

## **PAY DISPARITY AND PAY SATISFACTION IN PUBLIC AND PRIVATE UNIVERSITIES IN NIGERIA**

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### **Abstract**

This study examines pay disparity and pay satisfaction in public and private sector universities in Nigeria using two universities from each sector. Pay satisfaction results in higher performance and greater productivity while pay dissatisfaction may bring about poor performance, lack of commitment, moonlighting, absenteeism, and high rate of labour turnover which affects productivity. The study employed the survey research design. The sample size used in this study was 200 academic staff consisting of 50 respondents randomly selected from each of the two public and two private universities in Nigeria selected for the study. Five hypotheses were tested. The results show disparity in pay between public and private sector academic staff with the private universities paying better than the public university. Pay satisfaction is low both in the public and private sector universities. Working conditions in the two sectors differ; while those in the public sector have the benefits of job security, flexible working hours, less supervision, freedom of association, lesser workloads, and clearer lines of communication, for those in the private sector the pay package and promotion prospects are better but job security is low, there is less freedom and heavier workloads. Those in the private sector have better opportunities of career training and development programmes that provided in and outside the organisation, promotion and advancement, regular payment, fringe benefits, team work. The study recommends closure of the pay gaps; improvement in the level of pay satisfaction both in public and private sector universities; constant improvement of work conditions, and opportunities for training and career development. Pay and promotion policies should be reviewed to avoid stagnation.

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**Keywords:** Pay, Disparity, Satisfaction, Public, Private, Universities

## **Introduction**

Pay constitutes an integral part of the success of any organization. It motivates employees to put in more effort in their services in the organisation and this in turn reflects positively on the efficiency and productivity of the organization. It is the single most important motivator used in the workplace. Pay is an important process in human resources management covering economic rewards in form of wages and salaries and various forms of non-wage economic payments called fringe benefits, indirect compensation or supplementary pay. The significance of pay emanates mainly from the fact that it provides income to workers and constitutes an important cost item to the employer. It is the single largest cost for many organizations. It provides means of satisfying wants and needs for the workers. Pay is a major component of the compensation process, which is aimed at reimbursing employees for their work and motivating them to perform to the best of their abilities.

Pay plans aim at meeting the needs of employees, including desires for security and self-esteem; attracting, motivating and retaining employees and thus competing with similar organizations and achieving desired performance. It also controls wages and salaries and thus control labour costs to be cost-effective; builds employee loyalty and commitment and to increase job satisfaction, reduce turnover, absenteeism, complaints and grievances. Herzberg (1979) identifies pay as a satisfier and a hygienic factor. Pay motivates workers to achieve desired performance and improve morale and complies with labour contract and governmental regulations. Pay is a major factor in attracting individuals to an organization, persuading them to remain and inducing them to contribute positively to achieve corporate goals.

Pay disparity has to do with comparative differences in pay between employees in similar organizations for similar jobs. An employee may feel good about his or her pay in comparison to what those working in other organizations are making. He or she may also believe that the company profits are fairly distributed within the company. However, this same person may be very unhappy about his or her pay relative to several other people in other organizations. Better performances result only in those who perceive their pay as directly related to performance. When a job decreases in pay attractiveness, the employee is more likely to be dissatisfied with the job itself. In Nigeria the terms and conditions of service of civil servants are determined through the legislative process. The salaries and wages in the public sector depend on the wealth of the country that is on the revenues derived from crude oil and taxes. Political considerations affect the workings of collective bargaining process in the public sector. Unions make use of increase in wages and salaries granted by the

government as negotiating tools for increases. About 80% of industrial actions (strikes) experienced in Nigeria are attributed to pay dissatisfaction. These industrial actions endanger the economic development of the country. Pay satisfaction is usually based on the perspective of the workers in an organization on the level of intrinsic or extrinsic value. Pay satisfaction is determined by the monetary and non-money reward.

### **The Objectives**

The main thrust of this study is to examine pay disparity and pay satisfaction in public and private sector universities in Nigeria. It specifically examines the level of pay disparity between public and private universities; assesses pay satisfaction among the workers in public and private universities; examines causes of pay satisfaction or dissatisfaction and assesses the effects of pay satisfaction or dissatisfaction in the universities. In comparing pay disparity and pay satisfaction among workers from these sectors, University of Ibadan and University of Lagos will be used for the public sector while Covenant University and Redeemer's' University will be used for the private sector.

### **Literature**

**Pay** - Pay is an exchange between employees and the employer. An organization is as good as the people it is able to attract and keep. It must be able to pay its employees the worth of their services. Pay is in form of periodic payment from an employer to an employee, which is normally specified in an employment contract between an employer and an employee. Taylor and Vest (2002) asserts that pay is an important reward used in motivating the behaviour of employees. Although, other behavioural factors or work conditions are important for enhancing satisfaction at the workplace, the satisfaction derived from pay is very important and cannot be over-emphasized. Pay has an important role to play in the achievement of the organizational goals and objectives. A high level of pay and/or benefits relative to that of competitors ensures that an organisation attracts and retains high-quality employees, though this might have a negative impact on its overall labour costs. Again pay is an important aspect of human resource management practice that can make employees satisfied with their jobs. Pay plays social, economic, growth, political and psychological roles to employees. Pay is often determined by factors including an organisation's ability to pay; labour market situation; cost of living; productivity; bargaining powers of the parties; government regulation and prevailing wage rates. Belcher (1979) describes pay as a double input-output exchange between a worker and the employer. The input of efforts and output of wages to the workers are established. In this double input-output exchange process, the employer offers basic pay for the worker's availability, qualification, experience and

productivity. The employer offers benefit of various qualities to the employees based on the latter's membership of the employer organization. Incentives are offered in settlement for specific performances of different organizational members. Effective compensation policies aim at minimizing conflicts and tension in an organization. It restores equity and job satisfaction, removes imbalance and enhances status quo.

**Principles of Pay Administration** - Effective pay administration is usually guided by several principles. Beach (1980) identifies some of such as: (i) differences in pay for jobs should be based on variations in job requirements (e.g. skill, responsibility, effort, physique and working conditions) (ii) careful distinction between jobs and employees. A job carries a specific amount of pay and an employee is assigned to fill it at that pay level. Expectations are however made sometimes in respect of high level professional and executive jobs where the jobholder may make the job large or small depending on his abilities, experience contributions etc. (iii) Level of wages and salaries should be reasonably in line with what is prevalent in the labour market or in the industry. (iv) Equal pay for equal work. Two jobs with equal value should be paid equally regardless of who fills them. Factors such as gender, religion, race, age, ethnicity, social class, state of origin etc. should have no influence. There should however be a pay range with workers receiving different remunerations within range. (v) Recognition of differentials in the ability and performance of employees; such forms as rate ranges with in-grade increases, wage-incentive plan, or closely integrated sequence of job promotion. (vi) Adequate information about the procedures applied in the determination of wage rates. No secrecy. (vii) Collective bargaining and union influences. (viii) Economic considerations e.g. rate of inflation and ability to pay. These principles are usually adapted, refined or expanded to suit particular instances.

**Pay Disparity** - Pay disparity is when an organization pays less than what their competitors in the industry are paying other employees in same level. Disparity and imbalance in pay policies can create disequilibrium. Pay and employee compensation is usually affected by levels of aspiration and pay history. Internal and external in-equalities in pay can seriously strain employee- employer relationship and endanger industrial peace because employees compare their pay with those of relevant other persons based on their skill, knowledge and performance. Pay disparity affects employee pay satisfaction because pay is positively associated with the job satisfaction of the employees. Employees feel satisfied or dissatisfied with their pay- not so much by the total amount received, but by comparing their benefits with those enjoyed by others in the same field. Pay comparison provides a feeling of equity or inequity. There is a sense of equity when the employee pay is equal or comparable to with

that of others in the same category of jobs. If the pay is lower, the employee feels inequitably treated. An employee sticks to an organisation when paid equitably. Organisation pay structure must, therefore be equitable and consistent. Pay dissatisfaction is an important in every organization. The desire for more pay has the potential to lead to reduced productivity and increased grievance levels, strikes, job accidents, absenteeism and search for higher paying jobs. Employees who are dissatisfied with their jobs become less interested in their jobs, and may engage in moonlighting. Their commitment to duty will be low and the rate of turnover will be high. Workers dissatisfaction is likely to increase if either internal or external principles of pay are violated.

**Pay Satisfaction-** Banjoko (1996) observes that pay dissatisfaction sees occurs when workers are not satisfied with their pay and desire for more pay rises. This could lead to much dysfunctional behaviour such as strike. Pay satisfaction is essential to employees because it makes them to be economically balanced in the society. For an employee to be financially sound, he/she must be satisfied with his/her pay to meet up with the necessities of life. Pay satisfaction is a complex phenomenon in human resource management practice because it is difficult for managers to know what actually satisfies or dissatisfies an employee. Green and Baron (1997) see pay satisfaction as an individual's cognitive, affective and evaluative reaction towards his or her job. Locke (1976) describes pay satisfaction as the state where one's needs and one's outcomes match well. According to Cranny, Smith and Stone (1992) pay satisfaction is a combination of cognitive and affective actions to the differential perceptions of what an employee wants to receive compared to what he or she actually receives. Lawler (1995) posits that pay satisfaction is a function of two major perceptions of the individual. First is what amount an individual perceives that he should receive. Second is the amount of pay he perceives to have actually received. Lawler argues that pay satisfaction or dissatisfaction is based on what an individual should receive and what he actually receives. According to Lawler the perceived amount one should receive is influenced by (i) perceived job inputs of the individual (ii) perceived job characteristics (iii) perceived non-monetary reward (iv) wage history of the organization (v) perceived inputs and outcomes of referent others. The first perception depends upon such things as how much the person believes to have contributed to the job, the nature of the job and the organization, and to a lesser degree, the non-monetary outcome from work and the person's own pay history. The second component indicates that perceived amount of pay received is a function of the perceived amount of compensation received by relevant pay referents. The perceived amount of pay received by an individual is a function of actual pay rate, wage history and perceived pay

when compared to that of others in an organization. If an individual's actual pay rate has always been high, and the industry has a history of higher pay for his referent others, his perception of pay received would be high. On the other hand, an employee will expect to receive a higher level of pay if his various job inputs such as education, skill, experience, training, age, company loyalty, past performance, present performance etc. are high. Also, an employee will be satisfied if the job is complex, difficult, taxing or hazardous and if the perceived non-monetary rewards such as status and security are attractive, if the wage history shows higher pay, and if he has a better input-output ratio than his referent others. To Lawler, it is only when the two perceptions: the perceived amount that should be received is equal to the perceived amount of pay received that pay satisfaction occurs. Katz (1987) assumes that high pay enhances employee efforts on the job due to the greater cost to employees of losing the job. In other words, pay influences an employee to work by putting in his best on the job and thereby reduces turnover in the organization. Akerlof (1984) opines that higher pay increases employee efforts to be loyal to the organization because it will not be easy for high pay employees to turnover their jobs since they derive pay satisfaction in the job. A higher pay reduces the organisation's turnover and recruitment costs. When employees are satisfied with the payment they receive, there is every possibility that such employees will remain in the organization for a long time and the organization will save the cost of recruiting capable hands to handle tasks in the organization. Pay satisfaction is an issue of psychological adequacy as well as financial adequacy. For example, dissatisfaction with pay may lead to decreased job satisfaction, decreased motivation, decreased performance, increased absenteeism, grievances and turnover tensions. Pay satisfaction influences the overall job satisfaction, motivation and performance, absenteeism and turnover tensions maybe related to pay related grievances and lawsuits. Pay is important and individual perception about pay is more important. There are various factors which ultimately determine pay satisfaction level of employees in an organization such as the labour market situation, productivity level within the company, organization ability to pay its workers, government regulation and so on. People that have positive mind sets seem to be more satisfied with pay as compared to people with negative affectivity. George (1992) argues that both positive affectivity and negative affectivity are the primary determinants of job satisfaction. People that are high on negative affectivity are anxious and nervous. High negative affectivity individuals may be dissatisfied with some aspects of their job, but it does not necessarily mean that they would be more satisfied with their pay while positive affectivity people are very much satisfied with their pay and are ready to work. Organization ownership is another factor that is important in

determining the pay satisfaction of employees and the introduction of pay incentives. A pay incentives scheme is a distinct dimension of pay satisfaction in an organization. There is an increasing trend for public and private organizations to implement more creative forms of pay incentive schemes such as group incentives and profit sharing scheme. Lawler (1995) observes that different incentive plans used for different distribution rules can affect the different dimensions of pay satisfaction with incentive plans. Carrahers (1991) believes that pay incentives affect pay satisfaction. For generating pay satisfaction organizations have to promote a policy of perception of pay-for-performance. Perception of pay-for-performance is a positive influence on pay satisfaction. This implies that when an employee put his best efforts on a job, he will receive reward for his effort. The relationship between performance, perceptions regarding supervision, advancement opportunity, and the organisation's benefit, package, and both external and internal pay equity, are related to pay satisfaction.

### **Pay, Performance and Job Satisfaction**

Pay has a motivational value consequently increment in pay often leads to increase in performance. Therefore, there is some relationship between pay and performance. The direct relationship between pay and performance is based on several factors. First workers perceive adequate degree of fairness between their pay and work efforts. Second employees firmly believe that better performance will always lead to more pay. Third increased pay is tied to higher performance. Fourth employees believe that their efforts will lead to better performance and hence lead to better pay. The extent of an employee's job performance is caused mainly by his state of mind and his view on his predisposition. When he is unhappy, there will be every tendency for him to engage in some dysfunctional and negative manner that would restrain his performance on his job rather than to enhance his job performance. Where an employee is unhappy and unsatisfied, he cannot perform up to his maximum. It can therefore be deduced that satisfaction causes performance. Green (1977) affirms that rewards constitute a necessary intervening variable and this satisfaction is considered as a function of performance related reward which implies that performance causes satisfaction. This implies that satisfaction does not just happen but is somehow caused by performance and achievement. The foregoing indicates that both performance and satisfaction are functions of rewards. A higher reward causes satisfaction, the employee experiences job satisfaction and is likely to perform better on the job. Whether it is performance that causes satisfaction or satisfaction that causes performance, reward causes satisfaction and satisfaction in-turn leads to good performance. Pay dissatisfaction matters to organizations, employers and employees since pay occupies an important place in the life of workers. Pay

impacts on a worker's standard of living, status in the society, motivation, loyalty and productivity. Akomolafe (1993) affirms that pay dissatisfaction may affect organization outcomes, ranging from changes in job performance to withdrawal behaviours in the form of absenteeism or employee turnover. Attractive pay enables an organisation to attract, retain and motivate competent people. Pay satisfaction on the other hand enhances employer - employee relationship, improves employees' standard of living, helps in the prevention of strikes, and reduces level of absenteeism in an organization. It also promotes industrial peace and harmony, helps in the reduction of grievances, improves organization productivity and increases the level of performance. Combining factors such as good wages, job security, opportunities for growth and promotion, and scope of work creates a culture conducive to motivation.

### **University Education in Nigeria**

How much a nation progresses has a lot to do with the quality of human resources and educational attainment of its citizens. Higher education includes teaching, research and social service activities of universities, and within the realm of teaching, it includes both the undergraduate level (sometimes referred to as tertiary education) and the postgraduate school. Higher education generally involves work towards a degree level or foundation for degree qualification. In most developed countries a high proportion of the populations (up to 50%) now enter higher education. Okojie (1990) affirms that higher education is very important to national economy, both as a source of trained and educated personnel for the rest of the economy. Higher education is based on theoretical expertise. It might be contrasted with higher vocational education, which concentrates on both practice and theory. The shortage of high - level human resources and the need of the country to meet the needs of the expanding economy after independence made the Nigerian government in April 1959, to appoint the Ashby Commission to conduct an investigation into Nigeria's need in the field of post school certificate and higher education. In its report, the commission suggested amongst others the establishment of more Universities besides the University College Ibadan, which was the only one in the country at the time. In response to this, four additional Universities were established namely The University of Ife (now Obafemi Awolowo University), The University of Lagos, The University of Nigeria, and The Ahmadu Bello University bringing the total number then to five. Much more efforts have been put into the training of high level human resources with the result that now, Nigeria has 32 Federal Universities, 34 State Universities and over 38 privately owned Universities. UNDP (2006) observes that Nigeria has more Universities, Polytechnics, Technical Institutions and other institutions of higher learning than the rest of Sub-Saharan

Africa put together. The training of high-level manpower is extremely crucial to the economic development of a country.

**Statement of Hypotheses**

The study tested the following null hypotheses:

H<sub>0</sub>: There is no significant disparity in pay between Academic staff of Public and Private sector Universities.

H<sub>0</sub>: There is no significant difference in pay satisfaction between Academic staff of Public and Private sector Universities.

H<sub>0</sub>: There is no significant difference in working conditions of Academic staff of Public and Private sector Universities.

H<sub>0</sub>: Academic staffs of public sector universities do not have better opportunities than private sector academic staff.

H<sub>0</sub>: Academic Staff of Private Universities are not more motivated than Academic Staff of public universities.

**Methodology**

The study employed the survey research design. The sample size used in this study was 200 academic staff across two public and two private universities in Nigeria. The two public universities included in the study are the University of Ibadan a Federal Government owned University and the Olabisi Onabanjo University a State owned university. From the private sector Redeemers University and Covenant University were selected. 50 respondents were randomly selected from each of the four universities. Of the 200 questionnaires administered 192 (96%) were returned in usable conditions.

**Results**

**Test of Hypotheses**

The study tested five hypotheses using chi-square (X<sup>2</sup>) at 0.05 level of significance and the results are presented below.

**Hypothesis 1** There is no significant disparity in pay between Public and Private Sector Academic Staff.

**Table 1 Disparity in pay between Public and Private Sector Academic Staff**

Response	SA	A	D	SD	Total	x <sup>2</sup> cal	x <sup>2</sup> crit	df	P	Rem
Olabisi Onabanjo University	36(30)	5(8.25)	5(6)	2(3.75)	48	18.43	16.92	9	0.05	S
University of Ibadan	33(31)	10(9)	4(6.3)	2(3.83)	49					
Redeemer’s University	32(29.36)	7(8.07)	5(5.88)	3(3.67)	47					
Covenant University	19(30)	11(8.25)	10(6)	8(3.75)	48					
Total	120	33	24	15	192					

The findings of the study indicate that there is significant disparity in pay between public and private sector academic staff with the private universities paying better than the public university. This could be attributed to corporate goals of the private university which is profit making, as opposed to the basic goals of public universities where education is viewed mainly as social responsibility. Pay in the two private universities seems to be better than what obtains in the public sector universities. The table value of chi-square ( $X^2$ ) at 0.05 level of significance and 9 degree of freedom is 16.92 while the calculated  $x^2 = 18.43$ . Since the calculated value is higher than the critical table value the null hypothesis is rejected. This implies that pay is better in private sector universities than public sector ones. Government owned universities have been known to embark on indefinite strikes over pay increases. The Academic Staff Union of Universities (ASUU) has constantly been in battle with government on issues of pay and working conditions. Often time, this agitation has led to series of crisis in the country with incessant strikes to push forth demands. This has adversely affected the students' academic performance. Ofoegbu (2004) found that poor salaries that are not competitive lead to unhappiness and discontentment promote dissatisfaction and make workers feel frustrated. The most serious effects are low lecturers output, high lecturers turnover, regular strike actions, irregular attendance at classes and absenteeism all of which have affected the academic performance of students. During periods of strikes, all the inputs of the academic staff to students are lost and with nothing to keep them occupied during the period students involve themselves in activities that are not academic in nature which usually have adverse effects on their academics even after resumption in school.

## Hypothesis 2

$H_0$ : There is no significant difference in pay satisfaction between academic staff in public and private Universities

**Table 2 Difference in pay satisfaction of academic staff in Public and Private sector Universities.**

Response	SA	A	D	SD	Total	$x^2$ cal	$x^2$ crit	df	P	Rem
Olabisi University	31(25.25)	10(11.75)	5(5.25)	2(5.75)	48	27.45	16.92	9	0.05	S
University of Ibadan	27(27.78)	13(11.99)	4(5.36)	5(5.86)	49					
Redeemer's University	23(24.72)	15(11.51)	1(5.14)	8(5.63)	47					
Covenant University	20(25.5)	9(11.75)	11(5.25)	8(5.75)	48					
Total	101	47	21	23	192					

Pay and benefits are important to every employee; it serves economic, social, political and psychological roles in the life of an individual. Pay satisfaction reduces grievances, moonlighting, poor performance, absenteeism and labour turnover and industrial strike that

could jeopardize the academic activities.  $X^2$  (cal.) = 27.45, df = 9.  $X^2$  tab at 0.05 level of significance = 16.92. Since the calculated  $X^2$  is greater than  $X$  table value, we reject the null hypothesis ( $H_0$ ). This implies a significant difference in pay satisfaction between lecturers in public and private Universities. The study found pay satisfaction is low both in the public and private sector universities. This suggests that while pay may be higher in the private sector many of the workers are not necessarily satisfied with the pay. This confirms the position of Lawler (1995) that it is only when the perceived amount that should be received is equal to the perceived amount of pay received that pay satisfaction occurs. Workers in the public universities seem to be more satisfied with their pay unlike their private sector counterparts. This may be attributed to the amount of work and role performance that is attached to the pay in the private universities. According to Oke (2005) money is not always significant in satisfying and motivating workers attitude to work. There are some factors that the organizations provide that enhance the pay satisfaction of workers. When a worker is motivated and obtains reward that is equivalent to the job done, he will be able to perform efficiently which will benefit the organization in its output. Remunerations in most of the private universities in Nigeria are better than the public sector but the volume of work and performance expectations are quite often very high. This suggests that pay disparity and pay satisfaction may not necessarily go together always. Workers may earn more than their counterparts in similar organizations but still be dissatisfied with their pay if they feel that the pay is not commensurate with the level of efforts they put in to the organization. 63% of the respondents from the private sector universities felt that they put in much more than the pay they obtain. The resultant effect is that while the private sector workers tend to be more productive, dedicated and committed on their jobs they are less satisfied with their jobs. The finding supports the results of previous studies. Oke (2005) submits that dissatisfaction occurs when people perceive that they are being treated unfairly with respect to salaries, benefits, incentives, job security etc. The studies of Afe (2001) also indicate that employees may perceive the amount of pay received as unfair or fair as they normally expect equity among the salaries that are received by them and their colleagues who hold the same positions.

**Hypothesis 3**

H<sub>0</sub>: There is no significant difference in working conditions of academic staff in Public and Private sector Universities.

**Table 3 Differences in working conditions academic staff in Public and Private sector Universities.**

Response	SA	A	D	SD	Total	x <sup>2</sup> cal	x <sup>2</sup> crit	df	P	Rem
Olabisi Onabanjo University	30(21.5)	11(15.25)	4(6)	3(5.25)	48	19.87	16.92	9	0.05	S
University of Ibadan	14(21.95)	25(15.57)	5(6.13)	5(5.36)	49					
Redeemer's University	22(21.05)	13(14.93)	5(5.88)	7(5.14)	47					
Covenant University	20(21.5)	12(15.25)	10(6)	6(5.25)	48					
Total	86	61	24	21	192					

Working conditions can be explained by factors like job security, work load, clear lines of communication, promotional opportunities, feedback about performance, support from superiors. As Udogo (2008) affirms good working conditions are promoted where there is good supervision and the employee perceives the supervisor as helpful, and effective.  $X^2$  (cal.) = 19.87, df = 9.  $X^2$  tab at 0.05 level of significance = 16.92. Since the calculated  $X^2$  is greater than the  $X^2$  table value, we reject the null hypothesis (H<sub>0</sub>). This implies that working conditions in public and private sector universities differ significantly. Academic staff in the public sector have the benefits of job security, more flexible working hours, less supervision, freedom of association, lesser workloads, and clearer lines of communication. However for those in the private sector the pay package and promotion prospects are better but the level of job security is low, less freedom, heavier workloads etc. Organization climate in the private sector universities are poorer. Also in terms of availability and adequacy of equipment and resources needed for job performance the private sector seems better placed.

**Hypothesis 4**

H<sub>0</sub>: Academic staffs of public sector universities do not have better opportunities than private sector academic staff.

**Table 4 Difference in the level of opportunities in public and private sector universities.**

Response	SA	A	D	SD	Total	x <sup>2</sup> cal	x <sup>2</sup> crit	df	P	Rem
Olabisi Onabanjo University	33(25.75)	11(16.75)	2(3)	2(2.5)	48	9.63	16.92	9	0.05	S
University of Ibadan	26(26.29)	16(17.09)	3(3.06)	4(2.55)	49					
Redeemer's University	23(25.21)	20(16.40)	2(2.94)	2(2.45)	47					
Covenant University	21(25.75)	20(16.75)	5(3)	2(2.5)	48					
Total	103	67	12	10	192					

$X^2$  (cal.) = 9.63, df = 9.  $X^2$  tab at 0.05 level of significance = 16.92. Since the calculated  $X^2$  is less than the  $X^2$  table value, we accept the null hypothesis (H<sub>0</sub>). This implies that lecturers in public sector universities do not have better opportunities than their counterparts in the private sector. In fact those in the private sector seem to fair better. One of the reasons for this is that they have better opportunities of career training and development

programmes that provided in and outside the organisation, promotion and advancement etc. 71% of the respondents from the public sector universities indicated dissatisfaction with the personal career development programmes offered by their institutions while only about 18% of those from the private sector universities were dissatisfied with the personal career development programmes offered by their institutions. On the other hand the private sector enjoys benefits of regular payment, enjoyment of fringe benefits, team work, better training and development opportunities both within and outside the country.

### Hypothesis 5

H<sub>0</sub>: Academic staffs of private universities are not more motivated than academic staff of public universities.

**Table 5 Level of motivation of academic staffs of private and public universities.**

Response	SA	A	D	SD	Total	x <sup>2</sup> cal	x <sup>2</sup> crit	df	P	Rem
Olabisi Onabanjo University	31 (27)	10 (11)	5(6)	2(6)	48	19.91	16.92	9	0.05	S
University of Ibadan	29(28)	12( 11 )	4(6)	5(6)	49					
Redeemer's University	29(27)	10( 11)	1( 6 )	7( 6 )	47					
Covenant University	18(27)	11( 11)	11( 6 )	8( 6 )	48					
Total	107	43	21	22	192					

Motivation involves the willingness to work. Motivation is the desire and will to excel and work the drive and stimulation which enable individuals to perform their work. Motivation can be monetary or non-monetary Examples of financial motivation are: pay, and allowances, commission and other financial benefits and remunerations. Monetary reward is high in developing countries like Nigeria due to the low quality of life. The non-financial motivators give personal satisfaction to the individual. This type of reward gives inner joy, fulfillment to the individual and it cannot be quantified in terms of money. The non-financial motivation include: job security; more responsibility and authority; sense of belonging and recognition; job enrichment; job rotation; participation and delegation; better quality of work life both on and off the job as well as opportunity for growth and promotion.  $X^2$  (cal.) = 19.91, df = 9.  $X^2$  tab at 0.05 level of significance = 16.92. Since the calculated  $X^2$  is higher than the  $X^2$  table value, we accept the null hypothesis (H<sub>0</sub>). This implies that lecturers in private universities are better motivated than those in the public universities. Ubom (2002) affirms that prompt payment of salaries and other benefits induce greater motivation and commitment. Amadi (1983) notes that the irregular payment of salaries is one of the major problems facing the public sector in Nigeria. Good salaries and prompt payment are important motivating factors that improve commitment. Ofoegbu (2004) links the poor academic performance of students in the public sector to poor teachers' performance in terms of accomplishing the teaching tasks, negative attitude to work and poor teaching habits which have been attributed to poor motivation. Afe (2001) asserts that teachers have an important

influence on students' academic achievement and they also play a crucial role in educational attainment because the teacher is ultimately responsible for translating policy into action during interaction with the students.

### **Recommendations**

Based on its findings this study makes the following recommendations. First is in the area of disparity in pay between public and private sector academic steps must be taken to close the gap so that academic staff in the public universities where the vast majority of the students attend can be more committed to the job and consequently improve the standards obtainable. Pay rates in any industry should be comparable with the general wage levels. Second, efforts must be made by government and university managements to improve the level of pay satisfaction both in public and private sector universities. The Management of both the public and private sector universities should institute sound performance evaluation procedures which would aid job satisfaction of the employees. Again collective agreement must be respected at all times. Third is the issue of salary and benefits. Industrial disputes and labour unrests often originate from pay dissatisfaction. Third, the management of both public and private sectors universities should endeavor to provide safe and conducive working conditions. Actual work and work conditions must constantly be improved so that the workers would be productive and happy organization members for the longest period of time in the organization. This could be enhanced through job counseling unit which will help to determine the areas of interest of the workers. For the private sector efforts should be in the area of job security, more flexible working hours, less supervision, freedom of association, lesser workloads, and clearer lines of communication. While in the public sector attention should be paid to the pay package; promotion prospects as well as availability and adequacy of equipment and resources needed for job performance. As for opportunities available to staff, training and career development must be emphasized. Where workers do not have the opportunities to improve their skills they are incapable of improving standards of efficiency. Pay and promotion policies should be reviewed to avoid stagnation.

### **Conclusion**

This study demonstrates that the remuneration of workers goes a long way in determining their level of pay satisfaction. There is obvious pay disparity in public and private sector universities. The level of pay satisfaction is important because satisfaction leads to job commitment and increase in productivity. It also enables an organization to attract and retain quality staff. Workers who are not satisfied with their pay are unhappy, less friendly and have non-challant attitudes to their jobs. When factors that enhance satisfaction are

applied, it benefits the workers and leads to increase in the productivity in the organization. Higher education constitutes a very significant means of developing the human resources of any nation.

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