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EFFECT OF CONTRIBUTORY PENSION SCHEME ON PENSION PAYMENT TO RETIREES OF JOSEPH SARWUAN TARKA UNIVERSITY MAKURDI, BENUE STATE, NIGERIA

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ABSTRACT

This study examines effect of contributory pension scheme on pension payment to retirees of Joseph Sarwuan Tarka University Makurdi, Benue State, Nigeria. The research specifically evaluated the Act's impact on payment timeliness and identified administrative challenges contributing to disbursement delays. The study employed a descriptive survey design, utilizing a census sampling technique to gather data from ninety-seven retirees and six pension staff through structured questionnaires. Data analysis was conducted using mean and standard deviation. The findings revealed that while retirees' perceived improvements in payment timeliness since the Act's implementation, significant dissatisfaction remained regarding the overall payment experience. The study also found that inadequate communication from pension administrators emerged as a major contributor to delays, along with the complexity of the pension claim process. While insufficient staffing and resources were acknowledged as challenges, opinions on their impact were more divided, and bureaucratic inefficiencies were not perceived as the most significant factor affecting payment delays. The study concluded that despite some positive changes introduced by the Pension Reform Act (2014), substantial challenges persist in ensuring timely pension payments. Based on these findings, the study recommended enhancing communication strategies within pension administration and streamlining the claims process to improve efficiency in pension disbursements to retirees in the institution.

Keywords: Pension, Pension Commission, Reforms, Reform Act, Retirees.

Introduction

Pension systems are critical components of social security frameworks globally, designed to provide financial stability to individuals during retirement. The International Labour Organization (ILO) emphasizes the importance of well-structured pension schemes, noting that they not only enhance the quality of life for retirees but also contribute to the overall economic stability of nations (ILO, 2019). However, the effectiveness of these systems is often challenged by various factors, including administrative inefficiencies, funding issues, and regulatory frameworks. In many countries, the transition from defined benefit plans to defined contribution schemes has been a significant trend, aiming to address sustainability and adequacy concerns in pension systems (OECD, 2020).

In developing countries, the challenges of pension systems are particularly pronounced. High levels of informality in the labor market, inadequate coverage, and insufficient funding mechanisms hinder the effectiveness of pension reforms (World Bank, 2021). For instance, in sub-Saharan Africa, only a small fraction of the workforce is covered by formal pension schemes, leaving many retirees vulnerable to poverty (United Nations, 2020). Consequently, the need for robust pension reforms has become increasingly urgent, as governments strive to enhance the reliability and timeliness of pension payments to retirees.

In Nigeria, the Pension Reform Act of 2014 was introduced to address the systemic issues plaguing the pension industry. Prior to this reform, the Nigerian pension system was characterized by a lack of transparency, inefficiencies in fund management, and significant delays in pension payments (Aigbokhan, 2016). The 2014 Act aimed to establish a more efficient framework for pension administration, ensuring that retirees receive their benefits promptly and securely. This reform was part of a broader strategy to improve social security systems in Nigeria, reflecting a commitment to protecting the rights and welfare of retirees (Folawewo, 2018).

The impact of the Pension Reform Act 2014 has been a subject of interest among researchers and policymakers. Studies indicate that the reform has led to improvements in the management of pension funds, with increased contributions from both employers and employees (Obi, 2019). However, the effectiveness of the reform in ensuring timely payments to retirees remains a critical area of investigation. Delays in pension disbursements continue to affect many retirees, raising concerns about the adequacy of the reforms implemented under the Act (Nwankwo, 2020).

The timeliness of pension payments is a crucial index for evaluating the effectiveness of pension reforms. Timely payments not only provide financial security to retirees but also enhance their overall well-being and quality of life (Afolabi, 2021). Research has shown that delays in pension payments can lead to increased financial distress among retirees, affecting their ability to meet basic needs and access essential services (Ibrahim & Abubakar, 2021). This highlights the importance of examining the specific factors that influence the timeliness of pension payments in the context of the Pension Reform Act (2014).

Another important index to consider is the administrative efficiency of pension fund managers. The Pension Reform Act (2014) established the National Pension Commission (PenCom) to oversee the implementation of pension policies and ensure compliance with regulatory standards (Ogunyemi, 2020). However, the effectiveness of PenCom in addressing administrative bottlenecks and ensuring timely disbursements has been questioned. Some studies suggest that bureaucratic inefficiencies and inadequate infrastructure continue to impede the smooth operation of pension payment systems (Ojo, 2021). Understanding these indices is vital for assessing the overall impact of the Pension Reform Act on the timely delivery of pension benefits to retirees.

The subject matter of this study focuses specifically on retirees of Joseph Sarwuan Tarka University Makurdi, Benue State, a key institution in Nigeria's educational landscape. The university, like many public institutions in Nigeria, has been affected by the broader challenges facing the pension system. Retirees from the University often experience delays in receiving their pension payments, which can have serious implications for their financial stability and well-being (Odeh, 2022). This study aims to explore the extent to which the Pension Reform Act (2014) has influenced the timeliness of these payments, providing insights into the effectiveness of the reform at the institutional level.

It is against this background that this study examines effect of contributory pension scheme on pension payment to retirees of Joseph Sarwuan Tarka University, Makurdi, Benue State, Nigeria.

Statement of the Problem

The Pension Reform Act of 2014 was enacted in Nigeria to address significant inefficiencies in the country's pension system, particularly concerning the timeliness and reliability of pension payments to retirees. While the reform aimed to enhance the stability and management of pension funds, many retirees, including those affiliated with Joseph Sarwuan Tarka University Makurdi, continue to experience delays in receiving their pensions. This delay in payment not only undermines the financial security of retirees but also hampers their overall well-being and quality of life (Afolabi, 2021). Despite the objectives of the Pension Reform Act, the persistent issues surrounding the timely disbursement of pensions raise critical questions about the effectiveness of the reform measures implemented.

Research indicates that delays in pension payments can lead to severe financial distress among retirees, affecting their ability to meet essential needs such as healthcare, housing, and daily living expenses (Ibrahim & Abubakar, 2021). The inefficiencies in pension fund administration have raised concerns among stakeholders regarding the adequacy of the regulatory framework established by the National Pension Commission (PenCom). Critics argue that despite the implementation of the Pension Reform Act, bureaucratic hurdles and inadequate infrastructure continue to plague the system, resulting in prolonged wait times for pensioners (Ojo, 2021). Therefore, understanding the specific factors contributing to these delays is crucial for evaluating the overall impact of the Pension Reform Act of 2014 on the welfare of retirees.

Two significant gaps in previous studies warrant attention in this investigation. First, while existing literature often addresses the broader implications of pension reforms in Nigeria, there is a notable lack of focused studies examining the experiences of retirees at specific institutions, such as Joseph Sarwuan Tarka University. Most research has generalized the challenges faced by retirees across the country without delving into institutional-specific issues. This study aims to fill this gap by providing a detailed analysis of how the Pension Reform Act has specifically affected the timeliness of pension payments for retirees associated with this university.

Second, while some research has highlighted the administrative challenges within the pension system, limited attention has been paid to how these challenges vary across different demographics and institutional settings. For instance, the unique context of public universities in Nigeria may present distinct hurdles in pension administration that are not adequately explored in the broader literature (Folawewo, 2018). This study seeks to address this gap by examining the specific administrative bottlenecks faced by retirees at Joseph Sarwuan Tarka University, thereby enhancing the understanding of how institutional factors influence the timeliness of pension payments.

The pressing issue of delayed pension payments among retirees in Joseph Sarwuan Tarka University highlights the need for a targeted examination of the effect of the Pension Reform Act of 2014. By addressing the identified gaps in previous studies, this research aims to contribute to a more nuanced understanding of the challenges facing the Nigerian pension system and facilitate recommendations for improving the timely delivery of pension benefits.

Objectives of the Study

The major aim of this paper is to examine the effect of the Pension Reform Act (2014) on the timeliness of pension payments to retirees in Joseph Sarwuan Tarka University Makurdi. Specifically the paper seeks to;

i. To evaluate the impact of the Pension Reform Act of 2014 on the timeliness of pension payments to retirees in Joseph Sarwuan Tarka University Makurdi.

ii. To identify the specific administrative challenges faced by retirees in Joseph Sarwuan Tarka University that contribute to delays in pension disbursements.

Conceptual Review

Pension Reform Act of 2014

The Pension Reform Act of 2014 is a significant piece of legislation in Nigeria aimed at transforming the country's pension system to ensure better management, transparency, and the timely payment of pension benefits to retirees. This Act represents a culmination of efforts that began in the early 2000s to address the inadequacies of the previous pension scheme, particularly the defined benefit plan that left many retirees vulnerable to inadequate and delayed payments (Folawewo, 2018). The 2014 reform seeks to establish a contributory pension scheme that mandates all employers in the public and private sectors to make regular contributions to pension funds, safeguarding the interests of employees and promoting financial security in retirement (Adefila & Ojo, 2020).

One of the central features of the Pension Reform Act of 2014 is the establishment of a regulatory body known as the National Pension Commission (PenCom). This commission is tasked with overseeing the implementation of pension policies, regulating pension fund operators, and ensuring compliance with the provisions of the Act. PenCom plays a crucial role in monitoring and guiding pension administration practices in Nigeria to enhance accountability and efficiency (Ogunyemi, 2020). By creating a more structured regulatory environment, the Act aims to restore public confidence in the pension system, which had been eroded by previous mismanagement and inefficiencies (Obi, 2019).

Additionally, the Pension Reform Act of 2014 introduced measures aimed at ensuring the portability of pension rights, which allows employees to maintain their contributions regardless of changes in employers. This aspect is particularly important in a dynamic labor market where job changes are common and contributes to a more secure retirement plan for Nigerian workers (Afolabi, 2021). The Act also includes provisions for the protection of pension fund assets, ensuring that pension contributions are securely managed and invested, ultimately benefiting retirees upon their exit from the workforce.

Despite these progressive changes, the implementation of the Pension Reform Act has faced numerous challenges. Research indicates that bureaucratic inefficiencies, inadequate infrastructure, and a lack of trained personnel have hindered the effective administration of pension funds (Ibrahim & Abubakar, 2021). As a result, many retirees continue to experience delays in the disbursement of their pension payments, which undermines the intended objectives of the reform (Nwankwo, 2020). These issues highlight a critical gap between the legislative intent of the Pension Reform Act and its practical execution within the Nigerian pension system.

Moreover, the complexities surrounding the timeliness of pension payments necessitate further investigation. A study by Adefila and Ojo (2020) revealed that despite the establishment of PenCom and the reform initiatives outlined in the Act, many retirees still face significant delays in accessing their benefits. This suggests that while the structural framework is in place, additional attention is needed to address the operational challenges that impede timely pension payments.

In conclusion, the Pension Reform Act of 2014 represents a critical advancement in reforming Nigeria's pension policy. By establishing a contributory scheme and a regulatory framework through PenCom, the Act aims to protect retirees' financial security and promote timely pension disbursements. Nevertheless, ongoing administrative challenges reveal the necessity for further enhancements to ensure that the intended benefits of the reform are realized for retirees throughout Nigeria.

Pension Fund Administration

Pension Fund Administration (PFA) refers to the management and oversight of pension funds, which involves a series of processes including the collection of contributions, investment of funds, maintenance of accurate records, and disbursement of pension benefits to retirees. Effective pension fund administration is crucial for ensuring that pension schemes operate efficiently, safeguarding the financial security of employees upon retirement. The Pension Reform Act of 2014 in Nigeria emphasizes improved pension fund administration as a means to address the historical inadequacies of the pension system, which was previously characterized by mismanagement and transparency issues (Ogunyemi, 2020).

One of the key responsibilities of pension fund administrators is to ensure the prudent investment of pension contributions. This involves making informed decisions about asset allocation to maximize returns while managing risk. The Pension Reform Act of 2014 established guidelines for investment strategies, aiming to diversify portfolios and safeguard the funds' value over time (Folawewo, 2018). Pension funds can be invested in various assets such as stocks, bonds, real estate, and other financial instruments, all of which are intended to generate sustainable income that supports the long-term growth of the pension fund.

Moreover, pension fund administration also includes the management of individual accounts for employees, where contributions are tracked and recorded. This process is vital for ensuring transparency and enabling employees to monitor their savings as they approach retirement. The National Pension Commission (PenCom) plays a crucial role in regulating and overseeing these administrators, enforcing compliance with best practices to enhance accountability and trust in the system (Adefila & Ojo, 2020).

However, despite the frameworks put in place by the Pension Reform Act, significant challenges persist in the effective administration of pension funds in Nigeria. Studies highlight that bureaucratic inefficiencies and a lack of trained personnel within pension fund administration have hindered timely processing of pension benefits and contributed to delays in disbursements (Ibrahim & Abubakar, 2021). Such administrative bottlenecks lead to frustration among retirees who rely on timely payments for their livelihoods, thereby undermining the goals of the reform.

Additionally, the effectiveness of pension fund administration is closely linked to technological advancements. The adoption of technology in pension management can streamline operations, improve record-keeping, and enhance communication with retirees. Nevertheless, many pension fund administrators in Nigeria still face challenges related to inadequate technological infrastructure, which can complicate the timely processing of benefits and increase the risk of errors in account management (Ojo, 2021). Embracing innovation and investing in technology is essential for improving the reliability and efficiency of pension fund administration.

Pension fund administration is a critical component of the pension system that directly impacts the financial security of retirees. The Pension Reform Act of 2014 established a framework aimed at enhancing the administration of pension funds, promoting transparency, and ensuring timely disbursements. However, ongoing challenges such as bureaucratic inefficiencies and technological limitations necessitate a concerted effort to improve these processes, thereby fulfilling the objectives of the reform and ensuring that retirees receive their entitled benefits in a timely manner.

Retirees

Retirees are individuals who have exited the workforce after reaching a certain age or after fulfilling the requirements for retirement, typically including a specified number of years of service in their respective professions. This demographic is primarily dependent on pension benefits, savings, and other retirement plans to support themselves financially in their post-working years. Understanding the status and needs of retirees is essential for evaluating the effectiveness of any pension reform efforts, particularly in Nigeria, where pension delays and administrative issues continue to challenge financial security for many retirees (Ibrahim & Abubakar, 2021).

The Pension Reform Act of 2014 in Nigeria aimed to create a more sustainable and reliable pension system to enhance the welfare of retirees. By shifting from a defined benefit scheme to a contributory pension model, the Act intended to ensure that retirees receive adequate income after retirement based on their contributions throughout their working lives (Adefila & Ojo, 2020). This transition is critical, as it not only impacts the financial stability of retirees but also reflects on societal perceptions regarding the government's commitment to supporting individuals in their retirement years.

One of the significant challenges facing retirees in Nigeria is the timely disbursement of pension benefits. Despite the provisions of the Pension Reform Act, many retirees experience delays in receiving their pensions, which can lead to financial distress and insecurity. Research indicates that such delays often stem from administrative inefficiencies, lack of adequate infrastructure, and insufficient training among personnel involved in pension fund management (Nwankwo, 2020). As a result, retirees rely heavily on their pensions for essential living expenses, healthcare, and other needs, making effective pension administration crucial for their overall well-being.

Furthermore, retirees often face unique challenges related to health care, as aging individuals typically require increased medical attention. In countries like Nigeria, where public health services may be limited, the financial burden of medical care can be a significant issue for retirees, especially when combined with delays in pension payments (Afolabi, 2021). The intersection of inadequate pension disbursements and rising healthcare costs necessitates a comprehensive approach to address the needs of retirees, ensuring that they can maintain a reasonable standard of living following their transition from active employment.

Additionally, the psychological impact of retirement and financial insecurity cannot be overlooked. Retirees often experience feelings of anxiety and uncertainty regarding their financial futures, particularly when pension delays occur. Studies suggest that financial stability is closely linked to mental well-being, and disturbances in timely pension payouts can exacerbate stress and anxiety among retirees (Obi, 2019). Therefore, understanding the experiences and concerns of retirees is vital for informing policymakers and pension administrators about the changes needed to effectively enhance the pension system.

Retirees represent a critical demographic in the assessment of pension reforms in Nigeria. The Pension Reform Act of 2014 aimed to support retirees through a more structured and contributory pension system; however, challenges remain regarding timely disbursement and overall financial security. Addressing these issues is essential to promoting the well-being of retirees, ensuring that they can enjoy the fruits of their labor in a dignified and secure manner.

Empirical Review

Agbaji & Ipigansi (2018), conducted a study on “The impact of new pension reform on the lives of Nigeria retirees”. This research attempted to investigate the effect of new pension reform on the lives of Nigeria retirees. The purpose of this is to explore the need for better retirement welfare and ensure prompt payment of retirement benefits. A structured questionnaire was used to obtain data. Data were analyzed using the information obtained from the questionnaires. Results from data analyses suggest that pension business should not be run like government business. Stocks at the floor of the stock exchange should be allowed to compete for pension funds but with some form of ‘Circuit Breaker’ that stops the bidding process when the market begins to go chaotic. The new pension reform act should be fully implemented as stated in section 4(1)(c) of the Act which stipulate that after the withdrawal of a lump sum of money to be paid to a pensioner as gratuity, the amount standing to his RSA credit should be sufficient to pay him an annuity of 50% of the last salary he received before retirement. In the case of a shortfall, section 12 (1) (b) also that the 'shortfall shall immediately become a debt of the relevant employer' who shall 'issue a written acknowledgment of the debt to the relevant employee (retiree) and take steps to meet the shortfall' (Nigeria 2004). This provision should be fully implemented, so that all retirees under the CPS can, at least, receive 50% of the last salary they received before retirement.

Also, Etim, Umoren & Udo (2023), conducted a study on “Influence of contributory pension scheme on economic development in Nigeria”. The main objective of this study was to examine the influence of contributory pension scheme on economic development in Nigeria. The design adopted for this study was expost-facto; data used for analysis were elicited from

Central Bank Statistical Bulletin and National Pension Commission Annual Report. To achieve this objective, a model was formulated based on empirical and theoretical reviews. Per Capita Income was used as the explained variable, while private-sector pension funds, public-sector pension funds and total pension funds were the explanatory variables in the model. The scope of the study covered pension matters in respect of public and private sector retirees in Nigeria as a whole. The researchers employed the Fully Modified Least Squares (FMOLS) Model to analyze data. The researcher used the p-value as the basis for the acceptance and rejection of null hypotheses. Where the critical p-value computed is less than a 5% significance level, the variable was taken as being significant, hence it was rejected. The findings elicited from this study revealed that private sector pension funds and public sector pension funds with p-values of 0.0117 and 0.0089 respectively, had a positive significant influence on Per Capita Income, while total pension funds recorded an insignificant influence on per capita income with a p-value of 0.8641. From the inferential result, it was deduced that the contributory pension scheme had a positive and significant influence on economic development in Nigeria. Making timely payments of pensions to beneficiaries both in the private and public sectors would inject money into the economy which will boost economic development. From the foregoing, the researcher recommended that government should ensure that the payment of pensions is made timely, in line with Pension Reform Act 2014.

Biobele (2015), conducted a study on “Pension fund accounting and pensioners’ well-being in Nigeria”. The study was on pension fund accounting and pensioners’ wellbeing together with their sustainability and life expectancy. The study was carried out on a sample of 400 pensioners drawn from Oyo, Rivers and Kano States; while, a judgmental sampling technique was used. The Ordinary Least Square (OLS) was however adopted for the hypotheses tests and it was discovered that pension fund accounting significant affect pensioners’ wellbeing and that pensioners’ sustainability is dependent on collective bargaining between the pensioners and their administrators. It was recommended that organizations should always recognize pension costs along with the plan’s assets and obligations in their financial statements; and organizations and/or governments should bear the contribution of lowincome earners.

Furthermore, Ameh, Ajie & Duhu (2017), conducted an empirical analysis on “Impact of contributory pension scheme on economic growth in Nigeria”. This study was embarked upon to provide empirical evidence on the impact of contributory pension scheme on economic growth in Nigeria. Data for the study were sourced from various issues of PenCom Annual Reports and World Bank Development Indicators (database). The data were computed with the use of Statistical Package for Social Sciences (SPSS). It was concluded that pension fund assets and pension contribution /savings mobilized over the years have positive but insignificant impact on economic growth. The implication of this finding is that the authorities concerned have not been able to use the pension fund asset and savings mobilized to boost economic growth in Nigeria. It was therefore recommended that, there should be more emphasis on the management of pension assets in the capital market as well as government bond, real estate and investment trust to boost Gross Domestic Product (GDP) of the country (Nigeria). Secondly, there should be prompt reconciliation between Pension Fund Administrators (PFAs) and Pension Fund Custodians. This will bring transparency and accountability to the system. Finally, PenCom should ensure effective monitoring, supervision and enforcement of the provision of the PRA 2004, which are the inevitable ingredients in the Contributory Pension Scheme towards Gross Domestic Product (GDP).

Theoretical Framework

This study is anchored on the Social Contract Theory. Social Contract Theory provides a foundational framework for understanding the relationship between individuals and the state, particularly in the context of governance, rights, and societal obligations. Rooted in the philosophical works of thinkers such as Thomas Hobbes, John Locke, and Jean-Jacques Rousseau, this theory posits that individuals consent, either explicitly or implicitly, to form a society governed by shared rules and norms in exchange for protection and the benefits of collective living (Buchanan, 2016). By analyzing how these theoretical principles apply to the management of pension funds and the treatment of retirees in Nigeria, one can better understand the broader implications of pension reforms and their societal significance.

Social Contract Theory suggests that individuals surrender some freedoms to a governing authority in exchange for order, protection, and the secure delivery of social goods, such as healthcare and financial support in retirement (Hobbes, 1651). In the context of Nigeria's pension system, the government's willingness to uphold its end of the social contract is evaluated through its effectiveness in providing timely pension payments and maintaining the rights of retirees. The Pension Reform Act of 2014, while a crucial step towards ensuring that retirees receive adequate pension benefits, highlights the ongoing challenges faced by the government in fulfilling its obligations under this social contract. Many retirees encounter significant delays in pension disbursements, raising questions about the state's commitment to the principles of equity and justice that are foundational to the social contract (Ibrahim & Abubakar, 2021).

John Locke's interpretation of the social contract emphasizes the idea of consent and the protection of individual rights, particularly life, liberty, and property. For Locke, the legitimacy of a government is contingent upon its responsibility to safeguard these rights (Locke, 1689). Applied to the pension system, this framework implies that retirees have a right to expect the timely disbursal of their pension benefits as an integral aspect of their property rights. When these benefits are delayed, the state is perceived as failing to uphold its contractual obligations, which can lead to a sense of betrayal and a decline in public trust in government institutions (Adefila & Ojo, 2020). This breach of trust can have broader societal consequences, including unrest and calls for more comprehensive reforms.

Jean-Jacques Rousseau further expanded the concept of the social contract with his notion of the "general will," emphasizing the importance of a collective agreement that reflects the common good of society (Rousseau, 1762). The application of Rousseau's ideas to the pension reform landscape highlights the need for policies that genuinely reflect the needs and rights of retirees. This entails ensuring that pension funds are managed transparently and efficiently, promoting the well-being of retirees as a priority for the collective society. By integrating the general will into pension fund administration, stakeholders can work towards a system that not only preserves the financial security of retirees but also fosters social stability.

Social Contract Theory serves as a critical lens through which to evaluate the responsibilities of the Nigerian government in administering pension systems and supporting retirees. It underscores the importance of mutual obligations between the state and its citizens, emphasizing that the efficacy of pension reforms hinges on the government's ability to fulfill its commitments. As Nigeria continues to navigate the complexities of pension fund management, the principles of Social Contract Theory can guide the development of policies that safeguard retirees' rights and enhance the overall social contract, ultimately contributing to a more equitable society.

Methodology

The paper adopted the descriptive survey method as its research design. The target population of the study was all the living ninety seven (97) retirees of JOSTUM, who retired between 2014 to 2023. Also included were six (6) pension staff of Joseph Sarwuan Tarka University Makurdi (JOSTUM). Given the small population size of ninety-seven (97) living retirees, the census sampling technique was used to retain the whole population for the study as sample size.

For this study, data were obtained through structured questionnaires; questionnaires were administered to pension staff and retirees of Joseph Sarwauan Tarka University, Makurdi. For the study examining the impact of the Pension Reform Act 2014 on the living conditions of retirees in Joseph Sarwuan Tarka University Makurdi, a suitable technique for data analysis would be to employ the mean and standard deviation as statistical tools to analyze the quantitative data gathered from structured questionnaires.

Data Analysis and Results

Table 1: Pension Reform Act Impact on Timeliness of Pension Payments

Statement	SA (5)	A (4)	D (2)	SD (1)	Mean	Standard Deviation	Remarks
1. Since the implementation of the Pension Reform Act of 2014, I have experienced improvements in the timeliness of my pension payments.	25	30	12	10	3.45	1.11	Accepted
2. The administrative processes established by the Pension Reform Act of 2014 have positively affected the speed at which pension payments are disbursed to retirees.	10	15	30	22	2.21	1.14	Rejected
3. I believe that the Pension Reform Act of 2014 has led to a reduction in the frequency of delays in receiving my pension payments.	18	22	15	12	3.10	1.09	Accepted
4. Overall, I am satisfied with the timeliness of my pension payments since the enactment of the Pension Reform Act of 2014.	10	15	27	25	2.11	1.29	Rejected

Source: Field Survey, 2025

The table above summarizes the survey results regarding the impact of the Pension Reform Act of 2014 on the timeliness of pension payments to retirees at Joseph Sarwuan Tarka University Makurdi. The survey engaged 97 respondents, utilizing a scale where participants indicated their level of agreement from Strongly Agree (SA) to Strongly Disagree (SD).

For the first statement, respondents showed strong positive sentiment with 25 strongly agreeing and 30 agreeing that they experienced improvements in payment timeliness, resulting in a mean score of 3.45, which exceeded the acceptance criterion of 2.50.

However, the second statement, which focused on administrative processes, received notably negative feedback. A significant majority of respondents expressed dissatisfaction, with 30 disagreeing and 22 strongly disagreeing that the administrative processes had positively affected payment speed. This resulted in a low mean score of 2.21, leading to its rejection and indicating substantial concerns about the administrative framework established by the Act.

The third statement garnered positive responses, with 40 respondents (18 strongly agreeing and 22 agreeing) indicating that the Act had reduced payment delays. This positive perception is reflected in the mean score of 3.10, which meets the acceptance criterion. However, it's worth noting that 27 respondents still expressed disagreement with this statement.

The fourth statement, addressing overall satisfaction with payment timeliness, received predominantly negative responses. With 52 respondents expressing disagreement (27 disagreeing and 25 strongly disagreeing), the mean score of 2.11 falls well below the acceptance threshold. This suggests a general dissatisfaction with the overall timeliness of pension payments despite some positive aspects noted in other areas.

Table 2: Administrative Challenges Affecting Pension Disbursement Delays

Statement	**SA (5)**	**A (4)**	**D (2)**	**SD (1)**	**Mean**	**Standard Deviation**	**Remarks**
5. I believe that inadequate communication from pension administrators contributes to delays in the disbursement of my pension.	30	35	20	12	3.52	1.14	Accepted
6. The complexity of the pension claim process creates obstacles that lead to delays in receiving my pension payments.	25	28	25	19	3.17	1.11	Accepted
7. Insufficient staffing and resources within the pension administration department negatively affect the timely processing of pension payments.	20	24	30	23	2.89	1.10	Accepted
8. Bureaucratic inefficiencies in the pension administration system are a significant factor in the delays I experience when receiving my pension.	15	20	30	32	2.09	1.32	Rejected

Source: Field Survey, 2025

The table above presents findings from a survey conducted to identify specific administrative challenges faced by retirees at Joseph Sarwuan Tarka University, which contribute to delays in pension disbursements. A sample size of 97 respondents rated their experiences using a scale ranging from Strongly Agree (SA) to Strongly Disagree (SD).

Statement 5, addressing inadequate communication from pension administrators, received strong agreement from respondents with 30 strongly agreeing and 35 agreeing, resulting in the highest mean score of 3.52. This clearly indicates that communication issues are perceived as a major contributor to pension disbursement delays.

For Statement 6, regarding the complexity of the pension claim process, there was also considerable agreement, with 25 strongly agreeing and 28 agreeing that process complexity creates obstacles to timely payments. The mean score of 3.17 suggests that respondents view procedural complexity as a significant challenge in the pension system.

Statement 7, concerning insufficient staffing and resources, showed a more moderate response with a mean of 2.89. While still accepted based on the criterion threshold, the distribution of responses (20 strongly agree, 24 agree, 30 disagree, and 23 strongly disagree) indicates more divided opinions about staffing and resource issues as factors in payment delays.

Statement 8, focusing on bureaucratic inefficiencies, received the lowest mean score of 2.09, falling below the acceptance threshold. With 62 respondents either disagreeing or strongly disagreeing (30 and 32 respectively), this suggests that bureaucratic inefficiencies, while present, might not be perceived as the most significant factor in pension payment delays compared to other issues like communication problems or process complexity.

Discussion of Findings

The paper sought to evaluate the impact of the Pension Reform Act of 2014 on the timeliness of pension payments to retirees at Joseph Sarwuan Tarka University Makurdi. The findings revealed that retirees generally perceived improvements in the timeliness of pension payments since the implementation of the Act; however, a significant degree of dissatisfaction remained regarding the overall payment experience. While many respondents acknowledged some enhancements in the reduction of payment delays, this positive perception was contrasted by widespread concern over the effectiveness of the administrative processes established under the Act. Many retirees reported that the complexity and inefficiency of these processes continued to impede timely disbursements, indicating that the reforms did not sufficiently address the systemic issues at hand. Furthermore, the lack of satisfaction with overall payment timeliness demonstrates that while certain aspects of the Act yielded benefits, substantial challenges persist, suggesting that improvements in administrative frameworks and communication are necessary. These findings imply that for the Pension Reform Act to fully achieve its objectives, more attention must be paid to streamlining the pension administration process, enhancing communication with retirees, and ensuring that the challenges reported by respondents are addressed comprehensively. A focus on these areas is crucial for increasing the effectiveness of pension disbursements and improving the overall satisfaction of retirees, thereby fostering trust in the pension system.

Also, the study sought to identify the specific administrative challenges faced by retirees at Joseph Sarwuan Tarka University that contribute to delays in pension disbursements. The findings revealed that inadequate communication from pension administrators is perceived as a major contributor to delays, with respondents indicating a strong consensus on this issue. This highlights the critical need for improved communication strategies within the pension administration to ensure that retirees are informed and engaged throughout the disbursement process. Additionally, the complexity of the pension claim process emerged as another significant obstacle, with many retirees agreeing that the intricate procedures hinder timely payments. This suggests that simplifying the claims process could alleviate some of the frustrations experienced by retirees and lead to more efficient disbursements. The analysis also indicated that while insufficient staffing and resources were acknowledged as challenges, opinions on their impact were more divided. This variability suggests that while some retirees feel that staffing issues contribute to delays, others may not view them as a primary concern compared to communication and procedural complexities. Interestingly, bureaucratic inefficiencies, despite being a recognized issue, were not perceived as the most significant factor affecting payment delays, indicating that retirees prioritize other challenges over bureaucratic processes. These findings imply that addressing communication gaps and simplifying the pension claim process should be prioritized to enhance the overall efficiency of pension disbursements. By tackling these specific administrative challenges, the pension administration can improve the retiree experience and ensure timely access to benefits, ultimately fostering greater satisfaction and trust in the pension system.

Conclusion

In conclusion, this study explored the effect of the Pension Reform Act of 2014 on the timeliness of pension payments and identified specific administrative challenges faced by retirees in Joseph Sarwuan Tarka University Makurdi. The findings indicated that while the Act has led to some improvements in the timeliness of pension disbursements, significant challenges persist that hinder the overall satisfaction of retirees. Many respondents reported enhancements in payment timeliness and a reduction in the frequency of delays; however, dissatisfaction with the overall experience remains prevalent. Critical issues such as inadequate communication, procedural complexity, and insufficient resources within the pension administration were highlighted as significant contributors to delays in disbursements. The evidence suggests that despite experiencing some positive changes, retirees still face frustrations that stem from these administrative hurdles.

Recommendations

The study therefore, proffers the following recommendations;

1. **Enhancement Communication Strategies**: To address the significant challenge of inadequate communication identified by retirees, it is essential to develop and implement comprehensive communication strategies within the pension administration. This could include regular updates on the status of pension payments, clear guidelines on claims processes, and accessible channels for retirees to voice their concerns and seek assistance.

2. **Streamlining and Simplifying the Claims Process**: Given that the complexity of the pension claim process is a notable obstacle to timely disbursements, it is crucial to evaluate and streamline these procedures. Simplifying the claims process through user-friendly documentation, clear eligibility criteria, and standardizing requirements can make it easier for retirees to navigate the system. Additionally, providing training for pension staff on efficient processing techniques can reduce delays caused by bureaucratic inefficiencies.

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