



RESEARCH ARTICLE

PENSION SCHEME ADMINISTRATION AND NATIONAL SUSTAINABILITY IN NIGERIA: CHALLENGES, PROSPECTS, AND POLICY OPTIONS

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ABSTRACT

This study examined national pension administration in Nigeria with emphasis on its challenges and prospects for national sustainability. The study adopted a descriptive survey research design. The population comprised 10,236 retired civil servants registered under the National Pension Commission (PenCom) in Imo State, while a sample of 300 respondents was selected using a multistage sampling technique. Data were collected using a researcher-developed instrument titled National Pension Administration: Challenges and Prospects for National Sustainability Questionnaire (NPACPNSQ). The instrument was validated by three experts, while its reliability was established using Cronbach's Alpha. Mean and standard deviation were used to answer the research questions, with a criterion mean of 2.50. The findings revealed that prolonged verification exercises, inadequate awareness of pension procedures, poor customer service, corruption, and weak enforcement of pension regulations were the major challenges confronting pension administration in Nigeria. The study further found that regulatory framework enhancement, technology integration, financial literacy and awareness, improved pension fund accessibility, collaboration with financial institutions, monitoring and evaluation, enhanced pension coverage, public awareness campaigns, investment diversification, and strengthened complaint resolution mechanisms were viable prospects for improving pension administration and ensuring national sustainability. The study concluded that strengthening institutional capacity, improving regulatory compliance, embracing digital technologies, and enhancing stakeholder awareness would significantly improve pension administration in Nigeria. It was therefore recommended that PenCom and relevant stakeholders intensify regulatory oversight, improve technological innovation, strengthen monitoring mechanisms, and increase public enlightenment programmes.

Keywords: National pension commission, pension administration, retired civil servants, national sustainability and contributory pension scheme.

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1.0. INTRODUCTION

Pension administration is an essential component of every nation's social security system because it guarantees income security for employees after retirement. It is a mechanism established by governments and organizations to ensure that workers who have completed their years of active service continue to receive financial support to maintain a reasonable standard of living during old age. According to the International Labour Organization (ILO, 2021), pension systems are fundamental social protection instruments that reduce poverty, promote social inclusion, and improve the welfare of older persons. A well-administered pension system not only safeguards retirees but also contributes significantly to economic development by encouraging savings, investment, and financial stability.

Globally, pension administration has undergone remarkable transformation over the past three decades. Countries such as Canada, Australia, Sweden, Singapore, and the United Kingdom have implemented sustainable pension reforms that combine effective regulation, transparency, accountability, and technological innovation. These reforms have enhanced retirees' confidence in pension systems while ensuring long-term financial sustainability (World Bank, 2022). Consequently, pension administration is increasingly viewed as an important strategy for achieving the Sustainable Development Goals (SDGs), particularly Goal 1 (No Poverty), Goal 3 (Good Health and Well-being), Goal 8 (Decent Work and Economic Growth), and Goal 10 (Reduced Inequalities) (United Nations, 2023).

In Nigeria, pension administration has experienced significant reforms due to the persistent shortcomings of the former Defined Benefit Scheme (DBS). Before the Pension Reform Act (PRA) of 2004, pension payments were financed directly through annual government budgetary allocations. The scheme suffered from inadequate funding, poor record keeping, corruption, bureaucratic bottlenecks, delayed payment of gratuities and pensions, and the accumulation of huge pension liabilities (Adebayo & Olaniyi, 2022). As a result, many retired public servants experienced severe financial hardship, declining health conditions, and reduced quality of life because of delayed retirement benefits.

To address these challenges, the Federal Government enacted the Pension Reform Act (PRA) 2004, which established the National Pension Commission (PenCom) as the regulatory body responsible for supervising pension administration in Nigeria. The Act introduced the Contributory Pension Scheme (CPS), requiring both employers and employees to contribute a specified percentage of monthly earnings into individual Retirement Savings Accounts (RSAs) managed by licensed Pension Fund Administrators (PFAs) and safeguarded by Pension Fund Custodians (PFCs).

The Pension Reform Act was further reviewed in 2014 to strengthen regulatory oversight, improve compliance, widen pension coverage, and enhance transparency in pension administration (National Pension Commission, 2024). Since its establishment, PenCom has recorded several achievements. These include increased pension fund assets, improved compliance among employers, licensing and supervision of Pension Fund Administrators, adoption of information technology in pension management, and improved investment of pension assets. According to PenCom (2024), pension assets have continued to grow substantially, making the Nigerian pension industry one of the largest institutional investors in Africa. These achievements have strengthened financial markets while providing greater security for contributors.



Despite these reforms, pension administration in Nigeria continues to face numerous challenges. Many retirees still experience delays in accessing retirement benefits, prolonged verification exercises, inadequate awareness of pension procedures, poor customer service, corruption, weak enforcement of compliance among employers, and administrative bottlenecks (Okolie & Eze, 2023). Many state governments have also failed to fully implement the Contributory Pension Scheme, resulting in irregular pension payments and increased pension liabilities. These challenges have raised concerns regarding the effectiveness of the National Pension Commission in fulfilling its statutory mandate.

The establishment of the National Pension Commission through the Pension Reform Act of 2004, as amended in 2014, was expected to eliminate corruption, improve transparency, ensure prompt payment of retirement benefits, protect pension assets, and guarantee retirement security for Nigerian workers. Despite these reforms, pension administration in Nigeria continues to face numerous operational, institutional, and policy challenges. Many retired workers still experience delays in pension and gratuity payments, prolonged verification exercises, inadequate communication, administrative inefficiency, poor customer service, and non-compliance by some employers, particularly within the public sector.

Some state governments have not fully implemented the Contributory Pension Scheme, resulting in continued dependence on outdated pension systems and the accumulation of unpaid pension obligations. Although PenCom has recorded significant growth in pension assets and regulatory oversight, concerns remain regarding the effectiveness of pension administration in promoting retirees' welfare and contributing to national sustainability.

Existing studies have largely concentrated on pension reforms, retirees' welfare, and the implementation of the Contributory Pension Scheme, with limited attention devoted to examining how pension administration contributes to sustainable national development. This creates a significant knowledge gap. It is against this background that this study seeks to examine national pension administration in Nigeria, focusing on its challenges and prospects for national sustainability.

1.1. Purpose of the Study

The main purpose of this study is to examine national pension administration in Nigeria and its challenges and prospects for national sustainability. Specifically, the study seeks to:

- I. Identify the major challenges confronting national pension administration.
- II. Identify the prospects for improving pension administration in Nigeria.

1.2. Research Questions

The following research questions guided the study:

1. What are the major challenges confronting pension administration in Nigeria?
2. What are the prospects for improving pension administration in Nigeria?

2.0. LITERATURE REVIEW



2.1. The Challenges of Pension Administration in Nigeria

Prolonged Verification Exercises: One of the major challenges confronting pension administration in Nigeria is the prolonged verification exercise undertaken before pension benefits are released to retirees. Verification is intended to authenticate the identity of pensioners, eliminate ghost beneficiaries, and ensure that only eligible retirees receive pension benefits. However, in practice, these exercises are often characterized by repeated physical appearances, excessive documentation, long waiting periods, and bureaucratic delays. Many elderly retirees are required to travel long distances to verification centres despite their poor health and advanced age, thereby exposing them to physical stress, financial hardship, and psychological trauma. In some instances, retirees spend several months or even years undergoing verification before accessing their retirement benefits. These delays undermine the primary objective of pension administration, which is to provide timely income security after retirement. The challenge has continued despite the introduction of biometric verification and digital record management systems by the National Pension Commission (PenCom), largely because of weak institutional capacity and inconsistent implementation across states (National Pension Commission (PenCom), 2024; Okolie & Eze, 2023).

Inadequate Awareness of Pension Procedures: Inadequate awareness of pension procedures remains another significant challenge affecting pension administration in Nigeria. Many workers and retirees have limited knowledge of the Contributory Pension Scheme, Retirement Savings Accounts (RSAs), benefit application processes, documentation requirements, and the responsibilities of Pension Fund Administrators (PFAs). This lack of awareness often results in delays in processing retirement benefits, incorrect completion of required documents, and increased dependence on intermediaries who may exploit retirees. Poor dissemination of pension information, inadequate pre-retirement education programmes, and limited public enlightenment campaigns have contributed to this challenge. Consequently, many retirees are unable to access available services promptly or understand the procedures for lodging complaints and resolving pension-related issues (Okechukwu & Nwosu, 2022; PenCom, 2024).

Poor Customer Services: Poor customer service continues to undermine the effectiveness of pension administration in Nigeria. Although Pension Fund Administrators are expected to provide timely, accurate, and courteous services to contributors and retirees, many pensioners still complain about slow responses to enquiries, ineffective complaint resolution mechanisms, poor communication, and inadequate support during benefit processing. Long queues at pension offices, delayed responses to emails and telephone calls, and limited access to customer service personnel reduce retirees' confidence in the pension system. Effective customer service is essential because retirees depend heavily on pension administrators for information regarding their retirement benefits and other pension-related matters. Where customer service is poor, retirees experience frustration, dissatisfaction, and reduced trust in the pension administration process (Okolie & Eze, 2023; Ugwu & Obi, 2021).

Corruption: Corruption remains one of the most serious challenges facing pension administration in Nigeria. Before the introduction of the Contributory Pension Scheme, the pension sector was plagued by embezzlement of pension funds, fraudulent payments, ghost pensioners, diversion of retirees' benefits, falsification of records, and abuse of public office. Although the establishment of PenCom and the implementation of the Pension Reform Act have significantly reduced these fraudulent



practices, isolated cases of financial misconduct, manipulation of pension records, and unethical behaviour among some pension officials and employers still occur. Corruption weakens public confidence in the pension system, delays benefit payments, increases administrative costs, and deprives retirees of the financial security they deserve. Sustained transparency, accountability, regular audits, and strict enforcement of anti-corruption laws remain essential for improving pension administration (Adebayo & Olaniyi, 2022; National Pension Commission, 2024).

Weak Enforcement of Pension Regulations: Weak enforcement of pension regulations constitutes another major challenge confronting pension administration in Nigeria. Although the Pension Reform Act provides comprehensive legal provisions governing pension administration, compliance by some employers particularly state governments and private sector organizations remains inadequate. Some employers fail to remit pension contributions promptly, while others do not register their employees under the Contributory Pension Scheme. Weak regulatory enforcement, inadequate monitoring, and insufficient sanctions for defaulting employers contribute to widespread non-compliance. As a result, many workers retire without adequate pension savings or experience delays in accessing their retirement benefits.

Strengthening PenCom's monitoring capacity, increasing inspections, and imposing stricter penalties on non-compliant employers are necessary to improve compliance and ensure the sustainability of Nigeria's pension system (National Pension Commission, 2024; Okechukwu & Nwosu, 2022). The importance of effective pension administration extends beyond retirees' welfare. Pension funds serve as major sources of long-term investment capital capable of financing infrastructure development, industrial growth, housing projects, and capital market expansion. Efficient pension administration therefore contributes directly to national sustainability through economic growth, poverty reduction, financial inclusion, employment generation, and improved social security (World Bank, 2022).

2.2. Perspective and Prospect for Improvement

Technology Integration: Technology integration refers to the adoption and utilization of modern information and communication technologies (ICT) to improve pension administration, service delivery, data management, payment systems, and customer services. PenCom has increasingly embraced digital technologies to simplify pension registration, contribution remittance, benefit applications, complaint handling, and verification exercises (PenCom, 2024). Technological innovations such as biometric verification, online retirement applications, electronic document management systems, mobile applications, cloud computing, cybersecurity measures, and digital payment platforms have significantly improved pension administration. These technologies reduce processing time, eliminate manual errors, improve transparency, and enhance access to pension information by contributors and retirees (International Labour Organization [ILO], 2022). Technology integration also facilitates real-time monitoring of pension contributions by employers, enabling PenCom to detect defaults quickly and enforce compliance. Furthermore, electronic databases enhance record keeping, reduce cases of missing documents, and support effective policy planning through accurate pension data analytics (World Bank, 2022).

Financial Literacy and Awareness: Financial literacy refers to the knowledge, understanding, and skills individuals possess to make informed financial decisions regarding savings, investments, retirement planning, and pension management. In the context of pension administration, financial



literacy enables workers and retirees to understand the Contributory Pension Scheme, retirement benefits, investment options, and withdrawal procedures (Lusardi & Mitchell, 2021). Financial awareness programmes organized by PenCom, PFAs, employers, labour unions, and financial institutions educate contributors on their rights and responsibilities within the pension system. Such education reduces misinformation, encourages voluntary pension contributions, promotes retirement planning, and minimizes disputes arising from inadequate knowledge of pension regulations (OECD, 2023). Studies have shown that financially literate workers begin retirement planning earlier, accumulate larger retirement savings, and experience greater financial security during old age (Lusardi & Mitchell, 2021). Financial literacy therefore contributes significantly to improving retirees' quality of life.

Improving Pension Fund Accessibility: Pension fund accessibility refers to the ease with which retirees and contributors can access their pension information, apply for benefits, receive payments, and obtain customer support without unnecessary delays or administrative bottlenecks. Accessibility is an important indicator of service quality within pension administration (PenCom, 2024). Improving accessibility involves simplifying benefit application procedures, expanding online services, decentralizing pension offices, reducing documentation requirements, and introducing multiple payment channels. Mobile banking, internet portals, and digital verification systems have made pension services more accessible, particularly for retirees living in rural communities (ILO, 2022). Accessible pension services improve retirees' satisfaction, reduce travel costs, minimize processing delays, and ensure timely payment of retirement benefits.

Collaboration with Financial Institutions: Collaboration with financial institutions refers to strategic partnerships between PenCom, Pension Fund Administrators, commercial banks, insurance companies, investment firms, and other financial service providers to strengthen pension administration and investment management. Commercial banks facilitate pension contribution collections and benefit payments, while Pension Fund Custodians safeguard pension assets on behalf of contributors. Investment institutions assist PFAs in managing diversified investment portfolios that generate sustainable returns while maintaining acceptable levels of risk (PenCom, 2024). Such collaborations enhance financial stability, improve service delivery, encourage innovation, strengthen risk management practices, and support economic development through long-term pension investments (OECD, 2023).

Monitoring and Evaluation: Monitoring and evaluation (M&E) refers to the systematic process of collecting, analyzing, and utilizing information to assess the implementation, performance, efficiency, effectiveness, and impact of pension programmes and policies. Monitoring involves continuous supervision of pension activities, while evaluation assesses whether programme objectives have been achieved (World Bank, 2022). PenCom conducts routine inspections, compliance audits, financial assessments, and performance evaluations of PFAs and Pension Fund Custodians. Monitoring helps identify operational weaknesses, detect regulatory violations, and ensure accountability in pension fund management. Evaluation findings provide evidence for policy reforms, improve decision-making, and strengthen pension governance by identifying best practices and areas requiring improvement (OECD, 2023).



3.0. METHODS AND MATERIALS

This study adopted a descriptive survey research design. The descriptive survey design is considered appropriate because it enables the researcher to collect data from respondents regarding their opinions, perceptions, and experiences concerning national pension administration in Nigeria, particularly its challenges and prospects for national sustainability, without manipulating any variables. The design is suitable because it provides an opportunity to obtain reliable information from a representative sample, thereby making it possible to generalize the findings to the target population.

The study was conducted in Imo State, Nigeria. Imo State is one of the five states in the South-East geopolitical zone of Nigeria and was created on 3 February 1976. The state has its capital in Owerri and comprises 27 Local Government Areas grouped into three senatorial zones, namely Owerri, Orlu, and Okigwe. Imo State has a large population of retired civil servants from various ministries, departments, and agencies who receive pension benefits through the National Pension Commission (PenCom) and licensed Pension Fund Administrators (PFAs).

The state is considered suitable for the study because retirees in the state have continued to experience diverse pension administration challenges, including delays in pension payment, prolonged verification exercises, inadequate information dissemination, and administrative bottlenecks. The population of the study comprised all 10,236 retired civil servants in Imo State who are registered under the National Pension Commission (PenCom) through licensed Pension Fund Administrators (PFAs). These retirees constitute the target population because they have direct experience with pension administration and are therefore capable of providing relevant information regarding the challenges and prospects of pension administration in Nigeria.

A sample size of 300 retired civil servants will be used for the study. The sample size is considered adequate because it represents the population and is sufficiently large to provide reliable and valid information for the study while multistage sampling technique was employed. Stage One: Stratified sampling technique was used to classify respondents into the three senatorial zones of Imo State, namely Owerri, Orlu, and Okigwe. Stage Two: Proportionate sampling technique was used to allocate the sample of 300 respondents across the three senatorial zones according to their population size. Stage Three: Simple random sampling technique (balloting without replacement) was employed to select the required respondents from each senatorial zone.

The instrument for data collection will be a structured questionnaire titled "National Pension Administration: Challenges and Prospects for National Sustainability Questionnaire (NPACPNSQ). It consists of two sections. Section A contains respondents' demographic information such as gender, age, educational qualification, senatorial zone, years in retirement, and pension scheme while Section B contains questionnaire items arranged according to the study objectives under the following clusters: Cluster A: Challenges facing pension administration in Nigeria. And Cluster B: Prospects of pension administration for national sustainability. The questionnaire was based on a four-point Likert rating scale as follows: Strongly Agree (SA) = 4, Agree (A) = 3, Disagree (D) = 2 and Strongly Disagree (SD) = 1. The instrument was subjected to face and content validity by three experts: one expert in Measurement and Evaluation, one expert in Public Administration, and one expert in Educational Management. Their observations, corrections, and recommendations will be incorporated before the final administration of the instrument.



The reliability of the instrument was established through a pilot study involving 30 retired civil servants in Abia State, who will not form part of the main study. The responses obtained will be analyzed using Cronbach's Alpha to determine the internal consistency of the instrument. A reliability coefficient of 0.70 or above will be considered adequate for the study. The researcher administers the questionnaire personally with the assistance of three trained research assistants. The research assistants will be trained on the objectives of the study, ethical considerations, questionnaire administration procedures, and retrieval methods. The completed questionnaires were collected immediately after completion or within one week to ensure a high retrieval rate. The research questions were answered using Mean and Standard deviation. Criterion mean of 2.50 will be adopted for decision-making. Mean score of 2.50 and above = Accepted while Mean score of below 2.50 = Rejected.

4.0. PRESENTATION OF RESULTS AND DISCUSSION

4.1. Presentation of Results

Research Question One

What are the major challenges confronting pension administration in Nigeria?

Table 1 shows that all five identified challenges recorded mean scores above the criterion mean of 2.50. Prolonged verification exercises had the highest mean ($M = 3.48$), followed by weak enforcement of pension regulations ($M = 3.41$), inadequate awareness ($M = 3.31$), poor customer service ($M = 3.27$), and corruption ($M = 3.22$). The grand mean of 3.34 indicates that the 300 retired civil servants generally agreed that these are the major challenges confronting pension administration in Nigeria.

Table 1: Mean and Standard Deviation on major Challenges Confronting Pension Administration

S/N	ITEMS	Mean	SD	Remarks
1	Prolonged verification exercise	3.48	0.61	Accepted
2	Inadequate awareness of pension procedures	3.31	0.70	Accepted
3	Poor consumer services	3.27	0.74	Accepted
4	Corruption	3.22	0.79	Accepted
5	Weak enforcement of pension regulation	3.41	0.65	Accepted
	Grand mean	3.34	0.70	Accepted

Source: Author's Analysis (2025).

Research Question Two

What are the prospects for improving pension administration in Nigeria?

Table 2 indicates that all the proposed improvement strategies obtained mean scores above the benchmark of 2.50. Regulatory framework enhancement recorded the highest mean ($M = 3.56$), followed by strengthened complaint resolution mechanisms ($M = 3.51$), technology integration ($M = 3.49$), public awareness campaigns ($M = 3.47$), financial literacy ($M = 3.45$), monitoring and evaluation ($M = 3.44$), improving accessibility ($M = 3.42$), investment diversification ($M = 3.40$),



enhancing pension coverage ($M = 3.38$), and collaboration with financial institutions ($M = 3.37$). The grand mean of 3.45 shows strong agreement among the 300 respondents that these strategies would improve pension administration.

Table 2: Mean and Standard Deviation on major Challenges Confronting Pension Administration

S/N	ITEMS	Mean	SD	Remarks
1	Regulatory framework enhancement	3.56	0.73	Accepted
2	Technology integration	3.49	0.71	Accepted
3	Financial literacy and awareness	3.45	0.63	Accepted
4	Improving pension fund accessibility	3.42	0.74	Accepted
5	Collaborations with financial Institutions	3.37	0.61	Accepted
6	Monitoring and evaluation	3.44	0.70	Accepted
7	Enhancing coverage	3.38	0.74	Accepted
8	Public awareness campaigns	3.47	0.79	Accepted
9	Investment diversification	3.40	0.65	Accepted
10	Strengthen compliant resolution mechanisms	3.51	0.64	Accepted
Grand mean		3.45	0.72	Accepted

Source: Author's Analysis (2025).

4.2. Discussion

The study found that prolonged verification exercises, inadequate awareness of pension procedures, poor customer service, corruption, and weak enforcement of pension regulations constitute the major challenges confronting pension administration in Nigeria. This finding agrees with Okolie and Eze (2023), who reported that delayed verification processes and administrative bottlenecks reduce retirees' satisfaction with pension administration. The finding also supports Adebayo and Olaniyi (2022), who observed that corruption and poor regulatory compliance remain significant barriers to efficient pension administration. Similarly, Ugwu and Obi (2021) concluded that weak customer service and delays in benefit payments adversely affect the welfare of retired civil servants.

The study revealed that regulatory framework enhancement, technology integration, financial literacy, improved pension accessibility, collaboration with financial institutions, monitoring and evaluation, enhanced pension coverage, public awareness campaigns, investment diversification, and strengthened complaint resolution mechanisms are effective strategies for improving pension administration. This finding is consistent with PenCom (2024), which emphasized digital innovation, stronger regulations, and stakeholder education as key reforms. The finding also supports the OECD (2023), which reported that diversified investments, effective regulation, and continuous monitoring enhance pension sustainability. Likewise, the World Bank (2022) maintained that technology adoption and institutional accountability improve pension system efficiency and retirees' confidence.

Enhancement: Regulatory framework enhancement depicts a continuous review, amendment, strengthening, and implementation of pension laws, regulations, guidelines, and policies to ensure that pension administration remains transparent, accountable, efficient, and responsive to the changing needs of retirees. Within the Nigerian pension industry, regulatory framework enhancement is primarily the responsibility of the National Pension Commission (PenCom), established under the Pension Reform Act (PRA) 2014. PenCom develops regulations that govern Pension Fund Administrators (PFAs), Pension Fund Custodians (PFCs), and employers participating in the



Contributory Pension Scheme (CPS) (National Pension Commission [PenCom], 2024). An effective regulatory framework protects contributors' pension savings from fraud, corruption, mismanagement, and political interference. It establishes minimum standards for pension fund management, investment practices, reporting requirements, risk management, and sanctions for non-compliance. Strong regulations also improve confidence among workers and retirees, thereby increasing participation in the pension scheme (World Bank, 2022). Regulatory enhancement further involves periodic amendments of pension laws to address emerging challenges such as delayed payment of retirement benefits, inadequate employer compliance, increasing life expectancy, inflation, and digital transformation. Effective regulation also promotes transparency through regular auditing, disclosure requirements, and monitoring of PFAs (OECD, 2023).

Public Awareness Campaigns: Public awareness campaigns are organized communication activities designed to educate workers, employers, retirees, and the general public about pension policies, retirement planning, and the benefits of participating in the Contributory Pension Scheme. PenCom utilizes television, radio, newspapers, social media, workshops, seminars, community outreach programmes, and stakeholder engagements to increase public awareness of pension reforms (PenCom, 2024). Effective awareness campaigns improve public understanding of pension rights, encourage employer compliance, increase participation in voluntary pension schemes, reduce misinformation, and strengthen confidence in the pension system (ILO, 2022).

Investment Diversification: Investment diversification refers to the practice of spreading pension fund investments across different asset classes to reduce investment risk while maximizing long-term returns. Rather than concentrating investments in a single asset, Pension Fund Administrators allocate pension assets among government securities, corporate bonds, equities, money market instruments, infrastructure funds, real estate investment trusts, and alternative investments according to PenCom investment guidelines (PenCom, 2024). Diversification minimizes the adverse effects of market fluctuations because losses in one investment category may be offset by gains in another. It improves portfolio stability, protects contributors' retirement savings, and enhances long-term financial sustainability of pension funds (OECD, 2023). Well-diversified pension investments also contribute to national economic development by financing infrastructure projects, capital markets, and productive sectors of the economy.

Complaint resolution mechanisms represents formal procedures established to receive, investigate, resolve, and monitor complaints submitted by pension contributors, retirees, employers, and other stakeholders regarding pension administration. PenCom has established grievance management systems that allow contributors to report delayed payments, inaccurate records, employer non-remittance, poor customer service, and other pension-related disputes. Efficient complaint resolution enhances transparency, accountability, fairness, and public confidence in the pension system (PenCom, 2024).

There clear indications that strengthening the identified mechanisms involves introducing digital complaint portals, establishing clear timelines for complaint resolution, improving customer service training, increasing stakeholder engagement, and ensuring that sanctions are imposed on organizations that fail to comply with pension regulations (World Bank, 2022). Effective grievance redress systems protect retirees' rights, reduce litigation, improve institutional credibility, and promote continuous improvement in pension administration.



National sustainability refers to the ability of a nation to maintain long-term economic growth, social stability, environmental responsibility, and institutional effectiveness while meeting the needs of present and future generations. Sustainable development cannot be achieved where retired workers suffer poverty, inadequate healthcare, and financial insecurity after decades of public service. Consequently, strengthening pension administration has become an important national development priority. Furthermore, technological innovations such as digital identity management, biometric verification, electronic payment systems, artificial intelligence, blockchain technology, and electronic document management have created new opportunities for improving pension administration. These technologies have enhanced transparency, reduced fraud, improved record management, accelerated benefit processing, and increased accountability in many countries. Nigeria has gradually adopted some of these technologies, although implementation remains uneven across states and institutions.

Given the increasing importance of pension administration to national development, there is a growing need to examine the challenges confronting the Nigerian pension system and identify prospects for improving its contribution to national sustainability. This study therefore seeks to examine national pension administration in Nigeria with particular emphasis on its challenges and prospects for sustainable national development

5.0. CONCLUSION AND RECOMMENDATIONS

5.1. Conclusion

Based on the findings, the study concludes that although Nigeria has made significant progress in pension administration through the Contributory Pension Scheme and the establishment of the National Pension Commission, considerable challenges remain. Delays in verification, inadequate awareness, poor customer service, corruption, and weak regulatory enforcement continue to hinder efficient pension administration. Nevertheless, strengthening regulatory frameworks, embracing technology, improving financial literacy, enhancing accessibility, promoting collaboration with financial institutions, strengthening monitoring and evaluation, increasing public awareness, diversifying pension investments, and improving complaint resolution mechanisms offer practical pathways toward sustainable pension administration. Effective implementation of these strategies will enhance retirees' welfare and contribute to national sustainability.

5.2. Recommendations

Based on the findings and conclusion, this study recommends for the following policy options:

1. The National Pension Commission should strengthen enforcement of the Pension Reform Act by imposing stricter sanctions on employers who fail to remit pension contributions promptly.
2. PenCom and Pension Fund Administrators should fully digitize pension verification and benefit processing to eliminate unnecessary delays.
3. Government should organize regular financial literacy and pre-retirement education programmes for public servants.
4. Pension services should be decentralized through digital platforms and additional service centers to improve accessibility, especially for retirees in rural areas.



5. PenCom should strengthen collaboration with banks, insurance companies, and investment institutions to improve pension fund management.
6. Regular monitoring, auditing, and performance evaluation of Pension Fund Administrators should be intensified to ensure transparency and accountability.
7. Public awareness campaigns on pension rights, procedures, and retirement planning should be expanded through television, radio, newspapers, and social media.
8. Pension Fund Administrators should diversify investment portfolios in line with PenCom guidelines to improve returns while minimizing investment risks.
9. Efficient and technology-driven complaint resolution mechanisms should be established to ensure that retirees' grievances are addressed promptly.
10. State governments that have not fully implemented the Contributory Pension Scheme should comply fully with the Pension Reform Act to improve retirement security for public servants.

Conflict of Interest

The author declares that no conflict of interest exist in this manuscript

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