Managing Employee Compensation and Benefits for Job Satisfaction in Libraries and Information Centres in Nigeria

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Introduction

Libraries and Information Centres' services in Nigeria are being regarded as humanitarian services and therefore issue of compensation and benefits are not well defined. However, other forms of financial assistance embedded in the Nigeria civil service rule include things like Monetization, National Health Insurance Scheme, Contributory Pension, and Pension Benefits; all of which staff of Libraries and Information Centres also benefit from. Aside this is the Annual Appraisal Form (Aperform) that contains basic requirements expected of an employee before he can be promoted. Nigerian Universities also makes use of this to assess staff in order to determine their remuneration as at when due.

For corporate body organizations where special libraries and information centres form part of the organization, compensation and benefits will depend on the annual appraisal or job satisfaction based on criteria spell out in their organization's handbook. Evaluation forms also contains *inter alia*: what you are expected to do according to your job descriptions, your relationship with staff, creativity, sense of direction, delegation of duty, which will be rated as either fair, good, very good, satisfactory and excellence. All these indices hinges on employees' performances. Though an employer compensates his employee with motivation and benefits based on job performance, there is need for job satisfaction. Every employer expects certain degree of result oriented services that would fall in line with his vision and mission while every employee demands job satisfaction.

Ordinarily, the management of people at work is an integral part of the management process, put differently, managers need to understand the critical importance of people in their organizations so as to recognize that the human element and the organization are synonymous.

(Tella, Adeyemi, and Popoola, 2007) Therefore, it is imperative to compensate an employee with benefits if he merits it. Cascio (2003) opines that because of the importance that compensation holds for people's lifestyle and self esteem, individuals are very concerned about what they are paid – a fair and competitive
wage, while organizations are also concerned about what they pay because it motivates important decisions of employees about taking a job, leaving a job and on the job performance.

Compensation as a concept according to (Bernadin, 2007) refers to all forms of financial returns and tangible benefits that employee receives as part of employment relationship. Compensation as it were is divided into two parts and these are cash compensation which is the direct pay provided by employer for work performed by the employee and fringe compensation which refers to employee benefit programs. Cash compensation has two elements which include base pay and pay contingent. Base pay has to do with hourly or weekly wages plus overtime pay, shift differential and uniform allowance while pay contingent is concerned with performance allowances such as merit increases, incentive pay bonuses and gain sharing. Fringe compensation on the other hand refers to employee benefits programs. Fringe compensation also has two parts to it which are legally required benefit programs and discretional benefits.

Legally required benefit programs include social security, workers compensation while discretional programs include health benefits, pension plans, paid time off, tuition reimbursement, recognition award, foreign service premiums, responsibility allowance, child care, on campus accommodation, promotion, annual increment and a host of others (Cascio, 2003; Dessler, 2005; Bernadin, 2007). Benefits, in a nutshell are the indirect financial and non financial payments employees receive for continuing their employment with an organization.

The concept of employee compensation and benefits cannot be discussed in a vacuum. Various studies have established that salaries and benefits are closely related to job satisfaction (St. Lifer, 1994); and job satisfaction can bring about motivation which in turn affects employee job performance and organizational commitment.

**Conceptual Framework**

Certain concepts in this paper are defined according to the usage within this context. These are Compensation, Benefits, Job Satisfaction, Employees, Academic, Library /Information Centers, and Nigeria.

Nigeria: Nigeria is a tropical country within the continent of Africa. She is among the 16 Anglophone countries of West Africa. She got her independence in 1960, and became a Republican in 1963. Nigeria operates a federal constitution with two bicameral legislatures and state assemblies. She consists of 36 states and Abuja as the Federal Capital Territory, with 352 ethnic tribes having English as the *Lingua-franca* and Hausa, Ibo, Yoruba as the major languages.

Library and Information Centre: In this context, this is defined as a place where information services are provided for selected members of the public such as students, scholars and practitioners, who are looking for special information that are relevant to their job and research work.

Academic Libraries: These are libraries established to support teaching, research and learning of higher institutions comprising of Universities, Colleges of Education, and the Polytechnics. Academic Libraries are regarded as the heart of the universities.

Employee: An employee is anyone who has agreed to be employed under a contract of service to work for some form of payment. This can include wages, salary, commission and piece rates. It can be in a library and information centre where ethics of the profession are practiced or any other professionally inclined job or otherwise.

Employee Compensation: Compensation is a primary motivator for employees. People look for jobs that not only suit their creativity and talents, but compensate
them—both in terms of salary and other benefits—accordingly. Compensation is also one of the fastest changing fields in Human Resources, as companies continue to investigate various ways of rewarding employees for performance.

Employee Benefits: This focus on maintaining or improving the quality of life for employees and providing a level of protection and financial security for workers and their family members.

Job and Job Satisfaction: A regular activity performed in exchange for payment, especially as one's trade, occupation, or profession is referred to as job. It may also be assumed to be a position in which one is employed. Job satisfaction on the hand can be defined as a pleasurable emotional state resulting from the appraisal of one's job or an affective reaction to one's job.

**Statement of the Problem**

If one turns his attention solely to academic libraries in Nigeria, it has been observed that certain compensation and benefits enjoyed by faculty lecturers are not extended to practicing academic librarians. The reason may not be farfetched in the sense that the edict that established universities has always considered the university library as a supporting unit, thus placing it and its employees as a second value. This study therefore aims at identifying those benefits and compensation enjoyed by academic staff and denied professional libraries and its effects on librarians' job performance and satisfaction; with a view to recommending a way out of the situation.

**Objectives of the Study**

This study seeks to achieve the following objectives:

1. To identify the various forms of benefits provided for by library employers.
2. To establish other forms of compensation that academic librarians would like to enjoy outside their salary.
3. To ascertain if there are any other types of benefits enjoyed by their counterparts within the organization that is not extended to them.
4. To establish the relationship between compensation, benefits and job satisfaction among academic librarians.

**Research Questions**

The following research questions were developed to guide the study:

a. What forms of benefits do library professionals enjoy in their place of work?

b. Are there other forms of compensation library employees would like to enjoy apart from their salary?

c. Are there any other types of benefits that are enjoyed by their counterparts in the university which are not been extended to them?

d. What is the relationship between compensation, benefits and job satisfaction among academic librarians?

**Review of Literature**

**Compensation trends**
In the early 20th century, the American government took a significant role and began to introduce several changes in many aspects of workers pay and remuneration. This brought about Acts such as the fair Labour Standards Acts of 1938, which dictated equal pay for equal work. However, recessions dotted the following twenty years but later on the economy boomed and government played an increasingly important role in America's workplace by ratifying the equal pay Act Executive order 11246, Title 7 of the Civil Rights Acts in 1963 (Noe, Hollenbeck, Gerhart and Wright 2003; Switzer, 2004).

For example in Nigeria, in line with the workmen's compensation Decree of 1987, all organizations and businesses are to provide workers' compensation coverage for the benefit of their employees who may be injured or incapacitated while on the job. This is followed by pensions Reform Act of 2003 which requires every employment to maintain a life insurance policy in favour of an employee for a minimum of 3 times the annual total emolument or pay of the employee (Aloysus, 2007).

The same way, history of wage reviews fought by workers can be traced to 1945 when workers staged the famous 45 days general strike for a Cost Of Living Allowance (COLA). In 2007, Nigerian workers demanded for a 25% increase in general wage through the Ernest Shonekan wage consolidation committee and this was arbitrarily cut down to 15% by Obasanjo government in 2009. Nigerian workers have struggled for fifteen times to have wages improved and a national minimum wage legislated upon. However, the struggles produced notable victories for workers and the Nigerian Labour Congress (NLC), and it was usually the case (http://www.nlcng.org/minimum%20wage.pdf).

Compensation as it were is a complex topic that has significant impact on organizational success (Dessler, 2005), and for any organization to succeed, it must not look up to capital investment but to its employees as the fundamental source of improvement with the understanding that the human element and the organization are synonymous (Tella, Ayeni, and Popoola, 2007). According to Cascio (2003), the objective of the design of compensation program is divided into two, which are, direct and indirect forms of compensation. Direct compensation has to do with wage and/or salary aspect while indirect compensation is the fringe benefits a worker enjoys as a result of working in an organization. Integrating the two into a package that will encourage the achievement of an organizations goal is what compensation is all about.

In the words of McNamara (2006), compensation includes issues regarding wage and/or salary programs and structures accruing from job descriptions, merit-based programs, bonus-based programs, commission based programs and so on, while benefits typically refers to retirement plans, health life insurance, disability insurance, vacation, employee stock ownership plan and so on. Gomez – Mejia, Balkin and Cardy (2006) view employee compensation as comprising of base pay and fringe benefits. Base pay or cash pay is the direct pay provided by employers for work performed and these include salary, overtime pay, shift allowance, uniform allowances and pay contingent on performance like merit awards, incentive pay, bonuses and gain sharing while fringe compensating include required programs such as social security, health benefits, pension plans, paid time off, tuition reimbursement, foreign service premiums and so on.

However, skill based pay also pose some risks in the area of employee paying higher compensation that are not offset by organizations productivity. Also, employee may become "rusty" unless there is opportunity to use all the skills acquired; and thirdly, when employee hits the top of the pay structure, he may become frustrated and leave the firm just because there is no further opportunity to receive pay raise. Employee benefits, though a part of total compensation embraces non monetary form of compensation ranging from health care plans, to pension or retirement plans, social security, insurance, family and medical leave (Bernadin, 2007), severance pay, payments for time not worked (vacations,
sabbatical, holidays), workers compensation, that is, those injured on the job (Cascio, 2003), foreign service premiums, child care, tuition reimbursement and on campus accommodation (Noe et al 2006).

Other emerging trends in employee benefits embrace flexibility or what is known as cafeteria approach to benefits. This allows an employee to choose from array of benefits in lieu of pay. An employee who is a bachelor may choose money in lieu of child care (Miner and Crane, 2005). This is a welcoming idea though it could be more expensive for employers. By and large, employee compensation and benefits is the ultimate in an organization whether monetary or non-monetary and it matters a lot to individual workers.

Benefits

From library and information specialists point of view, monetary compensation is an essential component in recruitment and retention process; but benefits are equally important and can often be the deciding factor in whether an individual accepts an offer or even stays. Switzer (2004) concludes that as the competition increases for library employees with the skills and knowledge that most academic libraries need, many libraries rely on their benefit packages to give them the leading edge. It is pertinent therefore that present day human resource specialists are well informed about the various benefits available so that they can adequately manage recruitment and employment.

Academic institution typically offer a wide range of benefits to their employees; and as university employees, academic librarians are afforded the same institutional benefits as other university employee. These include retirement plans, medical care, sick and annual leave, sabbatical leave, study leave, maternity leave, child care, pension benefit, sponsorship to conferences and workshops, leave bonuses, on campus accommodation, and so on, which are referred to as university supported benefits. Libraries, in addition to these can also make some benefits available to its employees. The onus is on the human resource specialist who must be aware of benefits offered by other libraries to ensure that his library is not left behind. Some library supported benefits have monetary value while some have no financial impact.

Job satisfaction

The happier people are within their job, the more satisfied they are said to be. Most times, job design aims to enhance job satisfaction and performance and this could be achieved via job rotation, job enlargement and job enrichment. Other influences on job satisfaction include the management style and culture, employee involvement, empowerment and autonomous work position. Job satisfaction is a very important attribute which is frequently measured by organizations and the most common way of measurement is the use of rating scales where employees report their reactions to their jobs (Judge, T. A., Thoresen, C. J., Bono, J. E., & Patton, G. K. 2001).

Job satisfaction is defined as an individual's reaction to the job experience (Berry, 1997) and in order for There are various components that are considered to be vital to job satisfaction and they include the following: pay, promotion, benefits, supervisor, co-workers, work conditions, communication, safety, productivity, and the work itself. These variables are important because they all influence the way a person feels about his job though each of these figures into an individual's job satisfaction differently. Meanwhile, one might think that pay is considered to be the most important component in job satisfaction especially as it has been affirmed that money motivates people; and in job situations, money motivates behaviour when it rewards people in relation to their performance and when it is perceived to be fair, equitable, and providing rewards that employee truly value (Bernadin,
However, this has not been found to be true. Employees are more concerned with working in an environment they enjoy. This is a pointer to the fact that compensation and benefit issues are not to be taken for granted by employers because not only pay but also fringe benefits influences the kind of employees who are attracted to, and remain with an organization.

**Theoretical Framework**

Regardless of the effects of legislation on salaries in general, compensation continue to be influenced by several factors that are producing some important trends in compensating workers. One of such trends is aligning wages to the organizations goals. Others include tailoring compensation to the needs of employees; better salary, and pay equity (Fisk 2001). Various existing theories to support this argument have been identified and one of such is the Reinforcement theory which is propounded by B.F. Skinner. This theory holds that individuals can actually be motivated by their work environment when it is properly developed. Hence, rather than considering internal factors such as attitudes, feelings, impressions and other cognitive behaviour, employers should keep on making positive changes in the external environment of the organization. It emphasizes the importance of a person's actual experience of a reward, and the implication of this for compensation management is that high employee performance followed by a monetary reward will make future high performance more likely.

Another theory that is relevant to the study is the Expectancy theory propounded by Victor Vroom. This theory though focuses on the link between rewards and behaviour too emphasizes expected rewards rather than experienced rewards. In other words, it is mainly concerned with effects of incentives. It stresses that behaviours (job performance) can be described as a function of ability and motivation while motivation is a function of expectancy, instrumentality, and valence perceptions. Expectancy perceptions often have more to do with job design and training than pay systems. Although this theory implies that linking an increasing amount of rewards to performance will increase motivation and performance, some authors have questioned this assumption, arguing that monetary rewards may increase intrinsic motivation.

Extrinsic motivation depends on rewards – such as pay and benefits – which are controlled by an external source whereas intrinsic motivation depends on rewards that flow naturally from work itself. Therefore, while it is important to keep in mind that money is not the only effective way to motivate behaviour, and that money rewards will not always be the answer to motivation problems, it does not appear that monetary rewards run much risk of compromising intrinsic motivation in most work settings.

Another theory relevant to the study is the Equity Theory and Fairness, propounded by John Stacey Adams as Equity Theory but was later on advanced by Elaine Hatfield and her colleagues, which is now known as Equity Theory and Fairness. This theory which probably came as a result of continuous agitation for fair and equitable wages for all workers is the bedrock on which this study hinges. The theory which is divided into two suggests that people evaluate the fairness of their situations by comparing them with those of other people. According to this theory, a person (P) compares his/her own ratio of perceived outcomes (O = pay benefits, working conditions) to perceived inputs (I = effort, ability, experience) to the ratio of a comparison other (O) – external inequity pay.

If P's ratio is smaller than the comparison with Other's ratio underreward inequity results. But if P's ratio is larger, over reward inequity results, though evidence suggests that this type of inequity is less likely to occur and less likely to be sustained because P may rationalize the situation by re-evaluating his/her outcomes less favourably or inputs (that is self worth) more favourably (equity
Meanwhile, the consequence of P’s action depends largely on whether equity is perceived. If equity is perceived no change is expected in P’s attitude but if inequity is perceived, it may cost P to restore equity through some of the following counterproductive ways:

1. reducing one's own inputs (not working as hard);
2. increasing one's outcomes (such as by theft)
3. leaving the situation that generates perceived inequity (leaving the organization or refusing to work or cooperate with employees who are perceived as over rewarded). The main implication of this theory for managing employee compensation is that to a large extent, employees evaluate their pay by comparing it with what others are paid, thereby influencing their attitude to work by such comparisons.

**Methodology**

Case study design was used for this study. The target population of the study was library personnel in three academic libraries: each from federal, state and private university respectively. Random sampling technique was used to select all librarians and library officers out of the library personnel. Eleven personnel from Babcock University, twenty eight from University of Lagos, and eighteen from Lagos State University totaling up to fifty seven. Though all were selected and administered questionnaire on, fifty one were returned. The breakdown is as follows:

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There were 51 participants out of which 24 (47%) were females and 27 were males (53%). Their academic qualifications are:

* OND/NCE * HND * BLS, B. Ed, B.Sc * MLS/MA

**Instrument**

Questionnaire titled Managing Employee Compensation and Benefits in Library and Information Centers was used for data collection. The questionnaire was divided into three sections. Section A collected information on sex, name of university, and respondents qualification. Section B addressed the various types of compensations enjoyed by participants in their place of work ranging from salary to overtime/shift allowance and payment for time not worked (Sabbatical or leave period). Information on participants' satisfaction and non-satisfaction with the available measure of compensation was also gathered.

Then information on other types of compensation they would like to enjoy was gathered. The last section gathered data on the various types of benefits accruable to the participants, while they were also asked to suggest others that are
not available but which they would like their employers to introduce. Also interview technique was used to collect data from the University Librarian where possible, sectional heads, and library human resource managers.

**Data Gathering**

The researcher travelled to the three libraries under study to distribute questionnaire to respondents which was filled and returned. Library heads were interview (unstructured) on certain issues that looked too technical to administer questionnaire.

**Data Analysis**

Data analysis was done using descriptive statistics consisting of percentage and tables.

**Results**

Results of the analysis are as follows:

Research Question One: What is the relationship between compensation, benefits and job satisfaction?

Table 2 – Level of respondents' satisfaction with compensations provided by his/her employee.

| Satisfied with compensation | 34 | 66% |
| Not satisfied with compensation | 17 | 33.7% |
| Total | 51% | 100% |

The result in table 2 reveals a positive correlation between employee compensation, benefits and job satisfaction. Majority of the participants confirmed that they are satisfied with the compensation provided for by their employer.

Research Question Two: Are there other types of compensations you would like your employee to introduce?

Table 3

| Overtime/shifting allowance | 35 | 68.6% |
| Hazard allowance | 43 | 84.3% |
| Responsibility allowance | 15 | 29.4% |

Table 3 shows that majority of respondents would like to be paid hazard allowance. Next to this is the overtime/shifting allowances, apart from their normal salaries. so also responsibility allowance.

Research Question Three: What forms of benefits do library professional enjoy in their organizations?

Table 4
Table 4 shows that respondents have enjoyed various benefits from their employers though the frequencies and percentages of some of the benefits are very insignificant. However, not all benefits are available across the three organizations under study.

Research Question Four: What other types of benefits would employees like their organizations to introduce?

Respondents differ in their suggestions but the most prominent of the suggestions include short term loans, staff canteen, extra-mural classes for children, paternity leave, housing benefits, car loan, soft loan, recreation centre, foreign service premiums, on-campus accommodation, long service award, tax protection, tuition refunds, life insurance, foreign training, enabling working environment (computers for all staff), end of year bonus, lateral conversion for employees who acquired new skills / certificate, building loan, and retirement plan.

**Discussion**

The findings of this study revealed that there is a relationship between employee
compensation and job satisfaction as 66.75% of the participants affirmed that they are satisfied with the salary they receive. This is in agreement with St. Lifer (1994) who stated that salaries and benefits are related to job satisfaction. Even at that, 68.6% of the participants would like to be paid overtime/shifting allowance in addition to their salary while 83.3% suggested hazard allowance.

However, 29.4% of the participant who probably are sectional heads suggested responsibility allowance. This may not be out of place since their counterparts in the faculty who are heads of departments receive responsibility allowance. After all, some sections of the library have the same number of personnel or more than we have in the departments.

Also, the following forms of benefits as revealed by the study are enjoyed by library personnel though at a different level and various percentages. In other of their rating from Babcock University they are: health care, pension, in- service training, retirement plans, child care and conferences/workshop allowance. From University of Lagos, ratings are as follows: in- service training, annual leave, conferences and workshops, promotion, health care, pension and social security. From Lagos State University: annual increment, on campus accommodation, in-service training, health care and child care. Findings revealed that insignificant number of participants benefitted from other forms of employee benefits such as on – campus accommodation, foreign service premiums, tuition refund, reversal of wrong done and conferences/seminars.

However, some of the benefits are not available at all to some of the participants. These include: social security, foreign service premiums, and on- campus accommodation. The study has revealed that apart from the available forms of benefits to participants, there are others enjoyed by their counterparts in the faculty which they are exempted from. This finding has shown some level of inequity in benefits within these organizations and so cannot be said to be satisfactory. After all satisfaction on a job could be motivated by the nature of the job, its pervasive social climate and extent to which workers peculiar needs are met (Tella, Ayeni, Popoola, 2007); and working condition that are similar to that of other professions in the locality (Oshagbemi, 2000).

Other salient issues raised by participants ranged from exclusion from teaching course work especially that which has to do with students’ use of library which has been hijacked by faculty academic staff, to late night closing without any arrangement on how they will get to their various destinations. This exposes personnel to danger and constitutes security risk. Also some of the respondents complained of not benefitting from some of the internally generated revenue from non degree awarding programs available in these institutions even when they are made to serve this group of users; whereas their counterparts at faculty benefit from the proceeds.

**Conclusion and Recommendations**

Compensation plays an important role in the recruitment and retention of librarians. Though librarians in academic libraries these days enjoy significant increase in their salaries and benefits that are generally provided by their parent institutions, there is still room for improvement. This study has revealed that in some universities, this group of people is denied some benefits that are being enjoyed by their counterparts in the faculty which may be as a result of the library being seen as a support unit of the university. There may be need for university policy makers to review this concept and see university libraries and librarians as integral part of the educational institution. The academic library human resource specialist should therefore set in motion strategies to address especially benefits packages available to library employers across board; as well as creating a work environment that is appreciative of its employees and conducive to professional growth. The concept of work life balance (Switzer, 2004) which is valued by today's library employee should be understood and embraced by library human
References


