



WAGE INCREASE AND ACADEMIC STAFF WELFARE: A STUDY OF SELECTED FEDERAL UNIVERSITIES IN NIGERIA

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Abstract

This study investigated the effects of wage increase on the welfare of academic staff in Federal government owned universities in Nigeria. The aim was to assess the extent to which changes in salary levels influence the overall well-being of academic staff, measured in terms of income, assets and quality of life. The study was carried out in Federal universities, considering their significance in shaping the educational landscape of the country. The study employed a mixed-methods approach, combining both quantitative and qualitative data collection methods. Primary data were obtained with the aid of a structured questionnaire, while qualitative data was gathered from in-depth interviews. The sample size comprises of 373 academic staff members selected through stratified random sampling techniques from various faculties and ranks in selected federal universities. Qualitative data was analyzed thematically to provide rich insights into the experiences, perspectives, and perceptions of academic staff regarding wage increase and its influence on their overall well-being. Quantitative data were summarized using percentages and tables. Findings revealed that wage increases in Public universities in Nigeria have a significant effect on the income and wellbeing of academic staff. However current remuneration was found to be insufficient for meeting the self-professional development needs in terms of research, publication and conference attendance which are measures of productivity and promotion in the university system. It is thus concluded that further wage increases can improve the wellbeing of academics when the peculiar needs of the academia is factored into wages paid. Therefore, financial support in form of research grants, funding for publication, access to research resources and other unsatisfied needs of academic staff should be considered in planning for improved and sustainable welfare of academic staff.

Keywords: *Academic staff, motivation, wage increase, wellbeing, welfare and salary.*

1.1: Background

Education generally and higher education in particular plays a vital role in the socio-economic development of every nation. This depends on the quality of research and learning that the higher education offers. To give its best higher institutions including the universities strive to recruit and retain quality staff. For academic staff the requirements for recruitment as determined by the respective governing councils of the universities and the National Universities commission are high and thorough. This is deliberate as the output of work of these academics, technical and support staff go to impact on the economy are in terms of knowledge generation, teaching, research, community services and policy directions offered. These vital contributions of the university system generally and academic staff in particular are gradually being eroded. Many academics and other professionals are daily migrating out of the Country to foreign Countries (Smith, 2019).



Among the drivers of these out migration are; funding, working conditions, pay, and insecurity. The various unions in the University have sought to draw the attention of all stakeholders to the brain drain and seek reversal through press releases, dialogues, warning and full-scale strikes over the years on the working conditions and welfare of university staff. Yet, the problems remain. Today, the annual budgetary releases for education in Nigeria by the federal government of Nigeria averages 5 percent against the UNESCO prescribed 26%. While those who can afford have relocated abroad, many that remain are disillusioned and demotivated as many can no longer meet their daily obligations to self and the community. As it were, this has resulted to many untoward behaviour among some academics. This study investigated the relationships between wage increase and welfare of academic staff in federally owned public Universities in Nigeria.

Nigeria's Federal Universities are significant component of the higher education system. They are ordinarily expected to serve as reference in academic standards and quality. Besides they employ a substantial number of academic staff and admit the largest number of students in the Country each year. The welfare of academic staff is thus essential not only for their own sake but also for the overall economy as the success of the universities is the success of the economy.

Wages are a fundamental aspect of academic staff welfare, as they directly impact their financial security and overall quality of life. Adequate compensation is crucial for attracting and retaining highly qualified and experienced academic staff, as well as motivating them to perform at their best. As aptly captured by Beaudry, Dostie and Marion, (2017) fair and competitive wages are vital in enhancing the morale, job satisfaction, and productivity of academic staff.

However, the issue of wage levels and structures for academic staff in Nigerian federal universities has been a subject of debate and concern. Many academic staff members have expressed dissatisfaction with their wages, citing low levels compared to their counterparts in other countries and insufficient compensation for their workload and contributions (Adetoro, Ayodeji and Oyeyinka, 2020). Insufficient wages can lead to financial stress, which can affect the overall well-being, job satisfaction, and motivation of academic staff. Furthermore, inadequate wages hinder the ability of academic staff to meet their basic needs, support for families, and engage in professional development activities. It can also have implications for their work-life balance and job commitment. This, Altbach, Reisberg and Rumley, (2019) note, can lead to demoralization, increased turnover, and a decline in the quality of education and research outputs. Thus, it is crucial to understand how wage increases or the lack thereof affect the welfare of academic staff in Nigerian federal universities.



While there have been studies on academic staff in Nigerian universities, including some focused on federal universities, there is a lack of comprehensive research specifically examining the impact of wage increases on academic staff welfare in these institutions. Existing studies have primarily focused on broader issues such as working conditions, job satisfaction, and career advancement opportunities (Akindele, Arifalo, Olatunji, Adebayo and Opasola, 2018). Therefore, a dedicated investigation of the specific relationship between wage increases and academic staff welfare in selected federal universities is warranted.

The impact of wage increases on the welfare of academic staff extends beyond financial considerations. Adequate compensation has been associated with higher levels of job satisfaction among academic staff (Falola, Aladejebi and Falola, 2021). It can enhance their sense of value and recognition, leading to increased motivation and productivity. Additionally, fair and competitive wages can attract and retain highly qualified academic staff, ensuring continuity and quality in teaching and research endeavours (Beaudry et al, 2017).

To address this research problem comprehensively, this study focused specifically on the relationship between wage increases and the welfare of academic staff in selected federal universities in Nigeria. Findings from the study will fill the existing knowledge gap by providing valuable insights into the specific effects of wage increases on academic staff welfare. By examining the current wage levels and structures, identifying factors influencing wage increases, and analysing the impact on various dimensions of welfare, this study will contribute to evidence-based decision-making for policy formulation, and interventions aimed at enhancing the welfare of academic staff.

1.2: Objectives of the Study

The overall objective of the study is to examine the effect of wage increases on welfare of academic staff in selected federal universities in Nigeria. Specifically, the study sought to:

- i. To examine the effect of wage increases on the income of academic staff in selected federal universities in Nigeria.
- ii. To examine the effect of wage increases on the wellbeing of academic staff in the selected federal universities.
- iii. To ascertain the extent to which wage increases affect the overall welfare of academic staff in the selected federal universities.

1.3: Research Questions:

1. What are the effects of wage increases on the income of academic staff in the selected federal universities?



2. What are the effects of wage increases on the wellbeing of academic staff in the selected federal universities?
3. How do wage increases affect the overall welfare of academic staff in the selected federal universities?

2.0: Literature Review

Several empirical studies have examined the impact of wage increases on the income and financial well-being of academic staff in Nigerian federal universities. For instance, Adebowale and Ogunyemi (2019) found that wage increases positively influenced the income levels of academic staff, providing them with greater financial security and the ability to meet their basic needs. Similarly, Ojo and Adebowale (2020) reported that wage increases had a significant positive effect on the overall financial well-being of academic staff, leading to improved living standards and reduced financial stress. Adetunji and Oladeji (2018) found a positive association between wage increases and job satisfaction among academic staff in Nigerian federal universities. The research revealed that higher wages led to increased job satisfaction, resulting in improved morale, motivation, and commitment among academic staff. This finding aligns with the job satisfaction theory, which suggests that adequate compensation is a key factor in enhancing job satisfaction (Clark, 2003). Similarly, Oladeji and Adetunji (2019) on their study on the relationship between wage increases and work-life balance among academic staff in selected federal universities found that wage increases positively influenced the work-life balance of academic staff. According to them, wage increases provided academic staff the financial means to address personal and family needs, thereby reducing stress and facilitating a better integration of work and personal life.

Empirical studies have also examined the influence of wage increases on the utilization of available professional development opportunities for academic staff in Nigerian federal universities. A study by Oyeyemi and Adebowale (2018) found that wage increases positively affected the access to professional development programmes and resources for academic staff. Higher wages enabled academic staff to invest in their professional growth, attend conferences, engage in research activities, and pursue further education, leading to enhanced knowledge and skills.

Adeleke, Aremu and Ogunsola (2021) conducted a study that explored the implementation challenges from the perspectives of university administrators and academic staff. The research identified factors such as limited budgetary allocations, bureaucratic procedures, and government regulations as significant obstacles in effectively implementing wage increases. These challenges often resulted in delayed or inadequate implementation, leading to frustrations and dissatisfaction among academic staff.



While existing empirical studies provide valuable insights into the relationship between wage increase and various dimensions of welfare among academic staff, there are still some gaps in the literature that warrant further investigation. Most of the reviewed studies focused on job satisfaction, work-life balance, and professional development. Some of the studies focused on implementation challenges in university administrators, the impact of wage increase on income and financial well-being.

2.1: Theoretical Framework

The following are Theoretical Perspectives on Wage Increases and Academic Staff Welfare:

2.1.1 Equity Theory: Equity theory, proposed by Adams (1963), suggests that individuals compare their inputs (e.g., education, skills, effort) with their outcomes (e.g., salary, rewards) and seek fairness in the ratio. In the context of wage increases, this theory implies that academic staff's perception of fairness in the distribution of salary increments affects their overall welfare. When wage increases align with perceived inputs, academic staff experience increased job satisfaction, motivation, and well-being.

One of the weaknesses of equity theory was observed by Walster et al (1978) who reveals that equity theory does not make any predictions about overpayment conditions and how employees and employees are going to handle those specific conditions.

2.1.2 Expectancy Theory: Expectancy theory, developed by Vroom (1964), posits that individuals are motivated by the belief that their efforts will lead to desired outcomes. In the context of wage increases, academic staff's expectations of higher rewards for their performance can positively influence their motivation, job satisfaction, and overall welfare. According to this theory, the anticipation of wage increases as a reward for their efforts can enhance academic staff's commitment, engagement, and well-being.

However, Vrooms expectancy theory has received both praise and criticism since its introduction in the 1960s. One of the key critique of Vrooms expectancy theory is its focus on individual motivation while neglecting the broader organizational context. Critiques argue that this narrow focus on individual motivation overlooks other important factors that can influence behaviour in the workplace, such as interpersonal dynamics, organizational culture, and the role of social and contextual factors in shaping motivation (Kanfer, Chen & Pritchard, 2008).

2.1.3 Two-Factor Theory: Herzberg's two-factor theory (Herzberg, Mausner, & Snyderman, 1959) suggests that job satisfaction and dissatisfaction are influenced by separate factors. Adequate wages serve as hygiene factors that prevent dissatisfaction,



while factors such as recognition and professional growth contribute to job satisfaction. Wage increases, as a form of adequate compensation, can address the basic needs of academic staff, reduce dissatisfaction, and contribute to their overall welfare. However, it is essential to consider other intrinsic motivators alongside wage increases to promote long-term job satisfaction and well-being.

Oldhan & Hackman (2010) reveals that one of the major weakness of Herzberg's theory was over emphasis on job satisfaction as a key motivator, while neglecting other important motivational factors such as intrinsic motivation, individual differences and social influences.

2.1.4 Collective Bargaining and Unionization: The role of collective bargaining and trade unions in negotiating wage increase and improving the welfare of academic staff is significant and can serve as a theoretical framework to examine the effect of wage increases on the welfare of academic staff in selected federal universities in Nigeria. The collective bargaining process and the power dynamics between university administrators and academic staff can influence the outcome of wage negotiations, leading to potential improvements in welfare (Kochan, Katz & McKersie, 2015).

3.0 Methodology

3.1 Research Design

The study adopted a mixed-methods research design. It combined quantitative and qualitative methods. This approach allows for a comprehensive understanding of the various nuances of the problems. The quantitative data provide statistical evidence of the relationship between wage increases and academic staff welfare, while the qualitative data offer further supportive insights into the experiences and perceptions of academic staff members.

3.2 Population and Sample

The target population for this study comprises of 5726 academic staff members working in six selected federal universities in Nigeria. The study selected one federal university in each of the geo political zones in Nigeria. Since it was not feasible to include all academic staff members of the six selected universities, a sample of 373 respondents was determined using Cochran's equation of determining sample size of a finite population.

3.3 Sampling Technique

A combination of stratified and convenience sampling techniques was used in this study. Initially, the selected federal universities were stratified based on geographical location and size. From each stratum, a convenience sample of academic staff members were selected.



Table 1: Population, sample and rate of return analysed from the selected universities.

S/N	Institution	Sub Population	Drawn Sample	Retrieved Questionnaire	Copies Analysed	Percentage Analysed %
1	ABU	1499	97	73	73	75
2	UNN	1211	79	60	60	75
3	UI	1173	76	49	49	64
3	UNICAL	846	55	41	41	74
5	BUK	581	39	28	28	71
6	FUTY	416	27	24	24	89
Total	6	5726	373	275	275	74

Source: Field Survey, 2023

Table 1 depicts the population, sample size and the rate of questionnaires administered and analysed to each of the selected universities. The total number of useable questionnaires was 275 and the percentage is 74%.

3.4 Data Collection Instruments

Both questionnaire and semi-structured interview were used to collect data from the respondents.

3.4.1 Structured Survey Questionnaire

The questionnaire was designed based on validated scales and existing literature on academic staff welfare and wage increases. Variables of interest were academic staff demographics, perceptions of wage increases, and overall welfare.

3.4.2 Semi-Structured Interviews

The interviews were conducted with a subset of academic staff members who had experienced wage increases. The interviews explored their experiences, perceptions, and the impact of wage increases on their welfare.

3.5 Data Analysis

The collected data were analysed using appropriate statistical and qualitative analysis techniques. The quantitative data collected through the survey were analysed using descriptive statistics such as percentage, table summaries and mean score of each of the selected university. The qualitative data collected through interviews were analysed using thematic analysis. The transcribed data were coded and categorized into themes and sub-themes to identify patterns, recurring ideas, and common experiences related to wage



increases and academic staff welfare. The analysis involved the identification of key concepts, interpretation of meanings, and the development of rich narratives.

4.0 Results

Academic staff opinion on how wage increases affect their income, wellbeing and overall welfare in Nigerian universities.

Table 2: Respondents opinion on how wage increase affects their welfare.

Options	Income	Improved Life	Valuable Asset	Pay Package
Strongly Agree (5)	89 (33%)	44 (16%)	40 (14%)	-
Income	LI 61 HI 28	LI 31 HI 13	LI 28 HI 12	LI - HI -
Agree (4)	130 (47%)	181 (66%)	164 (60%)	41 (15%)
Income	LI 87 HI 43	L I 1 125 HI 56	LI 114 HI 50	LI 31 HI 10
No opinion (3)	31 (11%)	18 (6%)	30 (11%)	44 (16%)
Income	LI 22 HI 9	LI 12 HI 6	LI 22 HI 8	LI 26 HI 18
Disagree (2)	25 (9%)	32 (12%)	41 (15%)	190 (69%)
Income	LI 17 HI 8	LI 20 HI 12	LI 24 HI 17	LI 132 HI 58
Strongly Disagree (1)	-	-	-	-
\sum/\bar{X}	\sum \bar{X}	$\sum\bar{X}$	\sum \bar{X}	\sum \bar{X}
\sum L I	188	188	188 3.74	188 2.50
\sum H I	3.99 87 4.00	3.91 87 3.81	87 3.48	87 2.48
N&G \bar{X}	N 275 G \bar{X} 4.02	N 275 G \bar{X} 3.86	N 275 G \bar{X} 3.73	N 275 G \bar{X} 2.45
STD	STD 0.89	STD 0.81	STD 0.85	STD 0.73
RMKS	ACCEPT	ACCEPT	ACCEPT	REJECT

Source: Field Survey, 2023

Table 2 depicts the effects of wage increases on the academic staff welfare. The respondents were categorized in accordance with their various income groups. 80% of the respondents agreed and strongly agreed that there was a significant effect of wage increases



on their income, 82% also agreed and strongly agreed that wage increases have improved their way of life. 74% of the respondents strongly agreed and agreed that wage increases gave them the opportunity to have some valuable assets. However, despite the significant effect of wage increases on the income, valuable assets and improved way of life of the academic staff, only 15% were satisfied with their current pay package. This means that their current pay package is inadequate to meet with all the needs.

Table 2 also reveals that the group of low-income earners and high-income earners of the academic staff. They both obtained the mean values of 3.99 and 4.00 for some significant effects, 3.91 and 3.81 for comfortable way of life and 3.74 and 3.48 for valuable assets. It also shows that the mean value of 2.50 and 2.48 was obtained for pay package. This means that the respondent's perception was identical irrespective of whether the academic staff was a low-income earner or a high-income earner.

The finding that wage increase led to significant effect on academic staff income, comfortable way of life and acquiring valuable assets is identical with the findings of Oladeji and Adetunji (2019) who revealed that wage increases positively influenced the work-life balance of academic staff by providing them with the financial means to address personal and family needs, thereby reducing stress and facilitating a better integration of work and personal life.

However, the finding that the academic staff pay package cannot meet all their needs complement the finding of Autor, Dorn and Hanson (2019) who found that in many cases, wage increases may not keep pace with the rising costs of essential goods and services such as housing, healthcare, education, or childcare. This phenomenon is known as "wage stagnation" or "cost-of-living squeeze." As a result, individuals may find it challenging to meet their basic needs, despite having higher wages.

Furthermore, Johnson (2021) found that the costs associated with research publication and inflation can indirectly affect income by influencing the wage increase of academic staff. This view is corroborated by the view of respondents from the interview session which stated that "The rising cost of living and the cost of research and publication influence the pay package of academic staff making the wage increases to be less valuable."

5.0 Conclusion and Recommendations

From the findings it is concluded that wage increases have a significant effect on improving the welfare of academic staff but the take home pay cannot satisfy some of the needs of academic staff. The rising cost of living and cost of research and publication makes wage



increases of academic staff to be less valuable. Therefore, based on the findings of this study, the following recommendations were suggested.

Based on the above, it is recommended that financial support to academic staff such as research grants, funding for publication fees and access to research resources be provided and not just wage increases.

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