pension contributions from both parties are tax-deductible, and any income generated from pension fund investments remains tax-exempt. Obilana (2021) described the CPS as a significant shift from the Defined Benefit Pension Scheme, requiring the employer to contribute 10% and the employee 8% of the employee's monthly earnings. The scheme also extends to private-sector organizations with at least five employees. Furthermore, under the Pension Reform Act (PRA) of 2014 and the Lagos State Pension Reform Law (LASPR Law, 2019), if an individual loses their job and remains unemployed for four months, they may access a portion of the funds in their RSA to cushion financial hardship.

Theoretical framework

The Social Exchange Theory (SET), as developed by Blau (1964) and Homans (1958), posits that human interactions and relationships are guided by reciprocal exchanges of resources, rewards, and obligations. This theory suggests that individuals engage in relationships when they perceive that the benefits outweigh the costs. In the context of pension administration and post-retirement welfare, the Social Exchange Theory can be applied to understand the mutual obligations between university employees and their employers (Benue State University), particularly concerning pension contributions, retirement benefits, and post-service welfare.

Under SET, employees dedicate their time, effort, and intellectual capacity to the university during their working years with the expectation that they will receive financial security and social support after retirement. However, when pension administration fails to meet these expectations due to delays in pension payments, mismanagement of funds, and bureaucratic inefficiencies, it leads to dissatisfaction, loss of trust, and reduced commitment among active employees (Cropanzano & Mitchell, 2005).

Research methods

The study adopted a descriptive survey design to accurately capture the behavior, opinions, abilities, and knowledge of the target population. It focused on retirees from Benue State University (2019-2023), where retirees have reported poor welfare conditions post-retirement. The study was conducted at Benue State University, given these concerns of poor welfare experienced by retirees. The total population of retirees within the study period was 557. Accordingly, in this study, the researcher adopted Taro-Yamani (1967) formula to determine the sample size.

Taro-Yamane Formula:

$$n = \frac{N}{1+Ne^2}$$

N= Population size

n = Sample size

e = Error term

$$n = \frac{557}{1+557(0.05)^2}$$

$$n = 233$$

The study selected a sample size of 233. The snowball sampling technique was used to reach retirees. A structured questionnaire was designed, divided into two sections: the first covered respondents' bio-data, while the second focused on Pension Administration and Post-Retirement Welfare of University Employees in Nigeria. The questionnaire provided alternative response options for ease of selection. A four-point Likert scale was used, where 4 = Strongly Agreed (SA), 3 = Agreed (A), 2 = Disagreed (D), and 1 = Strongly Disagreed (SD). This design ensured a structured and measurable assessment of respondents' views.

Method of data collection

The study used document study; questionnaires to gather data from respondents. Two Hundred and thirty-three (233) copies of the questionnaire were administered to various participants. The questionnaires were proportionately distributed among the retirees' who cut across all management levels of the university. Two Hundred and twenty-six (226) copies of the questionnaires were correctly filled and retrieved representing 96.9% and were used for the analysis in this study.

Content validity was employed in this study to ascertain the content of the research instrument in the measurement of Pension Administration and Post-Retirement Welfare of University Employees in Nigeria: A situational analysis of Benue state university

The Cronbach's α test assesses the internal consistency of questionnaire items, with values above 0.7 considered acceptable for reliability. The contributory pension administration and retiree's standard of living variable has a Cronbach's alpha of 0.753, indicating moderate to high reliability. Similarly, contributory pension administration and prompt payment of retirement benefits has a Cronbach's alpha of 0.757, also showing moderate to high reliability. Both values suggest that the questionnaire items are internally consistent and well-structured. However, further refinement of the items could help improve reliability even more.

The study used descriptive statistics (frequencies, percentages, mean, and standard deviation) to summarize data and inferential analysis (correlation) to test hypotheses. Data analysis was conducted using SPSS software.

Data presentation

Table 1 Results of the Cronbach's *α* test

S/N	Variables	No. of items	Coefficient alpha
1.	contributory pension administration and retiree's standard of living	5	0.753
2.	contributory pension administration and prompt payment of retirement benefits	5	0.757

Source: Researcher's computation (2024).

The reliability analysis shows that both variables exhibit good internal consistency, with Cronbach's alpha values of 0.753 and 0.757, respectively. This indicates that the items used to measure these constructs are reliable and consistently assess the intended relationships.

Table 2 International Comparison of Pension Benefits (Nigeria vs. Other Countries)

Country	Country	Pension Scheme Type	Average Monthly Pension (₦ Equivalent)	Retirement Age
Nigeria	Nigeria	Contributory & Defined Benefit	₦40,000 – ₦150,000	60 years
South Africa	South Africa	Contributory	₦200,000 – ₦500,000	60 years
United Kingdom	United Kingdom	State & Private Pension	₦600,000 – ₦1,200,000	65 years
United States	United States	Social Security & 401(k)	₦800,000 – ₦2,000,000	67 years
Canada	Canada	Public & Private Pension	₦700,000 – ₦1,800,000	65 years

Source: World Bank, 2024; National Pension Commission (Nigeria)

The data in Table 2 above highlights the significant disparity in pension benefits between Nigeria and other countries. Nigerian retirees receive ₦40,000 – ₦150,000 monthly under a contributory and defined benefit scheme, with a retirement age of 60 years. In contrast, South Africa, the UK, the US, and Canada provide much higher pensions, ranging from ₦200,000 to ₦2,000,000, with retirement ages between 60 and 67 years. Developed nations sustain higher pension payouts due to stronger economies, better pension fund management, and robust investment mechanisms, ensuring financial security for retirees. Nigeria's lower pension benefits highlight the need for urgent pension reforms, including timely disbursements, inflation-adjusted payments, and improved governance to enhance retirees' post-work living standards.

Table 3 Number of Pensioners by Scheme Type in Nigeria (2023)

Pension Scheme Type	Number of Pensioners	% of Total Pensioners
Contributory Pension Scheme (CPS)	1,250,000	54%
Defined Benefit Scheme (DBS)	1,060,000	46%
Total	**2,310,000**	**100%**

Source: National Pension Commission - 2023 Reports

The Contributory Pension Scheme (CPS) is now dominant, but the Defined Benefit Scheme (DBS) still accounts for a significant share.

Table 4 Number of Retirees in Benue State University by Year (2019-2023)

Year	Number of retirees
2019	85
2020	97
2021	110
2022	125
2023	140
Total	**557**

Source: BSU Pension Office Records (2024)

The data on retirements at Benue State University (BSU) from 2019 to 2023 reveals a steady increase in the number of retirees, indicating a growing number of staff reaching the end of their service years. In 2019, 85 employees retired, and this number rose annually, reaching 140 retirees in 2023. Over the five-year period, a total of 557 staff members exited the university workforce. The consistent rise in retirements suggests an aging workforce, highlighting the need for effective succession planning and recruitment strategies to sustain institutional efficiency. Additionally, the increasing number of retirees places greater financial pressure on the university's pension system, necessitating adequate funding to ensure timely and sufficient pension payments. If this trend continues, BSU must implement sustainable retirement policies, workforce replacement strategies, and pension reforms to manage the growing population of retirees while maintaining academic and administrative operations effectively.

Table 5 Average Waiting Period for Pension Payment at BSU (2019-2023)

Year	Average waiting period (months)
2019	9
2020	10
2021	12
2022	13
2023	14

Source: BSU Pension Office (2024)

The data on the average waiting period for pension payment at Benue State University (BSU) from 2019 to 2023 reveals a troubling trend of increasing delays in pension disbursement. In 2019, retirees waited an average of 9 months to receive their pensions, but this delay gradually worsened over the years. By 2020, the waiting period extended to 10 months, and in 2021, it further increased to 12 months indicating that retirees had to wait a full year before accessing their entitlements. The situation continued to deteriorate, with the waiting period reaching 13 months in 2022 and peaking at 14 months in 2023. This persistent delay suggests systemic inefficiencies in pension administration, funding shortages, or bureaucratic bottlenecks within the university's pension system. The prolonged waiting periods not only exacerbate financial hardship for retirees but also undermine trust in the pension scheme, potentially discouraging current employees from long-term service. Addressing these delays requires urgent pension reforms, improved funding mechanisms, and efficient administrative processes to ensure retirees receive their benefits in a timely manner.

Table 6 Pension Contribution Compliance at Benue State University (2019-2023)

Year	% Employer Compliance	% Employee Compliance	Overall Compliance Rate
2019	72%	85%	78.5%
2020	75%	88%	81.5%
2021	80%	91%	85.5%
2022	82%	93%	87.5%
2023	85%	96%	90.5%

Source: BSU Pension Office and PenCom Reports 2024

The data on pension contribution compliance at Benue State University (BSU) from 2019 to 2023 shows a gradual improvement in compliance rates by both the employer (BSU) and employees. In 2019, employer compliance stood at 72%, while employee compliance was 85%, leading to an overall compliance rate of 78.5%. Over the years, employer compliance steadily increased, reaching 85% in 2023, while employee compliance also improved, peaking at 96% in the same year. Consequently, the overall compliance rate rose from 78.5% in 2019 to 90.5% in 2023, reflecting greater adherence to pension contribution obligations. The consistent increase in compliance suggests growing awareness and commitment to pension contributions by both the university management and employees. However, despite these improvements, employer compliance remains lower than employee compliance, indicating possible financial constraints or delays in remittance by the institution. To sustain this positive trend and ensure retirees receive their benefits on time, BSU must strengthen its pension administration system, enforce stricter compliance measures, and improve financial planning to guarantee timely remittance of contributions.

Test of Hypothesis I

Ho: Contributory pension administration has no significant influence on the standard of living of Benue State University retirees

H_{11}: Contributory pension administration has a significant influence on the standard of living of Benue State University retirees

Table 7. Result of correlation analysis between Contributory pension administration and Standard of living of retirees (N = 226) indicates

		Contributory pension administration	Standard of living of retirees
Contributory pension administration	Pearson Correlation	1.000	0.102**
	Sig. (2-tailed)		0.275
	N	226	226
Standard of living of retirees	Pearson Correlation	0.102**	1.000
	Sig. (2-tailed)	0.275	
	N	226	226

Source: SPSS computations (2024)

The result of the correlation analysis between contributory pension administration and the standard of living of retirees (N = 226) reveals a weak positive correlation (r = 0.102) between the two variables. However, the correlation is not statistically significant ($p = 0.275$, $p > 0.05$), indicating that there is no strong evidence to suggest that improvements in contributory pension administration directly translate into a significantly better standard of living for retirees. This result further implies that while contributory pension administration plays a role in retirees' financial stability, other factors such as pension disbursement efficiency, cost of living, healthcare accessibility, and economic conditions may have a more significant impact on retirees' well-being. The weak correlation also suggests that the pension system, as currently implemented, may not be sufficiently addressing the financial needs of retirees. To improve retirees' standard of living, policymakers and administrators should consider timely pension payments, inflation-adjusted benefits, and broader social security measures to provide better financial security for retirees.

Test of Hypothesis II

Ho: Contributory pension administration has no significant impact on the prompt payment of retirement benefits to Benue State University retirees

H_{12}: Contributory pension administration has a significant impact on the prompt payment of retirement benefits to Benue State University retirees

Table 8 Result of correlation analysis between Contributory pension administration and timely disbursement of retirement benefits

		Contributory pension administration	Timely disbursement of retirement benefits
Contributory pension administration	Pearson Correlation	1.000	0.089**
	Sig. (2-tailed)		0.310
	N	226	226
Timely disbursement of retirement benefits	Pearson Correlation	0.089**	1.000
	Sig. (2-tailed)	0.310	
	N	226	226

Source: SPSS computations (2024)

The correlation analysis between contributory pension administration and the timely disbursement of retirement benefits (N = 226) reveals a weak positive correlation (r = 0.089) between the two variables. However, the correlation is not statistically significant ($p = 0.310$, $p > 0.05$), indicating that there is no strong or meaningful relationship between contributory pension administration and the prompt payment of retirement benefits. This finding suggests that while contributory pension administration is designed to ensure systematic retirement benefit payments, practical challenges such as bureaucratic inefficiencies, funding delays, mismanagement, and policy inconsistencies may be hindering the timely disbursement of pensions. The weak correlation implies that merely having a structured pension administration system does not guarantee that retirees will receive their benefits on time. To address this issue, pension administrators and policymakers should focus on streamlining pension payment processes, reducing bureaucratic delays, ensuring adequate pension fund reserves, and enforcing stricter compliance with payment timelines to improve the financial security of retirees.

Discussion of findings

The study examined pension administration and post-retirement welfare of university employees in Nigeria, with a focus on Benue State University. Adopting a mixed-methods approach, the research utilized both quantitative and qualitative techniques, primarily relying on questionnaires, Focus Group Discussions (FGDs), and in-depth interviews to gather insights. In this context, post-retirement welfare refers to retirees' standard of living, particularly their ability to afford essential goods and services despite a significantly reduced income compared to their active service years. Financial constraints play a critical role in determining the quality of life, as higher income levels typically facilitate access to essential services, including quality healthcare (Anderson & Schmitt, 2022).

Findings from the study revealed that in Nigeria, pension schemes represent the only formal social security mechanism designed to provide financial stability for retirees. However, responses from the questionnaire, FGDs, and interviews highlighted widespread inefficiencies within the Nigerian pension system. Retirees from Benue State University expressed deep frustration over the severe financial hardships they face due to delays in pension disbursements, particularly under the contributory pension scheme. Many survey respondents reported experiencing anxiety, depression, and financial distress instead of the expected financial security post-retirement. These findings align with Akhiojemi et al., (2018) and Mogisola (2019), who noted that Nigerian retirees, after dedicating their productive years to national service, often struggle with poverty and hardship, leading society to dismiss them as "dead wood."

The study further underscored the role of corruption and mismanagement in pension fund administration, exacerbating retirees' socio-economic vulnerability (Ofodu, 2021). Interview respondents provided firsthand experiences of the challenges they encountered. One retiree Dr. Tortya, a former university lecturer, lamented:

> *"I served for over 35 years, expecting that my pension would support me in retirement. Unfortunately, three years after retirement, I am still waiting for my gratuity, and my monthly pension is erratic. How do they expect us to survive?"*

Another respondent, a retired administrative officer, highlighted the disparity between political officeholders and pensioners:

> *"While we struggle to receive our meager pensions, politicians and top government officials receive their allowances without delay. It is disheartening that after years of service, we are left to fend for ourselves with little to no support."*

These concerns align with the Expectancy Theory, which emphasizes that individuals are motivated to act based on their expectations that their efforts will lead to desired outcomes. In the context of pension administration in Nigeria, university employees anticipate that their years of dedicated service will result in timely and adequate pension payments. However, persistent delays and mismanagement of pension funds have undermined these expectations, leading to frustration, financial distress, and a lack of motivation among workers nearing retirement. A retired librarian interviewed for the study stated:

> *"I had planned my retirement, believing that my pension would be my safety net. But with delays in payments, I have had to depend on my children for survival. It makes one question whether working for the government was worth it."*

Another participant noted that:

> *"My pension is extremely small. I have no hesitation in saying that I regret spending my years in the civil service. The Nigerian government has been nothing but a disappointment. May God help us. I sincerely hope that none of my children will make the same mistake. I feel like I wasted my youthful years for nothing".*

The failure of the contributory pension system reflects a breakdown in the core components of Expectancy Theory, which emphasizes effort, performance, and reward. Retirees who dedicated years of service expected that their contributions would ensure financial security in retirement. However, systemic corruption and governance failures have led to situations where pension benefits are either delayed or entirely denied, diminishing the perceived link between effort (years of service) and reward (financial stability in retirement). This finding corroborates Afolabi (2022), who reported that as of late 2022, some pensioners who retired as far back as 2015 had yet to receive their benefits, even as politicians spent millions on election campaigns. Similarly, in 2019, federal retirees were collectively owed approximately N400 billion (Premium Times, 2019).

The study also found that the current state of pension administration in Nigeria devalues the contributions of retirees, reinforcing a perception of inequity. While political officeholders receive uninterrupted and timely payments, pensioners struggle with financial insecurity, and many pass away without ever receiving their entitlements (Ofodu, 2021). This situation erodes trust in the pension system and discourages active employees from investing effort and commitment in their jobs, as they perceive little assurance that their labor will translate into post-retirement security. A retired university bursar interviewed during the study expressed:

> *"Many of us feel abandoned. It is as if once you retire, the government forgets you exist. Pension is no longer a right but a privilege, and only a few lucky ones get theirs on time."*

Additionally, the study found that the majority of Benue State University retirees struggle to meet financial obligations such as housing, family responsibilities, and social contributions to their communities. This financial instability negatively affects their self-esteem and emotional well-being. Research by Onoyas (2013) and Amune et al., (2015) suggests that a sudden loss of income post-retirement often leads to anxiety, a sense of rejection, and regret for having spent their careers in public service. Yaya (2008) also noted that successive Nigerian governments have consistently experienced delayed pension payments under the pretext of financial constraints, despite the country generating significant revenue from crude oil exports. Participants in the study also pointed to disparities in salaries between federal, state, and private-sector employees as a factor contributing to the financial struggles of retired university workers. However, Akhiojemi et al., (2018) argued that even with the introduction of the contributory pension scheme in 2004 and subsequent revisions in 2014, retirees continue to endure delays in payments and inadequate pension benefits, especially with the national minimum wage remaining at N30,000.

The overall findings of this study suggest that pension administration in Nigeria remains highly flawed, with retirees experiencing undue financial hardship despite their years of service. The narratives from both the survey and interview respondents paint a picture of a pension system plagued by corruption, inefficiency, and insensitivity to the needs of pensioners. The study concludes that urgent policy reforms are needed to ensure that pension funds are managed transparently and effectively to guarantee financial security for retirees.

Conclusion

Pension administration at Benue State University (BSU) is marked by significant inefficiencies that undermine the welfare of retirees. The contributory pension scheme, introduced as a structured approach to ensuring financial security for retired employees, has struggled with delayed payments, inconsistent remittances, and administrative bottlenecks that weaken its effectiveness. As a result, many retirees face prolonged waiting periods before receiving their entitlements, leading to financial distress, emotional strain, and an overall decline in their standard of living. The study revealed a weak correlation between pension administration and both retirees' standard of living ($r = 0.102$, $p = 0.275$) and timely benefit disbursement ($r = 0.089$, $p = 0.310$), indicating that the current system fails to meet pensioners' needs. Many retirees experience prolonged waiting periods, struggle to afford basic necessities and healthcare, and suffer emotional distress due to financial instability. Key issues include mismanagement of funds, poor governance, and bureaucratic delays, which threaten employees' confidence in the system. If unaddressed, active workers may lose trust in pension schemes, discouraging commitment to long-term service. To improve pension administration, urgent reforms are needed, including automated payment systems, stricter regulatory oversight, and increased government commitment to funding pensions. Without these changes, retirees will continue to face financial hardship, worsening socio-economic conditions.

Recommendations

The following recommendations were made:

a. To minimize the adverse effects of physical stress, retirees should proactively plan for their retirement by investing in alternative ventures while still in service. Exploring additional sources of income will help supplement their retirement benefits and maintain a sustainable lifestyle.

b. The adoption of digital pension records should be implemented to streamline processes, reduce bureaucratic delays, and facilitate the efficient and timely disbursement of pension payments.

c. The government should consider revising the contributory pension scheme to enhance contribution rates, ensuring long-term sustainability and improved financial security for retirees.

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