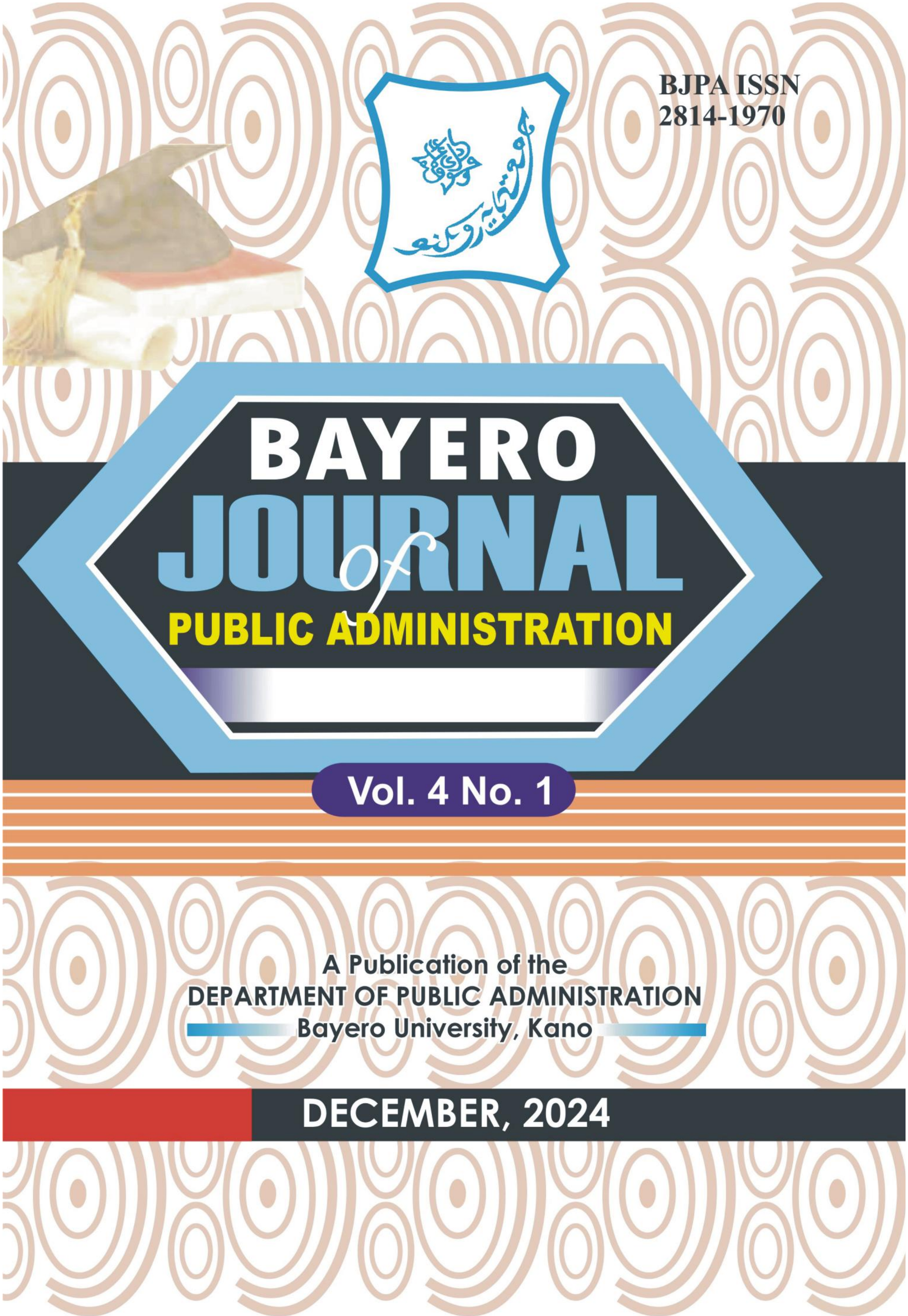
BJPA ISSN
2814-1970
BAYERO
JOURNAL
of
PUBLIC ADMINISTRATION
Vol. 4 No. 1
A Publication of the
DEPARTMENT OF PUBLIC ADMINISTRATION
Bayero University, Kano
DECEMBER, 2024

ASSESSMENT OF THE EFFECT OF COMPENSATION ON RETENTION OF ACADEMIC STAFF IN SELECTED UNIVERSITIES IN NIGERIA

Abubakar Lawal, Ph.D.
Department of Public Administration
Faculty of Administration , Ahmadu Bello University, Zaria
abubakarlawal.danja@gmail.com

&
Mohammed Lawal
Department of Public Administration
Faculty of Administration, Ahmadu Bello University, Zaria
muhammedlawal500@gmail.com

Abstract
This study examined the effect of compensation on the retention of academic staff in selected Nigerian universities. Recognizing the challenge of personnel management in organizations, the research focused on compensation and retention as key operative functions of personnel management. It emphasized the necessity of a well-compensated and committed academic workforce to achieve university success, highlighting that employment terms must be structured to both attract and retain top-tier educators and researchers. Although the Consolidated University Academic Staff Salary Structure (CONUASS) was introduced to ensure equitable compensation and attract talent locally and internationally, Nigerian academic staff continue to face relatively low pay and high rates of brain drain. The objective of the study was to determine how compensation packages affect the retention of qualified academic staff. Using a cross-sectional survey design, data was collected through interviews, systematic observation, and questionnaires from a randomly selected sample of 350 academic staff out of a population of 3,931. Secondary data sources included institutional and academic materials such as NUC reports and professional journals. Hypotheses were tested using Linear Regression Analysis via SPSS 20.0. The results indicated a significant relationship between compensation and retention of academic staff. The study recommended regular reviews of academic staff compensation packages to mitigate brain drain and improve retention in Nigerian universities.

Key Words: University System, Compensation, Retention, Academic Staff and CONUASS

1. Introduction

Effective human resource management is central to Higher Education Management (HEM), particularly in attracting and retaining quality academic staff. Universities play a critical role in societal development through knowledge creation, manpower training, and value formation. However, Nigerian universities face significant challenges in retaining qualified academic staff due to issues such as low salary packages, poor working conditions, inadequate training opportunities, and gender disparities.

Compensation has emerged as a major determinant of staff retention and performance. Despite the introduction of the Consolidated University Academic Staff Salary Structure (CONUASS) to improve remuneration, academic staff in Nigeria continue to receive comparatively low pay, contributing to widespread dissatisfaction, low morale, and high levels of brain drain. As of 2019, the highest-paid academic staff in Nigeria earned approximately \$1,393 per month—far below counterparts in countries such as Canada, Australia, and even neighboring African countries like Ghana and South Africa.

The implications of poor compensation are profound. Academic staff increasingly seek supplementary employment, with 24% of professors engaged in additional roles such as sabbatical and part-time teaching. Foreign academic presence remains minimal, with only 2% of staff and less than 1% of students in Nigerian universities being international. These issues are reflected in poor graduation rates, limited international rankings, and weak global competitiveness of Nigerian universities.

This study, therefore, seeks to examine how compensation packages influence the retention of quality academic staff in selected Nigerian universities. Understanding the relationship between pay structure and staff retention is essential for informing sustainable policies that can strengthen the higher education system and improve national manpower development.

2.0 Literature Review

2.1 Compensation

Musa et al. (2025) define compensation as: "The totality of all financial and non-financial rewards provided to employees in return for their contribution to organizational goals, including salary, bonuses, benefits, recognition, and development opportunities."

In their view, Taiwo et al. (2024) describe compensation as: "A strategic human resource management tool comprising monetary and non-monetary benefits designed to attract, motivate, and retain employees in a competitive environment."

Similarly, Magaji et al. (2021) define it as: "A package of financial remuneration and non-financial incentives offered to employees in exchange for their work, aimed at ensuring satisfaction, productivity, and organizational commitment. Oyalabu et al. (2023) frame compensation as: "All forms of pay or rewards going to employees and arising from their employment, encompassing base pay, incentives, and fringe benefits as components of an organization's strategy to retain human capital.

Igbadumhe et al. (2020) define it as: "The sum total of all monetary and non-monetary benefits received by an employee for the services rendered, often directly linked to job performance and employee engagement.

Compensation, otherwise called reward system, is a vital subsystem in personnel administration. Employees are employed in an organization to use their times, efforts, energies and expertise in order to work towards the attainment of organizational goal(s). Therefore, employees deserve adequate reward for their contributions which enable them to satisfy their personal needs such as economic, psychological, social, and growth needs. Years back, especially within the 21st century, numerous scholars or management scientists have attempted to understand the concept of compensation from different points of view, and their submissions have long been explored in the academia and applied in the theory and practice of management, and various government and business organizations.

Ofili (2003) stated that compensation is the process of assessing the employee's contributions to the organization fairly and equitably direct and indirect rewards in exchange for his performance. According to (Widmier, 2002), compensation is the total of all rewards provided to employees in return for their services. While (Schell and Solomon, 1997) the compensation refers to all form of financial remuneration that employees receive as part of the employment relationship. Surbhi, (2015) defined compensation as the adequate and equitable remuneration of personnel for their contributions to the organizational objectives. It is the value of work of the employees according to the agreement between employer and employee. Compensation is such an activity through which organization on the basis of its ability and within law reasonably assesses the contribution of employees directly and indirectly for the distribution of financial and non-financial remuneration. From the above definition we can say that compensation is a reward. It is given by the employer and received by the employees. Thus, a mutual understanding must be present between the parties.

Sirait (2006) defined Compensation as something accepted to employees, whether in financial or non-financial forms. It is a reward for employee's contribution to organization. Management of compensation is a very important activity to make employees quite satisfied in their work. Compensation can acquire or create and maintain productivity. Without adequate compensation, existing employees tend to leave the organization and organizations will have difficulty in replacement, especially in recruiting. Compensation is everything received by employees as a reward for its contribution to company or organization. Compensation is everything that employees receive as a reward for their work.

Compensation can also be viewed as the monetary and non-monetary consideration received by an employee, from his/her employer, for the work performed in the organization. Compensation is divided into two parts, i.e. direct and indirect pay, wherein direct compensation represents the financial remuneration, including basic pay, job/task related allowances, incentives, bonus, overtime wages, and commissions, among others. On the other hand, indirect compensation includes benefits like pension, provident fund, health insurance, leave travel compensation, etc.

Cole (1997) adds that compensation is to reward employees for effort, loyalty, experience and achievement. In his words, Averkamp, (2018) defined compensation as the money (salaries and wages) which an employer pays an employee for the services the employee renders and which are meant to keep him rendering such services for an extended period of time.

According to Casio (2006), Compensation includes direct cash payments, indirect cash payments in the form of employee benefits, incentives, rewards, to motivate employees to strive for higher levels of productivity. Thus, compensation includes all expenditures of valued resources by organizations for the employees, including managers and professionals. According to Mondy compensation is the total of all rewards provided to employees in return for their services. While according to P. Jyothi and D.N. Venkatesh the compensation refers to all form of financial returns and tangible benefits that employees receive as part of the employment relationship

Financial payment made at or near the time the work is performed is called direct compensation, and these include wages, salaries, overtime, commissions and bonuses etc. Indirect compensation comes in form of insurance, pension, health care, children, golden parachute, game and awards, golden handcuffs, paid absences, paid vacations, working conditions, self-realization, vesting, wellness program, etc. Also, this definition by Ofili (2003) indicates the importance of compensation in retaining employees, enhancing competitiveness, growth, survival and profitability of an organization. Ideally human beings in organization are responsible for control and management of materials and other resources for attainment of organizational objectives. If the human beings in the organization are poorly treated, they will not put in their best performance and this will consequently affect the overall performance of the organization. This is why Ugwudioha (2004) stressed that organizations which fail to embrace adequate compensation package usually experience high rate of labour turnover, and also find it difficult to face the dynamic and competitive business environment.

Gary (2012) simply defines compensation as all forms of pay going to employees and arising from their employment. By implication, compensation is a systematic approach to providing monetary value to employees in exchange for work performed, describing the rewards earned by employees in return for their labour.

Compensation is the total cash and non-cash payments that an employer gives to his/her employee in exchange for the work done to the organisation. It is typically one of the biggest expenses for businesses with employees. Compensation is more than an employee's regular paid wages. A compensation system has to be aligned to the mission, vision, business strategy and organizational structure of anorganisation to design the compensation plan in an efficient way such that the organization can achieve its predetermined goals and objectives. Adequate compensation practice is central element in the Human Resources Management System, which is designed to help an organization fulfill its vision of being an organization that creates extraordinary value and allows employees to participate in both the challenges and the rewards of success. Managers should understand that employees respond to more than just money; they are interested in the adequate compensation package offered to them. Also known as *total rewards*, Adequate Compensation refers to the monetary and nonmonetary rewards offered to employees for the work done (Wen & Wunhua, 2012). This include the emotional rewards from working in an organization, all forms of financial payments, and a variety experienced of employee benefits. There is a growing appreciation that adequate compensation can facilitate or interfere with achieving many different strategic objectives. An organisation's compensation philosophy should be tried to its strategic objectives.

Adequate compensation means, giving better than asking, rewarding performance and providing value benefits, all of which help the organization achieve its goals of attracting, motivating and retaining exceptional employees, fostering an enjoyable culture, and being financially successful. Adequate compensation is the ultimate goal of every organisation's compensation system. It therefore fits within an integrated Human Resource Management System in order to influence employee behaviors and achieve organizational goals.

Braton & Gold, (2003) maintains that adequate compensation influences productivity in numerous ways. Compensation practices that link pay to the organisation's financial performance or other indicators of productivity can help focus employee's attention on finding new ways to reduce cost and increase revenues. At whole foods, budgets surpluses achieved through gains in productivity going back into employee's pocket. In short when pay is tied to productivity, productivity tends to go up. Whether that occurs because employees work harder of work smarter is not clear.

Pay fairs refers to what a particular set of workers believe they deserve to be paid for in relation to what they believe workers deserve to be paid. People tend to determine the fairness of their pay by compering what they give to and get out of the organization compared to others. If they regard this compensation as fair or equitable, they are likely to be satisfied. If they see it as unfair they are likely to be dissatisfied and this tend to negatively affect their active engagement with their working organisation. Thus, pay fairness is strongly related to pay satisfaction which is among the positive or negative feelings employee have towards their pay.

When assessing whether their pay is fair, (Ugwudioha, 2004) submitted that employees compare the ratio of their inputs and out comes to the ratio of others. Inputs are what employees give to the job, such as time, efforts, experience, and education. Outcomes are what people get out of doing a job such as, benefits, and feelings of meaningfulness. When inputs and outcomes seem to be equitable compared to others, employee feels that their pay is fair and are likely to be well integrated with their organization.

As a result of equity perceptions, an employee will feel fairly rewarded, under rewarded, or over rewarded. Feelings of being rewarded are probably rare, but when they occur, they have beneficial consequences for their employers. Employees who fell under rewarded, they are likely engaged in subtle sabotage behaviors to achieve perceived equity, and such behaviors are generally detrimental to organization. These include leaving the organization, demanding a raise, stealing from the employers, and withholding efforts to restrict output or to low quality. The key point is that what drives employee's attitude usually is not the absolute compensation level; rather, it is how the level of compensation relates to the pay of others in a similar situation.

In his words, (Casio, 2006) sees compensation as the remuneration received by employees in return of their contribution to the organization. It is an organized practice that involves balancing the work of employee relation by providing the monetary and non-monetary remuneration to employees. Brown, (2005) defines compensation as the recompense, rewards, wage or salary given by an organization to a person, persons or a group of persons in return to a work done, service rendered or a contribution made towards the accomplishment of organizational goals.

Employee retention has become an issue of concern to employers and employees. Private universities in Ogun State, Nigeria and their employees are not exceptions, and this is due to the lack of effective compensation packages and work life balance practices which have led to increased employees' intention to quit and reduce employee retention. In light of these, this study examined the effect of compensation packages and work life balance on employee retention of selected private universities in Ogun State, Nigeria.

Magaji & Ogundiwin ()2021 opined that Employee retention consists of procedures which employees are boosted to become part of the organization for a longer period of time until they get retired or until the project gets completed (Kossivi, Xu, & Kalgora, 2016). For achieving individual as well as organizational goals, it is very much essential to retain talented employees. Employee retention refers to the various policies and practices which let the employees stick to an organization for a longer period of time (Haider, Rosli, Akhtar, Yusoff, Malik, Aamir, & Tariq, 2015). Research showed that employees leave organizations out of frustration and constant friction with their superiors or other team members. In some cases, low salary, lack of growth prospects and motivation compel an employee to look for a change. The HR manager must know how to attract and keep good employees because these are the employees who can make or break the organization's goodwill (Pholloke, Saenchaiyathon, & Rungruang 2019; Wisnefski, 2008). Successful employee retention does not rely on a single strategy. The decision of an employee to stay in the organization is affected by a number of factors depending on a variety of elements like the individual's age, the family situation, mentoring, career and learning opportunities, good benefits, networking and the external job market or job title (Khalid & Nawab, 2018). Employee retention is the ability to keep employees within an organization for the longer period of time. Talent retention is of critical importance for companies shifting from start-up to fast growth. Keeping the best people closest to the organization's core competencies is important. The purpose of retaining employees is to avoid turnover cost. Organizations must retain the people who perform and have competencies and skills that match the business' core talent needs (Nasir & Mahmood, 2018). The management must therefore, try its level best to retain those employees who are really important for the system and are known to be effective contributors. The organization is completely at loss when the employees leave their job once they are fully trained. Employee retention takes into account the various measures taken so that an individual stays in an organization for the maximum period of time. Employee retention techniques go a long way in motivating the employees for them to enjoy their work and avoid changing jobs frequently. Walker (2020) identified seven factors that can enhance employee retention: (i) compensation and appreciation of the performed work, (ii) provision of challenging work, (iii) chances to be promoted and to learn, (iv) invitational atmosphere within the organization, (v) positive relations with colleagues, (vi) a healthy balance between the professional and personal life, and (viii) good communications. Together, these suggesta set of workplace norms and practices that might be taken as inviting employee retention. (2014) on the other hand divided the retention factors into three variables: power, achievement and affiliation. Dominance and social control represent power. When personal performance exceeds the set standards, it represents achievement while affiliation refers to social relationships which are established and intensified

2.2 Staff Retention

According to Adeleke & Nwachukwu (2023) Staff retention refers to an organization's ability to keep its employees over a period of time by creating a work environment and offering incentives that encourage long-term commitment."

To Obi & Adeniran (2021), Retention of staff encompasses the organizational efforts aimed at reducing turnover by fostering satisfaction, engagement, and professional growth among employees." In their views, Thompson & Ibrahim (2022) "Staff retention is the outcome of deliberate management practices and policies that ensure valuable employees remain with the organization, thereby minimizing recruitment and training costs."

Okafor et al. (2024) see retention as the process of maintaining a stable workforce by addressing the needs and expectations of staff, reducing attrition rates through motivation, recognition, and career advancement opportunities.

In the same vein, Mensah & Boateng (2020) defined Retention as a continuous process of identifying, developing, and preserving top talent within an organization to achieve long-term performance goals.

The role of universities in the delivery and development of the work force required for the social, economic, and technological innovation of any organisation cannot be over-emphasised (Ng'ethe, Iravo, & Namusonge, 2012). The unique nature of universities allows academics to be the repository of the most specialised and skilled intellectuals, thus the demand and competition for highly qualified academics have increased. According to Bushe (2012), growth in global mobility and shifting demographic profiles means employing and retaining talented and knowledgeable lecturers and researchers is an ever-increasing challenge. This calls for a high degree of competency and proven scholarship from the university academic employees in particular; hence, universities serve as a storehouse of knowledge for cultivating worker needs of the nation and meeting the needs of the community for a good and caring society. Mapesela and Strydom (2004) are of the view that institutions must ensure that they deliver, in accordance with the required standards, to ensure their survival within the highly demanding HEI environment; that African and South African institutions must discern options for dealing with, among other issues, the increasing costs of institutional operation and maintaining sustainability amongst decreasing government subsidies; increasing interinstitutional struggle for the best students; and the ever-changing demands of the various HEIs stakeholders. Employee retention is one of the most critical issues facing organisational managers because of the shortage of skilled workers, economic growth, and high employee turnover (Samuel & Chipunza, 2013). Once an organisation has captured skilled employees, the return on investment requires closing the back door to prevent them from walking out. Employees are more likely to remain with the organisation only if they believe that the organisation shows more interest and concern for them, if they know what is expected of them, if they are given a role that fits their capabilities, and if they receive regular positive feedback and recognition (Samuel & Chipunza, 2013). Employees feel comfortable remaining longer in positions where they are well informed on relevant issues concerning the organisation and their well-being. "While retention strategies across different occupational groups and industries have many common features, such as competitive pay, good working environment, and progressive human resource policies that offer opportunities for advancement, they need to be context-specific and evidence-based to be more effective" (Tithe, 2010). Therefore, an appropriate understanding of employees' expectations of their work environments is a critical issue in higher education institutions' ability to retain academic employees; hence, the problem of academic staff retention is a global one, which affects both developing and industrialised countries. By understanding the nature of the retention problems, an institution can decide whether to adopt targeted retention initiatives to manage overall levels so that there is sufficient labour (Musah & Nkuah, 2013). An understanding of the causes and antecedents of turnover is a first step for taking action to reduce turnover rates. To retain workers effectively, employers must know what factors motivate their employees to stay in the field and what factors cause them to leave. Employers need to understand whether these factors are associated with worker characteristics, or with the nature of the work process, over which they may have some control (Horvat, 2004).

The retention process is designed to increase employees' control over their work, thereby improving job satisfaction and enhancing organisational commitment. Retention varies from university to university and from department to department within universities. Employee retention is not a new concept. It has always been part of the transition in HEIs; the increasing demands may even be expected to increase as the number of students grows substantially. Meeting the expectations of employees and staying up-to-date with the job prospects for new and existing employees, to the level which other organisations meet these expectations, is demanded for employee retention. An exploration of employee retention literature reveals those efforts to retain employees are focused more on employees with core competencies or in core business units (Netswera, Rankhumise, & Mavundla, 2005).

In order to retain the best talents, strategies aimed at satisfying employees' needs are implemented, regardless of the size of the organisation. Retaining skilled employees is beneficial to any organisation in gaining a competitive advantage, which cannot be substituted by other competitors in terms of producing high morale and satisfied coworkers who will provide better customer service and enhanced productivity (Hong, Hao, Kumar, Ramedran, & Kadiresan, 2012). According to Bushe (2012), academic staff retention refers to the process of the ability of an institution to not only employ qualified academic staff, but also retain competent staff through the establishment of a quality work-life, motivated staff climate, best place of work, and being an employer of choice, depending upon dedicated formulation and execution of best practices in human resource and talent management. This involves influencing academic employees' decisions to be committed and remain with the institution, even when job opportunities do not exist within the organisation, by reducing structural change, and reducing change in administrative demands and the demands of quality reviews, while maintaining high academic standards. This is because universities, by their unique nature, serve as a storehouse for knowledge and very few institutions can afford to employ, train and permit their most valued and talented employees to leave when it is difficult to find better replacements (Netswera et al., 2005). Bushe, Chiwira, and Chawawa (2012) affirm that the retention of talented academic employees is at a critical juncture, as low retention represents a potentially large, yet controllable, organisational expense and demand and competition for highly qualified academics has intensified. In order for HEIs to effectively manage and retain their academic employees, they should pay specific attention to the importance of job satisfaction and its effect on the performance level of employees. According to Dockel, Basson, and Coetzee (cited in Mubarak, Wahab, & Khan, 2013) compensation, training and development, and promotion are the most important retention factors for skilled employees. Moorhead and Griffin (2009) add that an employee's intention to leave or stay not only depends on work factors, but also on non-work factors. These authors are of the view that the issues within the broader areas of work-life and retention have a significant, direct, or indirect impact on the intended turnover of academic employees. To encourage retention in higher education institutions, Netswera et al. (2005) suggests that the elements are of importance for an effective human resource management include among other things as Communicating how each employee contributes to the corporate vision and mission; Developing a climate of trust; Improving the skills level of the managers who supervise professional staff; Providing management training, including effective leadership skills, by emphasising development; Clarifying the understanding of employees' needs and reinforcement of frequent communication; Clarifying roles and responsibilities to accelerate learning contribution; and Investing and maintaining ongoing commitment by paying the best talent what they are worth However, these approaches do not offer a quick fix and need careful implementation strategies for the success of the institution. A human resources management strategy, therefore, emanates from, and is based directly upon, the corporate strategy. Hence, competent human resource management planning that integrates policies, practices, and procedures, to achieve the right numbers of people in the right jobs at the right time, is required (Horwitz, 1991).

Economy in the 21st century is knowledge-based which is highly global, informative, technology-based, and increasingly concerned with society and the environment. In higher education institutions, which are considered the hub of knowledge, the retention of knowledge-workers, commonly referred to as academics, has become a crucial issue (Mubarak, Wahab, & Khan, 2012). According to Hong et al. (2012), there are many retention practices around the globe, operated routinely by either small set-ups or big enterprises, even in the private education sector. Increasing intense recruitment and global demands makes retaining scarce skills more difficult, the main shortcoming not only being the fear of losing key members, but also the lost productivity and replacement cost based on the fact that there is some feeling that academics are underpaid and over-burdened professionals and that the things, which once made the profession attractive, no longer exist; academic employees are burdened by increasing workload and bureaucratic conditions (Coaldrake & Stedman, 1999). Thus, employees who have the feeling that they are underpaid or not getting appropriate training or promotions are highly likely to leave the organisation. Principles for retaining or firing highly qualified academics in higher education are, in many cases, ambiguous and unclear; consequently, there is concern about the adequacy of the future supply of academics. Moreover, unfavourable working conditions and low and unattractive remuneration have, in most industries and in specific skill areas, led to skills migration, even between countries (Netswera et al., 2005).

3.0 Methodology

This research is a cross-sectional survey in nature where by the instruments for data collection were questionnaires, interview and systematic and participant observations. The questionnaires developed (See Appendix I) were distributed to the target academic staff of the areas of study. The choice of the cross-sectional survey would enable the researcher to have variety of data from different sources in that one set of data would complement/support the other.

The target population for this study consists of all the academic staff of the three selected case study universities; Ahmadu Bello University, (A.B.U), Zaria; Kaduna State University; and Al-Qalam University, Katsina. The choice of these universities is to have representation of federal, state and private universities and to enable the researcher have as much variety of data as possible. On the other hand, academic staff were chosen as the target population due to the fact that, the flexibility of academic job makes it have better opportunity to mobility from one university to another university or organization. Also, within the university setting, academic staff are not only the core staff in the university system but also the category of staff with the highest tendency of brain drain. The following table 3.1 presents the population of the study;

Table 1: Population Size of the Study

S/N	University	Population of Academic Staff
1	Ahmadu Bello University, (A.B.U), Zaria	2,993
2	Kaduna State University, Kaduna	679
3	Al-Qalam University, Katsina	259
	Total	**3,931**

Source; Extracted from Registry Departments of the case study universities (2022)

In the determination of sample size of this study, we adopt the Sample Size Calculator of Creative Research System, a statistical consultancy. (Visit: https://www.surveysystem.com/sscalc.htm) visited on 20th February,2018.
After the above sampling technique has been adopted, Three Hundred and Fifty (350) is derived as the total sample size of the study (see appendix III). To apportion the sample size to the selected universities, we adopted the following ratio formula;

$$x = px \div pt \times ss$$

Where; $x = case\ study\ university$

$px = population\ size\ of case\ study\ university$

$pt = total\ population\ sizes\ of\ case\ study\ universities$

$ss = sample\ size$

Therefore, we apportion the sample size of Three Hundred and Fifty (350) to the selected universities using the above formula in the following manner;

*Ahmadu Bello University, (A.B.U), Zaria;

$$A.B.U, ZARIA\ = 2993 \div 3931 \times 350 = 267$$

*Kaduna State University;

$$KASU = 679 \div 3931 \times 350 = 60$$

Al-Qalam University, Katsina;

$$Al - Qalam = 259 \div 3931 \times 350 = 23$$

Table 2: Sample Size of the Study

S/N	University	Academic Staff	Sample Size
1	Ahmadu Bello University, (A.B.U), Zaria	2,993	267
2	Kaduna State University	679	60
3	Al-Qalam University, Katsina	259	23
Total		**3,931**	**350**

Source; Extracted from Registry Departments of the case study universities (2022) and *Sample Size Calculator* of ***Creative Research System***, a statistical consultancy. Visit (https://www.surveysystem.com/sscalc.htm)

In this research, Stratified Sampling Technique was adopted which means the element of the population (academic staff) were selected based on their job ranks. This enabled the researcher to understand the dimeson of rankings of the academic staff in respect to different strata of compensation package.

Both primary and secondary data were collected and analyzed for the purpose of this study. This enabled the researcher to have, as many as possible, access to both quantitative and qualitative data for testing the hypotheses already formulated and then make further inferences.
The primary data which is the first-hand data were collected from primary sources. The major instruments for collecting these types of data were questionnaire, interview schedule and participant observation checklist. The data collected from these sources were mainly used in testing the formulated hypotheses. On the other hand, the second hand and already collected and sometime processed set of data consist of both knowledge based academic materials and data-based organization materials. The questionnaire was self-generated and were subjected to validity and reliability tests.

The knowledge based academic materials were sourced through accessing related academic materials through reviewing academic journals, textbooks, relevant theses and dissertations, while the data based organization materials were sourced through information/data to be sourced through documents of the Statistical Digest of National Universities Commission (NUC), Status Reports of the case study universities, the agreement between the Federal Government of Nigeria and Academic Staff Union of Universities, records obtained from the Staff Training Units of the Registry Departments of the selected universities.
Linear Regression Analysis as the analytical statistical tool was used to test the hypotheses at 5% Level of Significance. This tool would enable the research to examine the nature and extent of the effect of compensation the variables of integration under investigation. Also, Statistical Package for Social Science (SPSS) was employed in running the data and testing the hypotheses. In other words, the use of Regression Analysis helped the researcher to unravel the nature, strength and significance of dependence of integration on compensation in this research.

The above hypotheses formulated would be tested using Linear Regression Analysis through the following decisions;

1. The hypotheses will all be tested at 5% level of significance
2. If the P-Value is less than 0.05 (5%), it implies significance. Thus, we reject the null hypothesis (Ho).
3. If the P-Value is greater than 0.05 (5%), it implies no significance. Thus, we accept the null hypothesis (Ho).

Ho1: The compensation package of the Nigerian university system has no significant effect on retention of academic staff the selected Nigerian universities.

Table 5.73 **Coefficients[a]**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.641	.130		12.598	.000
	COMP	.221	.054	.189	2.231	.004

a. Dependent Variable: RENT

Model Summary

Mode l	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.225[a]	.321	.202	.51922

a. Predictors: (Constant), COMP

The effect of compensation on retention of academic staff in the selected universities shows that the (Beta= 0.221, t-Stat= 2.231, and P-Value= .004). This result revealed that the compensation is positive and significant to retention. This fails to accept the null hypothesis. Therefore, it is established that compensation package significantly affects retention of academic staff in the selected universities. Precisely, an increase in one (1) unit in compensation would lead to increase in 0.221 unit in retention. In other words, 100% increase in compensation would lead to about 22% increase in retention of academic staff in the selected universities

The value of R Square of Ho2 in the Model Summary table above shows 0.321 which means the level of how Compensation explains Retention in in the selected universities. That means compensation has explained retention by about 32% in the three selected universities.

Ahmadu Bello University, Zaria

Ho2(a): The compensation package of the Nigerian university system has no significant effect on retention of academic staff in Ahmadu Bello University, Zaria.

Table 5.74 **Coefficients[a]**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.641	.130		12.598	.000
	COMP	.171	.054	.189	3.165	.002

a. Dependent Variable: RENT

Model Summary

Mode l	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.225[a]	.208	.202	.51922

a. Predictors: (Constant), COMP

The effect of compensation on retention of academic staff in Ahamdu Bello University, Zaria shows that the (Beta= 0.171, t-Stat= 3.165, and P-Value= .002). This result revealed that the compensation is positive and significant to retention. This fails to accept the null hypothesis. Therefore, it is established that compensation package significantly affects retention of academic staff into Ahamdu Bello University, Zaria. Precisely, an increase in one (1) unit in compensation would lead to increase in 0.171 unit in retention. In other words, 100% increase in compensation would lead to about 17% increase in retention of academic staff in Ahamdu Bello University, Zaria.

The value of R Square of Ho2(a) in the Model Summary table above shows 0.208 which means the level of how Compensation explains Retention in Ahmadu Bello University, Zaria.

That means compensation has explained retention by about 21% in Ahmadu Bello University, Zaria.

Kaduna State University

Ho2(b): The compensation package of the Nigerian university system has no significant effect on retention of academic in Kaduna State University.

Table 5.75 **Coefficients[a]**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.491	.213		7.013	.000
	COMP	.270	.084	.387	3.200	.002

a. Dependent Variable: RENT

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.387[a]	.342	.338	.42372

a. Predictors: (Constant), COMP

The effect of compensation on retention of academic staff in Kaduna State University shows that the (Beta= 0.270, t-Stat= 3.200, and P-Value= .002). This result revealed that the compensation is positive and significant to retention. This fails to accept the null hypothesis. Therefore, it is established that compensation package significantly affects retention of academic staff to Kaduna State University. Precisely, an increase in one (1) unit in compensation would lead to increase in 0.270 unit in retention. In other words, 100% increase in compensation would lead to about 27% increase in retention of academic staff in Kaduna State University.

The value of R Square of Ho2(b) in the Model Summary table above shows 0.342 which means the level of how Compensation explains Retention in Kaduna State University. That means compensation has explained retention by about 34% in Kaduna State University.

Al-Qalam University, Katsina

Ho2(c): The compensation package of the Nigerian university system has no significant effect on retention of academic staff in Al-Qalam University, Katsina.

Table 5.76 **Coefficients[a]**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.187	.339		3.506	.002
	COMP	.390	.319	.565	1.223	.059

a. Dependent Variable: RENT

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.387[a]	.362	.356	.42262

a. Predictors: (Constant), COMP

The effect of compensation on retention of academic staff in Al-Qalam University, Katsina shows that the (Beta= 0.390, t-Stat= 1.223, and P-Value= .059). This result revealed that the compensation is though positive but insignificant to retention. This fails to reject the null hypothesis. Therefore, it is established that compensation package has no significant effect on retention of academic staff in Al-Qalam University, Katsina.

The value of R Square of Ho2(c) in the Model Summary table above shows 0.362 which means the level of how Compensation explains Retention in Al-Qalam University, Katsina. That means compensation has explained retention by about 36% in Al-Qalam University, Katsina.

In summary, the beta values of both Ahamdu Bello University, Zaria and Kaduna State University show 0.171 and 0.270 respectively. This means that in both universities (Ahamdu Bello University, Zaria and Kaduna State University), compensation significantly affects retention. On the other hand, the beta value of Al-QalamUniversity, Katsina shows 0.390 coefficient of insignificance, which means compensation has no significant effect on retention of academic staff.

Just like attraction as its twin concept, retention of staff is critical to the survival of organisation of every kind. Our results from Ahamdu Bello University, Zaria and Kaduna State University have been vindicated by Amoka, (2020) where he noted that:

> *the welfare (better compensation package) of university lecturers is meant to attract (local) international scholars and be able to keep their best brains and protect them from brain drain.*

In the light of the above submission, it can be observed that the main factor that lead to attraction and subsequently retention of both local and internal scholars is the compensation o what Amoka, (2020) referred to as welfare. This is in line with the results of testing our null hypothesis 2(a) and 2(b). This was also was supported by Onah, & Anikw, (2016) when they stated that

> *The problem of brain-drain, gender gap, unattractive salary package and lack of adequate training and development were identified as the problems influencing the attraction and retention of quality academic staff*

On the other hand, the results from Al-QalamUniversity, Katsina, where the null hypothesis was accepted, showed that the compensation package does not significantly affect retention of academic staff into the university. This result is not in line with Onah, & Anikw, (2016) and Amoka, (2020) all of whom stressed that that retention of academic staff to stay and keep working in university greatly depends on the pay package.

Having tested the sub-hypotheses Ho2, Ho2(a), Ho2(b) and Ho2(c), the main hypothesis (Ho2) which states that: The compensation package of the Nigerian university system has no significant effect on retention of quality academic staff into the selected Nigerian universities is rejected based on based on the result in testing the Ho1

Just like attraction, compensation has significant effects on retention of quality academic staff in Ahamdu Bello University, Zaria and Kaduna State University. On the other hand, in Al-Qalam University, Katsina, result shows that compensation has no significant effect on retention of academic staff into the university. While the results in Al-Qalam University, Katsina showed that compensation has no significant effect on retention, it was revealed that compensation has more effect on retention of quality academic staff in Kaduna State University than in Ahamdu Bello University, Zaria as the former has regression coeffient of 270 which is stronger than 0.171 of the latter. Reasons for this have also been justified by reports from the interview conducted on the respondents that though CONUAS is the pay package of academic staff in both universities, the take home of academic staff from Kaduna State University is slightly higher than that of Ahamdu Bello University, Zaria. Also, the condition of service in Kaduna State University has been found to be better and more flexible which facilitates good chances of career progression than in Ahamdu Bello University, Zaria. On the other hand, the pay package used in Al-Qalam University, Katsina known as Al-Qalam University Katsina Academic Staff Salary Structure (AUKASS) is not as good as CONUASS to retain quality academic staff stay and keep working for the Al-Qalam University, Katsina.

That just like attraction, in the test of hypothesis two (Ho2), the outputs of statistical results of Ahamdu Bello University, Zaria and Kaduna State University show P-Values 0.002 and 0.002 respectively which implies that compensation has significant effects on retention of quality academic staff in Ahamdu Bello University, Zaria and Kaduna State University while in Al-Qalam University, Katsina, on the other hand, the P-Value result shows 0.059 which means compensation has no significant effect on retention of academic staff into the university. The **P-Value results (0.004)** from testing the main hypothesis (Ho2), generally revealed that compensation has significant effect on retention of quality academic staff in the selected universities.

4.0 Conclusion

The study examined the effect of compensation on the retention of academic staff in selected Nigerian universities—namely, Ahmadu Bello University, Zaria; Kaduna State University; and Al-Qalam University, Katsina. Drawing on both primary data (questionnaires, interviews, and observations) and secondary data (NUC reports, institutional records, and scholarly literature), the analysis revealed that compensation is a critical factor influencing the integration and long-term engagement of academic staff. Specifically, attractive and equitable compensation packages were shown to significantly enhance both the attraction and retention of qualified academic personnel, although the strength of this relationship varied across the institutions studied.

These findings reinforce existing theories in human resource management, particularly Herzberg's Two-Factor Theory, which identifies compensation as a key hygiene factor necessary for job satisfaction and organizational commitment. In line with previous studies (e.g., Onah & Anikw, 2016; Amoka, 2020), this research confirms that inadequate compensation contributes to high turnover, academic moonlighting, and the continued brain drain in Nigeria's higher education sector.

Furthermore, the findings have important implications for policy and practice. First, they underscore the urgent need for periodic reviews and adjustments to the Consolidated University Academic Staff Salary Structure (CONUASS) to reflect economic realities and maintain competitiveness both locally and internationally. Second, university administrators and policymakers must adopt a more holistic approach to academic staff welfare—beyond salary—by improving working conditions, research support, and career development opportunities.

In conclusion, the study contributes to the broader discourse on staff retention by empirically validating compensation as a central determinant of workforce stability in Nigerian universities. For Nigeria to reverse the current trends of brain drain and low academic productivity, meaningful investment in academic staff compensation and welfare must become a strategic priority.

4.1 Recommendation

In order to address academic staff brain-drain syndrome affecting the Nigerian universities, universities in Nigeria must adequately be funded to ensure provision of required structures and facilities that would lead to the much-needed revitalization of the universities. This would ensure enabling environment for teaching, research and community service.

References

Adeleke, O., & Nwachukwu, L. (2023). Retention strategies and employee loyalty in Nigerian public institutions. *Journal of Public Administration and Policy Research, 15*(1), 11–22.

Adenike, O. R. (2023). Organizational variables and lecturers' job retention: Implications on job productivity. *Interdisciplinary Journal of Education*, 6(1).journals.iuiu.ac.ug

Amoka, A. A (2020). ASUU strike: Patriotic struggle or selfish fight?. Sahelian Times. Available at https://saheliantimes.com/asuu-strike-patriotic-struggle-or-selfish-fight

Averkamp, H. (2018). What is the Difference Between Wages and Salary? (Online) (viewed on the 2nd August, 2018).

Bushe, B. (2012). Factors that determine academic staff retention and commitment in private tertiary institutions in Botswana: Empirical review. *Global Advanced Research Journal of Management and Business Studies*, 1(9), 278-299.

Casio, F. (2006). *Management of human resources. Productivity, quality of work life and profits.* New York McGraw-Hill.

Duru, C. U., Nosiri, C. P., & Olaolu, A. O. (2023). Equitable distributive justice and academic staff commitment in federal universities in South-South Nigeria. *International Journal of Research and Innovation in Social Science*, 7(3).RSIS International

Gary, D. (2012). *Human resources management, student value* Edition. 13th ed. London. Sage Publication.

Hong, E. N. C., Hao, L. Z., Kumar, R., Ramedran, C., & Kadiresan, V. (2012). An effectiveness of human resource management practices on employee retention in institute of higher learning: A regression analysis. *International Journal of Business Research and Management*, 3(2), 60-79.

Horwitz, F. M. (1991). *Managing resourceful people: Human resource policy and practice*. Cape Town:

https://www.accountingcoach.com/blog/wages-salaries

Igbadumhe, A. F., Adeniji, A. A., Osibanjo, A. O., Falola, H. O., Salau, O. P., & Ohunakin, F. (2020). Remuneration as a predictor of job-hopping intention: Implication for teaching engagement of academics among selected universities in Nigeria. *Academy of Strategic Management Journal*, 19(5).Allied Business Academies

Igbadumhe, F., Okolie, U. C., & Igbadumhe, J. (2020). Compensation management and employee performance: A study of selected firms. *Academy of Strategic Management Journal, 19*(5), 1–12.

Juta. 10. Horvat, V. (2004). Brain drain: Threat to successful transition in South East Europe? *South East European Politics*, 5, 76-93.

Magaji, N., Akpa, V. O., & Ogundiwin, I. J. (2021). Effect of compensation packages and work-life balance on employee retention of selected private universities in Ogun State, Nigeria. *International Journal of Research Science and Management*, 8(8), 61–72.ijrsm.com

Magaji, N., Lawal, A. I., & Haruna, I. (2021). Compensation strategies and employee commitment in Nigerian public sector. *International Journal of Research Science and Management, 8*(1), 22–30.

Mensah, J. K., & Boateng, R. (2020). Human resource practices and retention in universities: Evidence from West Africa. *Higher Education Policy Journal, 33*(4), 431–448.

Mubarak, R. Z., Wahab, Z., & Khan, N. R. (2012). Faculty retention in higher education institutions of Pakistan. *International journal of theories and research in education*, 7(2), 65-78.

Musa, K., Bakare, A. A., Isah, F. I., Adeniyi, O. A., Aduku, A. E., & Owolola, Q. (2025). Reward system: Does base salary influence the performance of academic staff in selected private universities in North-Central Nigeria? *Journal of Information Systems Engineering and Management*, 10(39s).jisem-journal.com

Musa, S. I., Olanrewaju, A. K., & Yusuf, M. T. (2025). Compensation and organizational productivity in higher education: Empirical insights from Nigeria. *Journal of Information Systems Engineering and Management, 10*(2), 45–59.

Musah, A. A., & Nkuah, J. K. (2013). Reducing turnover in tertiary institutions in Ghana: The role of motivation. *Journal of Education and Practice,* 4(18), 115-135.

Netswera, F. G., Rankhumise, E. M., & Mavundal, T. R. (2005). Employee retention factors for South Africa higher education institutions: A case study. *South African Journal of Human Resource Managemen*t, 3(2), 36-40.

Netswera, F. G., Rankhumise, E. M., & Mavundal, T. R. (2005). Employee retention factors for South Africa higher education institutions: A case study. *South African Journal of Human Resource Managemen*t, 3(2), 36-40.

Ng'ethe, J., Iravo, M. E., & Namusonge, G. S. (2012). Determinants of academic staff retention in Public universities in Kenya: Empirical review. International Journal of Humanities and Social Science, 2(13), 205-212.

Obeng, R. A., & Ansah, F. (2024). The struggle to retain adept academic staff in private higher education institutions in Ghana: Are compensation practices to blame? *International Journal of African Higher Education*, 11(1).African Journals Online

Obi, J. C., & Adeniran, O. A. (2021). Workforce retention and institutional performance: An African perspective. *African Journal of Human Resource Management, 9*(2), 55–70.

Okafor, C., Adebayo, R., & Usman, H. (2024). Talent retention strategies in emerging economies: The Nigerian experience. *Journal of Organizational Psychology, 19*(1), 26–39.

Okwuise, U. Y., & Uzoechina, P. N. (2023). Reward systems and organizational performance of public universities in South-South, Nigeria. *International Journal of Research and Scientific Innovation*, 10(10), 224-240.RSIS International

Onah, F. O., & Anikwe, O. S. (2016). The task of attraction and retention of academic staff in Nigeria universities. *Journal of Management and Strategy*, 7(2), 9.

Onah, F.O & Anikw, O.S.(2016).The Task of Attraction and Retention of Academic Staff in Nigeria Universities. Journal of Management and Strategy Vol. 7, No. 2; 2016 PAY

Osibanjo, A. O., Adeniji, A. A., Falola, H. O., & Hiersmac, P. T. (2014). Compensation packages: A strategic tool for employees' performance and retention. *Leonardo Journal of Sciences*, 25, 65-84.Covenant University Eprints

Oyalabu, A. T., Eze, N. N., & Balogun, K. J. (2023). Employee compensation and staff retention in Nigerian universities. *European Journal of Theoretical and Applied Sciences, 6*(4), 14–28.

Oyalabu, G. I., Abolaji, S., & Okon, E. E. (2023). Human capital development and academic staff retention in private universities in Southwest, Nigeria. *SAPIENTIA Foundation Journal of Education, Sciences and Gender Studies*, 5(1).sfjesgs.com

Oyalabu, G. I., Gbadamosi, O., & Onabanjo, L. K. (2023). Implementation of management strategies and academic staff retention in private universities in Southwest, Nigeria. *European Journal of Theoretical and Applied Sciences*, 1(4), 85.ejtas.com

Samuel, M. O., & Chipunza, C. (2013). Attrition and retention of senior academics at institution of higher learning in South Africa: The strategies, complexities and realities. *Journal of Social Science*, 35(2), 97- 109.

Schell & Solomon (1997); *Capital on global workforce*; New York, McGraw Hill.

Surbhi, S. (2015). *Differences between salaries and wages*. (Online) (Viewed on the 4th August, 2018). Available from:http://keydifferences.com/difference-between-salary-and wages.htmlixzz4IG1CT6Vu

Taiwo, E., Akinbode, J., Akinrinlola, M., & Olu-ogunleye, I. (2024). The impact of collective bargaining on academic staff welfare in federal universities in South West, Nigeria. *International Journal of Professional Business Review*, 9(11), e04818.openaccessojs.com

Taiwo, J. N., Ogundipe, A. A., & Bello, F. A. (2024). Strategic compensation management and employee retention: Evidence from private universities in Nigeria. *International Journal of Professional Business Review, 9*(1), e01234. https://doi.org/10.26668/businessreview/2024.v9i1.1234

Thompson, P., & Ibrahim, S. (2022). Strategic human capital development in higher education. *International Journal of Academic Management, 7*(3), 88–97.

Tithe, M. (2010). All that glitters, is not gold: Employee retention in offshored Indian information technology enabled services. *Journal of Organizational Computing and Electronic Commerce*, 20, 7-22.

Ugwudioha, D.A. (2004). Compensation system in the Nigerian construction industry wage and salary administration;(Online) (Viewed on the 1st August, 2018). Available from:http://www.kazitz.com/kazitz/mod/book/view.php?id=132

Wen, J & Wanhua M (2012). A study of academic salary and remuneration in. *Paying the Professoriate. A Global Comparison of Compensation and Contracts(Eds)*. Routledge Taylor and Francis Group New York and London.