

## THE ROLE OF PENSION FUND ADMINISTRATOR'S IN MOTIVATING NIGERIAN EMPLOYEES

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**AJIBADE Olalekan Eyitayo**

Department of Public Administration, The Federal Polytechnic, Ilaro

[olalekan.ajibade@federalpolyilaro.edu.ng](mailto:olalekan.ajibade@federalpolyilaro.edu.ng)

*Abstract: Pension paid by government or company to employees motivates them to work as expected but on the other hand Pension Fund Administration's (PFA) have basis roles to play to secure their retirement funds. This study tends to identify the effective roles of Pension Fund Administrator's (PFA), the challenges affecting their roles and the possible solution to the challenges affecting the roles of Pension Fund Administrator's (PFA) in motivating employees in Nigeria using Leadway Pensure Assurance Company as a study. The research design used in this study was a descriptive research design. The primary data was generated through the field survey using structured questionnaire as a major research instrument. The sampling for study was formulated using Taro Yamane sampling formulae. At this junction, multi-stage sampling technique is used to select sample size of the study. Quantitative data collected were analyzed, presented and interpreted using descriptive statistics. The research statistics used for this study is the Pearson correlation analysis and its method coefficient was used to test the level of significance. This will be tested at a significance level of 5% or 0.05 with the aid of Statistical Package for Social Sciences (SPSS). This analysis also shows Pearson correlation to be 0.186 which implies that there is a weak positive relationship between effective roles of Pension Fund Administrator's (PFA) and employees' motivation. The study finds out that Leadway Assurance Company contributes to employees Retirement Savings Account (RSA) monthly/quarterly for the purpose of retirement relief, also keeps the retiree informed on annual rate of returns on the Pension Funds and makes pension fund available for employee after retirement. The recommendation given is that Leadway Pensure should encourage contributory pension scheme among employees before their retirement, also PFAs should adopt more sure suitable way to communicate how the pension scheme benefits employees even with unfavorable working condition and appropriate information technology should be used to training and encourage employees on pension scheme.*

*Keywords: Pension, Pension Fund Administration, Retirement, Contributory, Motivation.*

### Introduction

The goal of a pension plan is to give employees of an organization a way to guarantee, upon retirement, a level of living that is roughly comparable to what they experienced while working for the firm. According to Ezugwu & Alex (2014), Nigerian employees who have given their all to the growth and development of the nation will have to overcome various obstacles in order to receive their retirement benefits. The pension system, which was intended to cover old age after retirement from employment, has ended up burdening both the populace and the government. In actuality, it is the entirety of strategies, tactics, and legal processes for acquiring and allocating funds to fulfill the social responsibility that firms owe to their workers upon retirement. An effective strategy encourages new hires while keeping veteran workers on their toes. Therefore, it is the duty of a good company to formulate and create a good pension plan that will inspire employees. In other words, the purpose of pension plans is to give workers post-retirement benefits. During the Colonial era, pension plans were established in Nigeria to offer British expatriates working there retirement income and security. According to Ozor (2006), a pension is a one-time

payment made to a worker once he leaves the military. He claims that payments are frequently made in monthly installments. He added that pension plans can be single or multiemployer, insured or trustee, group or individual, fixed or variable benefits, and contributory or non-contributory. The Pension Ordinance of 1951, which took effect retroactively on January 1, 1946, was Nigeria's first-ever piece of legislation addressing pension issues. The National Provident Fund (NPF) Scheme, which was founded in 1961, was the first piece of legislation to be passed to address pension issues for private organizations, according to Stephen, Moses, and Basil (2013). The Pension Act No. 102 of 1979 and the Armed Forces Pension Act No. 103 of that same year came 18 years after it. The Local Government Pension Edict and the Police and Other Government Agencies' Pension Scheme were both passed under the Pension Act No. 75 of 1987, which resulted in the founding of the Local Government Staff Pension Board in 1987. In order to protect workers in the private sector of the economy against a loss of employment income, the National Social Insurance Trust Fund (NSITF) Scheme was formed in 1993 by Decree No. 73 of 1993 to replace the defunct NPF Scheme with effect from 1st July, 1994.

In Nigeria, Pension Fund Administrators (PFAs) privately manage pension funds, and the National Pension Commission oversees their operations (PenCom). Pension plans have historically been non-contributory and funded by budgetary allocations (Fapohunda, 2013). The government's sole reliance on administration, regulation, and funding led to a number of issues, such as the misappropriation of remitted or allocated funds, the existence of ghost pensioners on the pension's payroll, a lack of records, incompetent administration, inadequate funding, and the delay or nonpayment of benefits after retirement (Sule & Ezugwu, 2009). The Pension Reform Act 2004 was created to address these issues by introducing introduced the Contributory Pension Scheme which is funded through monthly deductions from the employees' salaries and the contributions by the employer. For retirees to receive a high return on their investments in the future, pension funds must be administered as efficiently as feasible. The financial performance of pension funds must be evaluated in comparison to long-term ideal benchmarks (Oluoch, 2013). There are specific traits of pension funds that point to strong financial performance. By providing all interested parties with information on the financial performance of pension funds and the role of Pension Fund Administrators (PFA) in inspiring employees in Nigeria, this study seeks to address this issue.

## **Review of Related Concepts**

### *Concept of Pension*

A pension is a contract that commits a pensioner to receiving a set amount on a regular basis, usually after leaving the workforce (Ayegba, James & Udoh, 2013). Severance pay is distinct since it is paid in a single lump payment, whereas the former is paid in regular installments. An occupational or employer pension is a pension provided by an employer for the benefit of its employees. Pensions are also financed by labor unions, the government, and other institutions. Occupational pensions are a type of deferred pay that, typically for tax purposes, benefits both the employee and the company. Since many pension plans offer payouts to survivors or beneficiaries who are disabled, many of them also include an additional insurance component. The goal of a pension plan is to give employees of an organization a way to guarantee, upon retirement, a level of living that is

roughly comparable to what they experienced while working for the firm. In actuality, it encompasses all strategies, tactics, and legal actions used to secure and set aside money to fulfill the social responsibility of care that employers have to their workers upon retirement or in the event of a death. An effective strategy encourages new hires while keeping veteran workers on their toes. Therefore, it is the duty of a good company to formulate and create a good pension plan that will inspire employees. In this talk, we will look at the legal foundation that serves as the foundation for administering pensions. The government's ongoing efforts to ensure that retirement benefits are increased for both retirees and current workers who are due to join the pension pay-roll will also be observed.

The phrase "pension" is frequently used to refer to the payments one receives upon retirement, typically in accordance with predetermined legal and/or contractual criteria. According to Adams, Frank, and Perry (2011), a pension is a sum of money that an employee receives after reaching the legal retirement age, working for a predetermined amount of time, or being judged too old or ill to work. It is also considered to be a monthly payment paid to the retired officer till their death because they have worked for the organization providing the cash. Adebayo and Dada (2011) and Robelo (2002) state that another way to get a pension is by making a percentage-based pension plan contribution from one's working years' wages. The retirement income—also known as the pension—those results from the contributions is regarded as earned income. Income tax is due on this at the investor's marginal rate. A gratuity, on the other hand, is a one-time payment given to an officer who is retiring after a certain period of service. Pension is defined as "amount paid by government or company to an employee after working for some specific period of time, considered too old or ill to work, or have reached the statutory age for retirement" by Odia and Okoye (2012) in their article Pension Reform in Nigeria, a Comparison between the Old and the New Scheme. After leaving their employer's employment and fulfilling the necessary requirements, an employee is entitled to receive their pension.

### *Concept of Motivation*

The variables that lead people to act in particular ways are the subject of the wide concept of motivation. Fielding (2006) reiterated that motivation is the power inside a person that causes them to act in a particular way in order to achieve some predetermined goals in support of this. According to Scott (2007), motivation refers to the mechanisms that determine an individual's level of commitment, focus, and perseverance in their pursuit of a goal. The recognition of unmet wants, whether conscious or unconscious, is thought to be the catalyst for motivation, according to a needs-related model of the motivational process. According to Armstrong (2006), the majority of people need to be more motivated in order to work efficiently. According to Huczynski and Buchanan (2007), motivation is a confluence of the objectives that guide human behavior, the methods used to pursue and accomplish those objectives, and the social forces at play. They added that direction, effort, and persistence are the three elements of motivation. As a result, motivation is a concept that is driven by needs and wants that must be met. Given this, managers must foster an environment that encourages employee motivation. Employee retention and reinforcement of productive behavior are improved by those who can motivate staff.

Fielding (2006) continued by saying that managers need to be aware of the significance of motivation since motivated workers perform better for their companies. The development

of a supportive organizational climate can help with this. According to Mitchell (1982), the fundamental conditions for motivating employees include relatively high pay, an equitable payment system, genuine opportunities for promotion, considerate and participatory management, a respectable level of social interaction at work, interesting and varied tasks, and a high degree of autonomy. Employee satisfaction will increase productivity and performance. According to Evans (1999), extrinsic and intrinsic motivations are the two main categories of motivation that Herzberg et al. first identified in 1959. In his opinion, extrinsic motivation refers to material rewards that are given to people, such as pay, salary, fringe benefits, or promotions, in order to motivate them. The term "intrinsic motivation" refers to the psychological and self-generated forces that cause people to act in a certain way. These include having the chance to put one's skills to use at work, having challenging employment opportunities, and receiving fair treatment.

### **Overview of the 2004 Pension Reform Scheme in Nigeria**

Through the 2004 Pension Reform Act, the Federal Government of Nigeria began a Contributory Pension Reform Scheme that aims to harmonize the characteristics of the public service with those of the private sector in terms of rate of benefit contribution, key players, and regulation. This was done in response to the inadequacy of the Defined Benefit Pension Scheme, also known as the Pay-As-You-Go (PAYG) Pension Scheme. Before the 2004 Pension Reform Act became law, the Federal Government of Nigeria's pension liability was estimated to be around three trillion naira (ARM, 2004). In previous years, this amount made up a sizable chunk of Nigeria's average yearly budget. The 2004 Pension Reform Act effectively captures the 2004 Pension Reform Scheme in Nigeria, which has superseded the Defined Benefit Pension Scheme (PRA, 2004). The following are some of the 2004 Pension Reform Scheme's goals:

- (a) Ensuring that each individual who has worked in the Federal Capital Territory, the Public Service of the Federation, or the commercial sector receives their retirement benefits on time;
- (a) To encourage those who are unprepared to save money so they can support themselves in old life; and
- (c) To develop a unified set of guidelines, standards, and procedures for the management and payment of retirement benefits for the Federal Capital Territory, the private sector, and the Federal Public Service of the Federation.

#### **Theoretical Framework: Positive Theory of Social Security**

The Positive Theory of Social Security, advanced and widely adopted by Osler in 1910, served as the foundation for this study. The fundamental tenet of positive social security theory is that social security systems force retirement or force the elderly out of the workforce. Positive externalities in the average stock of human capital are used to model the age-related decline in abilities. The old lower the productivity of the young because they are less skilled than the average individual. When the skill differences between the young and the old are sufficiently wide, overall output is higher in an economy where the elderly do not work (Mulligan & Sala-i-Martin, 1999). Men are old at 40 and worthless at 60, according to the primary tenet of Osler's (1910) philosophy. The objective is to motivate the elderly to retire so that their employment can be filled by more productive young workers and to encourage the young to save enough money for their idle years (old age). The goal of the contributory pension program was to eliminate the whims of poverty

and misery in old age and retirement by encouraging early investment and improving worker retirement benefits. This is done to guarantee that the worker will be able to collect their retirement benefits when they are due. Unfortunately, a large number of Nigerian public employees put off retirement and keep working over the normal retirement age. Their performance is also negatively impacted by this. If the fundamental precepts of the positive theory of social security are applied in Nigeria, it will result in long-term social welfare for the elderly. Retirement benefit delays and denials will be kept to a minimum. Additionally, it will encourage retirement in the nation and provide jobs for young Nigerians. If the elderly retire, the output of the Nigerian economy will increase.

### Methodology

The research design used in this study was a descriptive research design. This method was used because the study requires the researcher to collect information for the purpose of describing the study in details. Descriptive research design was considered appropriate for this study because it describe systematically a situation or an area of interest factually and accurately. Data for this study came from the primary and secondary data. The primary data was generated through the field survey using structured questionnaire as a major research instrument. The secondary data on the other hand were obtained from relevant literatures ranging from textbooks, journals, articles, periodicals, seminar paper dissertation, and internet. The population for this study consists of the entire staff of the Leadway pensure PFA Limited, Lagos, Nigeria. There are over 430 staff in Leadway Pensure PFA Limited Lagos Nigeria.

### Results and Discussions

|                     | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------|-----------|---------|---------------|--------------------|
| Retrieved copies    | 169       | 81.6    | 81.6          | 81                 |
| Un-retrieved copies | 38        | 18.4    | 18.4          | 100.0              |
| Total               | 207       | 100     | 100           |                    |

Source: Survey Data (2024)

The above table shows that 207 respondents were expected to administer questionnaires but due to time constraint, 169 were retrieved which is 81.6% of the whole sample size. The 169 filled questionnaires were used to analyze the study.

### Section A

#### *Demographic Information of Respondents*

The basic information of respondents covered sex, working experience, educational qualification and occupation. These were the basic information that was deemed important to the objectives of the study.

**Table1 Percentage Distribution of Sex**

|       |        | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|--------|-----------|---------|---------------|--------------------|
| Valid | Male   | 148       | 87.6    | 87.6          | 87.6               |
|       | Female | 21        | 12.4    | 12.4          | 100.0              |
|       | Total  | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The above table shows that of the 169 questionnaires that were distributed to the targeted population, 148 persons were male representing 87.6% while the number of females were 21, representing 12.4% of the whole sample size.

**Table 2 Percentage Distribution of Working Experience**

|       |               | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|---------------|-----------|---------|---------------|--------------------|
| Valid | 1 - 5years    | 98        | 58.0    | 58.0          | 58.0               |
|       | 6 - 10years   | 50        | 29.6    | 29.6          | 87.6               |
|       | 11 - 15years  | 12        | 7.1     | 7.1           | 94.7               |
|       | 16 - 20 years | 9         | 5.3     | 5.3           | 100.0              |
|       | Total         | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The above table shows the working experience distribution of respondent of the questionnaires which was distributed to the targeted population, within the years of 1 – 5years were 98 representing 58.1%, 6 – 10years were 50 representing 29.6%, 11 – 15years were 12 representing 7.1% and 16 - 20years were 9 representing 5.3% of the whole sample size.

**Table 3 Percentage Distribution of Academic Qualifications**

|       |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | SSCE / GCE / NECO | 33        | 19.5    | 19.5          | 19.5               |
|       | NCE / ND          | 72        | 42.6    | 42.6          | 62.1               |
|       | HND/B.sc/ B.ED    | 53        | 31.4    | 31.4          | 93.5               |
|       | MBA / MSC         | 11        | 6.5     | 6.5           | 100.0              |
|       | Total             | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The above table the study sought to establish the academic qualifications of the selected respondents. The table above shown that 33 respondents were SSCE/GCE/NECO as shown by 19.5%, followed by NCE/ND at a frequency of 72 representing 42.6%, 53 respondents representing 31.4% were HND/B.sc/B.Ed while 11 representing 6.5% were MBA/M.sc of the whole sample size.

### Data Presentation and Analysis

The data gathered were analyzed in accordance with the objectives, research questions and hypothesis formulated in the study which is inter-related. Several statements on various variables to identify the role of Pension Fund Administrator's (PFA) in motivating employees in Nigeria using Leadway Assurance Company as a case study which were identified and the respondents were required to indicate the extent to which they agree. A four point Likert scale was provided ranging from: a scale of 1 to 5 where 5= Strongly Disagree, 4= Disagree, 3= Undecided, 2= Agree and 1= Strongly Agree. From the responses, standard deviation is used for ease of interpretation and generalization of findings.

SECTION B:

**Table 4 Leadway Assurance Company contributes to employees Retirement Savings Account (RSA) monthly/quarterly for the purpose of retirement relief.**

|       |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Agree    | 16        | 9.5     | 9.5           | 9.5                |
|       | Agree             | 55        | 32.5    | 32.5          | 42.0               |
|       | Undecided         | 26        | 15.4    | 15.4          | 57.4               |
|       | Disagree          | 45        | 26.6    | 26.6          | 84.0               |
|       | Strongly Disagree | 27        | 16.0    | 16.0          | 100.0              |
|       | Total             | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The table above Shows that 16 (9.5%) of the respondents strongly agree that Leadway Assurance Company contributes to employees Retirement Savings Account (RSA) monthly/quarterly for the purpose of retirement relief, 55(32.7%) equally agree, 26 (15.4%) were undecided, 45(26.6%) disagree while 27(16.0%) disagree of the whole sample size. However, according to the analysis Leadway Assurance Company does not contribute to employees Retirement Savings Account (RSA) monthly/quarterly for the purpose of retirement relief.

**Table 5 Leadway Assurance Company keeps the retiree informed on annual rate of returns on the Pension Funds.**

|       |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Agree | 98        | 58.0    | 58.0          | 58.0               |
|       | Agree          | 50        | 29.6    | 29.6          | 87.6               |
|       | Undecided      | 12        | 7.1     | 7.1           | 94.7               |
|       | Disagree       | 9         | 5.3     | 5.3           | 100.0              |
|       | Total          | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The table above shows that 98(58.0%) of the respondents strongly agree that Leadway Assurance Company keeps the retiree informed on annual rate of returns on the Pension Funds, 50(29.6%) equally agree, 12(7.1%) were undecided while 9(5.3%) disagree of the whole sample size. However, according to the analysis Leadway Assurance Company keeps the retiree informed on annual rate of returns on the Pension Funds.

**Table 6 Leadway Assurance Company makes pension fund available for employee after retirement.**

|       |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Agree | 72        | 42.6    | 42.6          | 42.6               |
|       | Agree          | 82        | 48.5    | 48.5          | 91.1               |
|       | Undecided      | 15        | 8.9     | 8.9           | 100.0              |
|       | Total          | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The table above shows that 72(42.6%) of the respondents strongly agree that Leadway Assurance Company makes pension fund available for employee after retirement, 82(48.5%) equally agree, while 15(8.9%) undecided of the whole sample size. However, according to the analysis Leadway Assurance Company makes pension fund available for employee after retirement.

**Table 7 The annual reports on the performance of pension's RSA and Retiree fund are available at the pensioners' demand.**

|       |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Agree | 95        | 56.2    | 56.2          | 56.2               |
|       | Agree          | 34        | 20.1    | 20.1          | 76.3               |
|       | Undecided      | 33        | 19.5    | 19.5          | 95.9               |
|       | Disagree       | 7         | 4.1     | 4.1           | 100.0              |
|       | Total          | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The table above Shows that 95(56.2%) of the respondents strongly agree that the annual reports on the performance of pension's RSA and Retiree fund are available at the pensioners' demand, 34(20.1%) equally agree, 33(19.5%) were neutral while 7(4.1%) disagree of the whole sample size. However, according to the analysis the annual reports on the performance of pension's RSA and Retiree fund are available at the pensioners' demand.

**Table 8 Leadway Assurance Company ensures retirees are satisfied with the level of financial reporting disclosures as all information about the performance of the pension fund which is readily available.**

|       |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Agree | 69        | 40.8    | 40.8          | 40.8               |
|       | Agree          | 89        | 52.7    | 52.7          | 93.5               |
|       | Undecided      | 9         | 5.3     | 5.3           | 98.8               |
|       | Disagree       | 2         | 1.2     | 1.2           | 100.0              |
|       | Total          | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The table above Shows that 69(40.8%) of the respondents strongly agree that Leadway Assurance Company ensures retirees are satisfied with the level of financial reporting disclosures as all information about the performance of the pension fund which is readily available, 89(52.7%) equally agree, 9(5.3) were undecided 2(1.2%) disagree of the whole sample size. However, according to the analysis Leadway Assurance Company ensures retirees are satisfied with the level of financial reporting disclosures as all information about the performance of the pension fund which is readily available.

**Table 9 Leadway Assurance Company gets necessary pension information across to employees to motivate them for active engagement**

|       |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|----------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Agree | 70        | 41.4    | 41.4          | 41.4               |
|       | Agree          | 80        | 47.3    | 47.3          | 88.8               |
|       | Undecided      | 13        | 7.7     | 7.7           | 96.4               |
|       | Disagree       | 6         | 3.6     | 3.6           | 100.0              |
|       | Total          | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The table above Shows that 70(41.4%) of the respondents strongly agree that Leadway Assurance Company gets necessary pension information across to employees to motivate



them for active engagement, 80(47.3%) equally agree, 13(7.7%) were undecided while 6(3.6%) disagree of the whole sample size. However, according to the analysis Leadway Assurance Company gets necessary pension information across to employees to motivate them for active engagement.

**Table 10 PFAs should adopt more sure suitable way to communicate how the pension scheme benefits employees even with unfavorable working condition.**

|       |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|-------|-------------------|-----------|---------|---------------|--------------------|
| Valid | Strongly Agree    | 18        | 10.7    | 10.7          | 10.7               |
|       | Agree             | 30        | 17.8    | 17.8          | 28.4               |
|       | Undecided         | 54        | 32.0    | 32.0          | 60.4               |
|       | Disagree          | 48        | 28.4    | 28.4          | 88.8               |
|       | Strongly Disagree | 19        | 11.2    | 11.2          | 100.0              |
|       | Total             | 169       | 100.0   | 100.0         |                    |

Source: Survey Data (2024)

The table above Shows that 18(10.7%) of the respondents strongly agree that PFAs should adopt more sure suitable way to communicate how the pension scheme benefits employees even with unfavorable working condition, 30(17.8%) equally agree, 54(32.0%) were undecided, 48(28.4%) disagree while 19(11.2%) strongly disagree of the whole sample size. However, the analysis shows that PFAs should adopt more sure suitable way to communicate how the pension scheme benefits employees even with unfavorable working condition.

### **Discussion of Findings**

The objective of the study is to examine the effect of the role of pension fund administrators in motivating employees at the Leadway Assurance Company, to examine the poor effectiveness of motivating employees in Nigeria. The result indicates that effective motivation significantly has a positive effect on employees on pension fund administrator's performance, there is a significant relationship between pension fund administrators and employees. The findings of this research revealed that effective motivating of pension fund administrators has positively impacted employees' performance effectively and efficiently.

### **Conclusion**

Considering all that has been discussed, the review of related literature and research findings obtained in this study, it has been established beyond every reasonable doubt that When pension scheme is properly introduced to employees is means to create a better future for them, having a financial stability after retirement, employees feel more secured with the certainty that the organization have their best interest which motivate them to work effective and efficiently as expected. However, pension scheme tend to be a motivating factor to employees which triggers their effective and productive performance. The roles of Pension Fund Administrator's in motivating employee is key because the employees look up to their pension after retirement and any shortcomings from the PFAs might be of huge concern to the employees. Motivation in the other hand therefore concerned with factors that influence people to behave in a certain way to get them to achieve results. When work as expected actualizing the goals of the organization, it will not tell well on such employees to discover after retirement that PFAs were unable to safeguard their pension

as expected. Therefore, roles of pension fund administrator's in motivating employees are key in safeguarding the pensions of the employees.

#### Recommendations

Due to the findings from the study, the following recommendations are hereby suggested: Leadway Pensure should encourage contributory pension scheme among employees before their retirement and should endeavor to educate employees on what to know about the pension scheme before their time of retirement.

PFAs should adopt more sure suitable way to communicate how the pension scheme benefits employees even with unfavorable working condition and appropriate information technology should be used to training and encourage employees on pension scheme.

Employers should ensure that basic incomes of every employee are timely paid and consistent because irregularity of income will render employees reluctant to participate in the pension scheme.

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