ADEQUATE FUNDING AS A CATALYST FOR THE EFFECTIVE IMPLEMENTATION OF THE TERTIARY INSTITUTIONS STAFF SUPPORT FUND (TISSF) IN NIGERIA.

By

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Abstract

The Federal Government of Nigeria recently introduced a staff loan programme for employees of public tertiary institutions to improve staff welfare, promote financial inclusion, and enhance productivity. The programme is expected to provide affordable credit facilities to academic and non-academic staff, thereby reducing financial hardship and improving their standard of living. However, inadequate funding remains one of the major challenges threatening the successful implementation of the scheme. This paper examines how adequate funding can enhance the effective implementation of the staff loan programme. Specifically, it discusses five critical areas through which sufficient funding contributes to programme success, including timely loan disbursement, expanded access and coverage, improved administrative efficiency, sustainability of the programme, and enhanced staff welfare and institutional productivity. The paper concludes that adequate funding is indispensable for achieving the objectives of the loan programme and recommends sustained government commitment, diversified funding sources, robust monitoring mechanisms, and transparent loan administration to ensure long-term success.

Keywords: Adequate funding, staff loan programme, tertiary institutions, staff welfare, financial inclusion, Nigeria.

1.0 Introduction

The welfare of employees is a critical determinant of organisational effectiveness, productivity, and service delivery. In tertiary institutions, academic and non-academic staff require adequate welfare support to perform their responsibilities effectively in teaching, research, community service, and institutional administration. One important welfare strategy adopted by governments across the world is the provision of affordable staff loan schemes that enable employees to meet pressing financial obligations without resorting to high-interest informal lending sources (International Labour Organization [ILO], 2021).

In Nigeria, rising inflation, increasing cost of living, and declining purchasing power have significantly affected the financial wellbeing of workers, including employees of tertiary institutions. According to the National Bureau of Statistics (2024), inflationary pressures have continued to reduce the real income of households, thereby increasing the demand for affordable credit facilities. To address this challenge, the Federal Government introduced a staff loan programme for employees of tertiary institutions as part of broader efforts to improve staff welfare, promote financial inclusion, and enhance productivity. The initiative complements existing welfare interventions aimed at strengthening the higher education system and improving employees' socioeconomic conditions.

Despite the potential benefits of the programme, its effective implementation depends largely on the availability of adequate and sustainable funding. Loan programmes require sufficient financial resources to ensure timely disbursement, accommodate eligible beneficiaries, maintain efficient administrative systems, and guarantee long-term sustainability. Where funding is inadequate, implementation is often characterised by delays, limited coverage, poor service delivery, and reduced confidence among beneficiaries (World Bank, 2022). Also, Ogunode, Ayoko, Ukozor, & Musa, (2026) noted that Tertiary Institutions Staff Support Fund (TISSF) implementation in the tertiary institutions in Nigeria is faced with the problem of inadequate funding. Musa (2026) opined that the primary challenge facing the sustainability of the TISSF is its source of funding, as the fund relies heavily on government allocations that have been inconsistent and insufficient in recent years. This has resulted in delayed disbursements and inadequate support for staff members. Additionally, the increasing cost of living and persistent inflation compound this problem, as the support provided by the TISSF may become inadequate for staff members to meet their basic needs, ultimately affecting the quality of education in tertiary institutions. Furthermore, the structure of the TISSF itself presents a challenge, as it is primarily focused on financial disbursement without sufficient complementary programmes aimed at developing and empowering staff members in a holistic manner (Musa, 2026). It is therefore pertinent to examine the importance of adequate funding in ensuring the effective implementation of the Federal Government Staff Loan Programme for employees of tertiary institutions in Nigeria. Understanding this relationship will assist policymakers, institutional administrators, and programme managers in designing sustainable financing strategies that will maximise the impact of the initiative on staff welfare and institutional development.

2.0 Conceptual Terms

2.1 Concept of Tertiary Education

Tertiary institutions are post-secondary educational establishments established to provide advanced teaching, generate new knowledge through systematic research, and disseminate research findings that contribute to national development, innovation, and evidence-based decision-making (Altbach, 2016). Tertiary institutions refer to universities, polytechnics, colleges of education, and other higher education institutions that combine teaching, research, and community engagement to produce skilled graduates and advance knowledge through scientific inquiry and scholarly investigation (Clark, 1998).

Tertiary institutions are institutions of advanced education mandated not only to educate learners but also to conduct high-quality research, promote innovation, publish scholarly findings, and support sustainable national and global development through knowledge production (United Nations Educational, Scientific and Cultural Organization, 2021). Tertiary education as the level of learning after secondary school where individuals acquire specialized knowledge and skills for careers, research, and personal development. Unlike basic schooling, tertiary education focuses on preparing learners for a career, critical thinking, research, and personal growth (Ogunode, 2026).

The objectives of tertiary education, as synthesized from the foregoing definitions According to Ogunode, (2026), include:

1. Equipping students with practical and theoretical skills required for their chosen careers, with specific emphasis on real-life application of knowledge across disciplines including engineering, medicine, and education

2. Training students to think deeply, analyze situations critically, evaluate evidence, and make informed decisions skills applicable across professional and social contexts.

3. Shaping character, values, and ethics to encourage students to become responsible citizens capable of moral decision-making, respect for diversity, and positive societal contribution.

4. Fostering research, creativity, and innovation to support students and faculty in developing solutions to societal problems and advancing human knowledge.

5. Preparing graduates to serve society and contribute to national development by producing skilled professionals, innovators, and leaders who can build stronger communities and a more prosperous nation (Ogunode, 2026).

2.2 Concept of Tertiary Institutions Staff Support Fund (TISSF)

The Federal Government's tertiary institution staff loan programme is administered through the Tertiary Institutions Staff Support Fund (TISSF), an initiative of the Federal Ministry of Education in partnership with the Tertiary Education Trust Fund (TETFund). The programme is administered by the Bank of Industry (BOI). It provides interest-free loans of up to ₦10 million to eligible academic and non-academic staff of public tertiary institutions. The Tertiary Institutions Staff Support Fund (TISSF) is a welfare and empowerment programme established by the Federal Government of Nigeria through the Federal Ministry of Education in collaboration with the Tertiary Education Trust Fund (TETFund) and implemented in partnership with the Bank of Industry (BOI) (Federal Ministry of Education, 2025). The scheme was introduced as part of the Federal Government's broader education reform agenda aimed at improving the welfare, productivity, and professional development of academic and non-academic staff in Nigerian tertiary institutions (Education Vanguard, 2025). According to the Federal Ministry of Education (2025), the programme provides interest-free loans of up to ₦10 million repayable over a period of five years, with a twelve-month moratorium period before repayment commences.

In this paper, tertiary institutions staff support fund (TISSF) is a Federal Government of Nigeria welfare intervention programme established to provide interest-free financial assistance to eligible academic and non-academic staff of public tertiary institutions, with the aim of improving their socioeconomic wellbeing, supporting professional development, promoting entrepreneurship, and enhancing productivity in the higher education sector. The Tertiary Institutions Staff Support Fund (TISSF) can be defined as a government-backed employee support scheme designed to improve the welfare and financial stability of staff in public tertiary institutions through the provision of accessible, interest-free loans for personal, educational, housing, healthcare, transportation, and income-generating purposes.

2.2 Objectives of the Tertiary Institutions Staff Support Fund (TISSF)

According to the official TISSF website, the objectives of the programme include:

1) To improve the welfare of tertiary institution staff.

The scheme seeks to enhance the financial well-being of academic and non-academic staff by providing access to interest-free loans for essential personal and professional needs.

2) To promote career growth and professional development.

TISSF finances academic programmes, professional certifications, and skills development to enable staff improve their competencies and contribute more effectively to teaching, research, and institutional development.

3) To reduce financial stress among staff.

By providing affordable credit, the programme aims to reduce dependence on high-interest commercial loans and informal lenders, thereby improving staff productivity and morale.

4) To improve living conditions of staff.

The loan supports housing, rent, home renovation, home ownership, transportation, healthcare, and family welfare, thereby improving the quality of life of beneficiaries.

5) To encourage entrepreneurship and economic empowerment.

Staff can access loans to support agriculture, small businesses, poultry, fisheries, cottage industries, and other income-generating ventures, thereby promoting financial independence.

6) To strengthen institutional performance and staff retention.

By improving staff welfare and reducing financial hardship, the programme seeks to increase employee motivation, retention, and overall institutional effectiveness, ultimately improving student outcomes.

In this paper, the goals of the tertiary institutions staff support fund (TISSF) include;

1) To improve the welfare of tertiary institution staff by providing affordable, interest-free loans that enable academic and non-academic employees to meet essential financial needs and improve their quality of life.

2) To promote professional and career development by supporting staff in financing higher education, professional certifications, research activities, and skills acquisition necessary for career advancement.

3) To enhance staff productivity and institutional performance by reducing financial stress, increasing employee motivation, and enabling staff to concentrate on teaching, research, innovation, and community service.

4) To encourage entrepreneurship and economic empowerment by providing financial support for agriculture, small-scale businesses, and other income-generating ventures that improve the economic resilience of tertiary institution employees.

5) To strengthen financial inclusion and sustainable access to credit by providing a transparent and interest-free loan mechanism that reduces dependence on high-interest commercial loans and informal lenders while promoting responsible financial management.

2.3 Organisation of the TISSF Loan Programme

The official structure of the programme is organised as follows:

1) Policy oversight: Federal Ministry of Education.

2) Funding partner: Tertiary Education Trust Fund (TETFund).

3) Programme administrator: Bank of Industry (BOI), responsible for processing, disbursing, and managing the loans.

4) Eligible beneficiaries: Confirmed full-time academic and non-academic staff of eligible public tertiary institutions with at least five years remaining before retirement and membership of the relevant staff associations.

5) Loan amount: Up to **₦10 million**, subject to a maximum of one-third of the applicant's gross annual salary.

6) Interest rate: 0% (interest-free).

7) Repayment period: Up to **five years**, with monthly deductions through the institution's bursary/payroll system.

8) Approved areas of utilisation: Medical care, housing and accommodation, transportation, academic advancement, family support, agriculture, and small and medium-scale enterprises (SMEs).

3.0 Result and Discussion on Adequate Funding as a Catalyst for the Effective Implementation of the Tertiary Institutions Staff Support Fund (TISSF)

The introduction of the tertiary institutions staff support fund (TISSF) for employees of tertiary institutions in Nigeria is intended to improve staff welfare, enhance productivity, and reduce financial hardship among academic and non-academic personnel. However, the success of the programme depends largely on the availability of adequate and sustainable funding. Poor funding may result in delayed disbursement, limited coverage, inability to meet loan demands, and loss of confidence in the scheme. Therefore, ensuring adequate funding is essential for achieving the objectives of the programme. The following are five critical ways through which adequate funding can enhance the effective implementation of the staff loan programme.

Adequate Funding Ensures Timely Loan Disbursement

One of the major determinants of a successful loan programme is the timely release of approved loans to beneficiaries. When sufficient funds are available, the implementing agency can process and disburse loans without unnecessary delays. Prompt disbursement enables staff members to address urgent financial obligations such as school fees, housing, healthcare, business investments, and professional development. Inadequate funding often results in long waiting periods, backlogs of approved applications, and frustration among applicants. Such delays reduce staff confidence in government intervention programmes and discourage participation. Timely access to financial support also contributes to improved job satisfaction because employees are less distracted by financial difficulties and can concentrate on teaching, research, and community service. Studies have shown that timely access to affordable credit improves household welfare, reduces financial vulnerability, and enhances employee productivity (Demirgüç-Kunt, Klapper, Singer, Ansar, & Hess, 2018).

Adequate Funding Expands Access and Coverage

Adequate funding allows the programme to accommodate a larger number of eligible academic and non-academic staff across federal tertiary institutions. Nigerian universities, polytechnics, colleges of education, and other tertiary institutions employ thousands of workers whose financial needs differ significantly. A well-funded loan programme ensures that deserving applicants are not excluded because of insufficient financial resources. Limited funding usually forces implementing agencies to ration available funds, approve only a small percentage of applications, or reduce the amount approved for each beneficiary. Such practices undermine equity and create dissatisfaction among staff members. Expanding access promotes financial inclusion, one of the objectives of national development policies. According to the World Bank (2022), increased access to formal financial services promotes inclusive economic growth and strengthens household resilience against economic shocks.

Adequate Funding Improves Administrative Efficiency

Effective implementation of any loan programme requires competent personnel, digital infrastructure, monitoring systems, verification mechanisms, and customer support services. Adequate funding enables the implementing agency to recruit qualified staff, train personnel, deploy digital loan management systems, and establish effective monitoring and evaluation frameworks. Modern information and communication technologies reduce processing time, minimize human errors, improve transparency, and enhance accountability in loan administration. Digital platforms also facilitate online application, verification, approval, repayment monitoring, and complaint resolution. Where funding is inadequate, administrative bottlenecks, poor record keeping, slow processing, and weak monitoring become common challenges, thereby reducing programme efficiency. Research indicates that investment in institutional capacity and administrative systems enhances the effectiveness of public sector programmes (Organisation for Economic Co-operation and Development [OECD], 2020).

Adequate Funding Promotes Sustainability of the Loan Programme

The long-term success of the staff loan programme depends on continuous financial support. Adequate funding ensures that the programme remains operational despite fluctuations in loan demand or economic conditions. Sustainable funding also guarantees that future applicants can benefit without interruptions. A financially sustainable programme encourages confidence among staff because beneficiaries are assured that approved loans will be honoured and that future applications will also be considered. Sustainable funding also provides room for periodic review of loan ceilings, repayment periods, and interest rates to reflect prevailing economic realities. Without adequate funding, the programme may experience periodic suspension, inability to replace recovered funds, or complete collapse, thereby defeating its objectives. Sustainable financing is widely recognized as a key factor in the success of public financial intervention programmes (International Labour Organization, 2021).

Adequate Funding Enhances Staff Welfare, Productivity, and Institutional Performance

The ultimate objective of the staff loan programme is to improve the welfare of tertiary institution employees. Adequate funding ensures that staff members have access to affordable credit, thereby reducing dependence on informal lenders that often charge excessive interest rates. Improved financial wellbeing reduces stress, enhances mental health, increases motivation, and strengthens employees' commitment to institutional goals. Academic staff can invest in research, conference participation, publication, and professional development, while non-academic staff can improve their personal welfare and family wellbeing. Improved staff welfare contributes to higher productivity, better service delivery, increased institutional stability, and improved educational outcomes. Financial wellness has consistently been associated with increased employee engagement, higher job performance, and reduced absenteeism (International Labour Organization, 2021; World Bank, 2022).

4.0 Conclusion and Recommendations

Adequate funding is the foundation for the successful implementation of the Federal Government Staff Loan Programme for employees of tertiary institutions in Nigeria. It guarantees timely loan disbursement, expands access to beneficiaries, strengthens administrative efficiency, ensures programme sustainability, and improves staff welfare and institutional productivity.

Based on the findings, the study recommends the following

1) The Federal Government should make adequate annual budgetary allocations specifically for the staff loan programme to ensure uninterrupted implementation.

2) The programme should establish a revolving loan fund in which repayments from beneficiaries are reinvested to finance new loans, thereby promoting sustainability.

3) Additional financial support should be mobilised from development finance institutions, commercial banks, and other public-sector financing partners to complement government funding.

4) A transparent digital loan management system should be deployed to improve accountability, minimise delays, reduce corruption, and enhance public confidence in the programme.

5) Periodic monitoring and evaluation should be conducted to assess programme performance, identify implementation challenges, and improve operational efficiency.

6) Eligibility criteria and loan disbursement procedures should be fair, transparent, and merit-based to ensure equitable access for all qualified academic and non-academic staff.

7) Financial literacy programmes should be organised for beneficiaries to promote responsible borrowing, prudent utilisation of loan funds, and timely repayment

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