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Digital Japa, Labour-Market Competition, And the Wage Paradox in the Global South: Evidence from Employee-Cost Disclosures of Nigerian Listed Firms

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ABSTRACT: This study examines changes in aggregate employee costs among selected Nigerian listed companies in the context of digital labour mobility and the wage paradox. Using a descriptive archival design, it compares audited FY2023 and FY2024 financial statements for Zenith Bank, Access Holdings, MTN Nigeria, and Fidson Healthcare. Airtel Africa is retained as a contextual case but excluded from the core comparison because its 31 March year-end and US-dollar group reporting are not comparable with the December-year, naira-denominated reports. Nominal employee costs increased by 127.2% at Access Holdings, 64.1% at Zenith Bank, 41.4% at MTN Nigeria, and 19.7% at Fidson Healthcare. Using the National Bureau of Statistics' 2024 annual-average CPI increase of 33.24%, CPI-adjusted employee-cost growth was 70.5%, 23.2%, 6.1%, and −10.1%, respectively. A sensitivity check using the December year-on-year inflation rate of 34.80% preserved the direction of the results. The findings show heterogeneous movements in company-level employee expenditure relative to consumer-price inflation. However, the reported figures represent aggregate employee-cost lines rather than wage rates or pay per worker and may reflect changes in workforce size, employee composition, bonuses, pensions, share-based awards, restructuring, or reporting scope. Country-level evidence of remote and platform-mediated work establishes the wider context of increasing digital labour-market participation in Nigeria but does not connect such activity to employees of the sampled firms. The study therefore does not establish that Digital Japa caused the observed cost changes or directly measure attrition, vacancies, retention pressure, or labour scarcity. Its contribution lies in providing a transparent and explicitly limited comparison of nominal and CPI-adjusted employee-cost changes from audited financial disclosures.

KEYWORDS: Digital Japa, digital labour migration, CPI-adjusted growth, remote work, Nigeria, employee cost.

1.0 INTRODUCTION

1.1 Background to the Study

Technological change and global connectivity have enabled some work to be performed across national borders (Rani & Furrer, 2021; Braesemann et al., 2022). Digital platforms and collaborative tools connect workers, clients, and employers across locations. These developments create forms of work that differ from physical migration and from conventional domestic employment. They provide context for examining whether reported company employee-cost changes move alongside broader changes in labour markets, while company accounts alone cannot identify those mechanisms.

In Nigerian usage, "Japa" commonly refers to outward migration; Adegoke (2023) examines that out-migration discourse. This paper uses "Digital Japa" as a working label for cross-border online work by Nigerians who remain in the country, not as an established statistical category. Ajonbadi et al. (2026) interviewed 23 Nigerian web-based platform workers and documented varied platform-work experiences, including work alongside domestic employment. The interviews do not estimate national prevalence or departures from listed companies. The World Economic Forum's Nigeria profile reports that employers expect rising demand for network and cybersecurity skills by 2030 (World Economic Forum, 2025); these are projections, not current vacancy counts. This evidence establishes relevant context but not firm-level effects.

1.2 Statement of the Problem

Recent Nigerian research describes both physical emigration and web-based platform work, but does not establish how many listed companies lose employees to foreign remote jobs. The present study addresses a narrower financial question: how reported employee cost totals changed in FY2023–FY2024 and how those totals compare with consumer-price inflation. It does not treat those cost changes as evidence of a workforce crisis.

Aggregate employee-cost growth may reflect changes in salary rates, workforce size or composition, bonuses, pensions, share-based awards, restructuring, acquisitions, or reporting scope. The audited statements do not isolate costs for digitally skilled staff or connect costs with foreign remote offers, staff exits, or vacancies. The relationship between Digital Japa, retention pressure, and labour scarcity therefore remains a hypothesis. This study reports nominal and CPI-adjusted employee-cost growth and discusses the results alongside independent evidence on Nigerian online work.

The present study addresses two specific evidence gaps:

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Evidence on Nigerian emigration and online platform work is informative about worker experiences but does not link those experiences to audited employee-cost changes at the sampled firms (Adegoke, 2023; Ajonbadi et al., 2026).

Rapid price changes also complicate interpretation of annual employee-cost totals. CPI adjustment provides a broad comparison with consumer-price movements, but it cannot isolate wage-rate increases, retention spending, or firm-specific input-cost changes.

This study therefore compares audited employee-cost disclosures for four firms with December year-ends and reports the limits of interpreting those aggregate totals. It does not estimate the financial cost of Digital Japa or claim that the observed changes were caused by remote work.

1.3 Objectives of the Study

The primary objective is to describe audited employee-cost changes in selected Nigerian listed firms and assess what the figures can support about inflation-adjusted cost pressure in the context of digital labour mobility. Specifically, the study seeks to:

1. Describe changes in reported employee cost totals between FY2023 and FY2024.
2. Calculate nominal and CPI-adjusted employee-cost growth using a stated inflation series and sensitivity check.
3. Discuss the results alongside independent evidence on Nigerian digital work while distinguishing description from causal inference.

1.4 Scope and Methodology of the Study

The empirical focus is on audited employee cost disclosures for selected Nigerian Exchange-listed firms in financial services, telecommunications, and pharmaceutical manufacturing. The analysis covers FY2023 and FY2024 and is limited to reported company-level cost totals; it does not measure remote-work participation, individual wages, employee turnover, vacancies, recruitment costs, or firm profitability.

1.4.1 Data Sources and Sample Selection

Five firms were initially identified: Zenith Bank, Access Holdings, MTN Nigeria, Airtel Africa, and Fidson Healthcare. Four firms form the core comparison because their audited statements report twelve-month periods ending 31 December and employee-cost totals in naira. Airtel Africa is retained as a contextual case but excluded from pooled calculations because its year ends 31 March and its group statements report in US dollars across multiple countries.

1. Availability of audited FY2023 and FY2024 employee-cost disclosures with the same reporting period.
2. Availability of naira-denominated totals in the FY2024 audited report and comparative prior-year figures.
3. Coverage of several sectors for descriptive comparison; the purposive sample is not statistically representative of Nigeria's private sector.

1.4.2 Empirical Metrics and CPI Adjustment

The primary variables are the employee or personnel cost totals as reported in each firm's audited statements. The disclosures differ in cost composition and reporting scope; they are not treated as equivalent wage rates. Other operating expenditure, technology capital expenditure, headcount, turnover, and recruitment expenses are not pooled because definitions or coverage are not comparable across the selected firms.

To express each firm's FY2024 employee-cost total in FY2023 price terms, the study uses Nigeria's annual-average CPI increase for 2024 (π = 0.3324) as a broad deflator. This researcher-calculated descriptive measure is not a validated wage index and is not interpreted as net foreign-exchange wage friction or as an estimate of Digital Japa's effect.

CPI-adjusted employee-cost growth (%) = $\{[(Cost_{(2024)} \div Cost_{(2023)}) \div (1 + \pi)] - 1\} \times 100$.

Where:

$Cost_{(2024)}$ = the employee cost total reported for FY2024.

$Cost_{(2023)}$ = the comparable employee-cost total reported for FY2023.

π = 0.3324, the NBS twelve-month average CPI increase for 2024; 0.3480 is used for a December-to-December sensitivity check.

The formula deflates a full-year expenditure total using a broad consumer-price measure. It does not remove company-specific cost changes or identify why employee costs moved. It assumes the CPI is a suitable broad purchasing-power deflator for this descriptive purpose and that each statement's reported employee-cost line is recorded consistently across the two years.

Interpretation is limited because total costs can change with headcount, employee mix, benefits, bonuses, share awards, restructuring, or changes in the reporting group. The CPI is not an occupational wage index, and the financial statements do not record digital work, labour scarcity, or retention decisions.

1.4.3 Analytical Framework

The analysis compares each company's FY2024 employee-cost total with its FY2023 total in nominal terms and after adjustment by the NBS annual-average CPI. It is descriptive: it does not estimate causal effects, profitability impacts, or moderation by ownership or foreign-exchange capacity.

1.5 Significance of the Study

The study contributes a transparent comparison of audited employee cost disclosures and explains what inflation adjustment can and cannot show. For corporate and policy discussions, the results identify the need for complementary data on pay per employee, headcount, vacancies, turnover, recruitment costs, and reasons for leaving before claims about retention pressure or labour scarcity can be evaluated.

2.0 LITERATURE REVIEW

This review distinguishes physical migration from remote and platform-mediated work, considers human-capital and firm-resource perspectives, and identifies the gap between evidence of Nigerian online work and company-level financial disclosures.

2.1 Conceptual Review

2.1.1 The Notion of Digital Japa as a Virtual Work Context. Cross-border online work allows people to provide services to clients or employers abroad while remaining in their home country. In Nigeria, this should be distinguished from physical Japa migration, which Adegoke (2023) examines, and from platform work, which Ajonbadi et al. (2026) describe through interviews with 23 Nigerian workers. The term "Digital Japa" is used here as a working label, not as an established category or measured flow. Research on digital labour platforms in developing countries describes how platform design shapes access to tasks, remuneration, and working conditions (Rani & Furrer, 2021).

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2.1.2 The Paradox of Wages and the Shortage of Domestic Labour

The literature distinguishes worker mobility, employee turnover, and difficulty filling particular roles; none can be inferred from an aggregate company cost line. Skilled migration may affect labour-market outcomes under some conditions (Kar & Marjit, 2024), while online platform work can be supplementary or intermittent (Ajonbadi et al., 2026). In this study, labour scarcity and the wage paradox are contextual concepts rather than measured outcomes. Higher company employee costs may be consistent with several explanations and do not establish a shortage or a retention response.

2.2 Theoretical Framework

The analysis uses Human Capital Theory and the Resource-Based View as interpretive perspectives. Research on remote and platform work supplies context for cross-border labour arrangements; the study does not test causal predictions from these frameworks.

2.2.1 Integration of Human Capital and Global Workforce Trends

Human Capital Theory treats education, training, and experience as investments that can raise a person's productive capacity and returns (Becker, 1993). Research on digital labour and remote work examines how connectivity and platforms create work across locations (Anwar & Graham, 2020a, 2020b; Rani & Furrer, 2021; Braesemann et al., 2022). These bodies of work provide context for considering how skilled workers may access opportunities beyond their local labour market. They do not establish the prevalence of such work among Nigerian employees or its effect on the firms studied here.

Digital platforms can connect workers with geographically dispersed clients, while platform rules, internet access, and worker protections shape the quality and stability of that work (Anwar & Graham, 2020a; Rani & Furrer, 2021). African research documents variation in platform and online-work experiences rather than a single employment model (Anwar & Graham, 2020b; Melia, 2020). The present study treats this literature as context and does not infer foreign wages or employee exits from company accounts.

2.2.2 The Resource-Based View (RBV) and Strategic Capital-Technology Substitution

The Resource-Based View (RBV) helps examine how firms acquire and use resources that may support competitive advantage (Wernerfelt, 1984; Barney, 1991). In this paper, specialised human capital is a potential strategic resource. The framework does not assume that every skilled role is rare or that the sampled firms experienced a loss of those workers.

Barney (1991) links sustained advantage to resources that are valuable, rare, imperfectly imitable, and non-substitutable. This perspective can help frame why organisations may seek to develop or retain specialised expertise. The annual statements used here do not identify which roles meet those conditions or how retention decisions affected costs.

Dynamic capabilities research considers how organisations reconfigure resources as conditions change (Teece, Pisano, & Shuen, 1997). This offers a possible lens for studying responses to skill needs, but the present analysis does not measure labour substitution, productivity, automation, or firm capability changes.

Possible organisational responses may include revising recruitment, training, work design, or technology investment; this study does not test whether any response occurred.

Automation and process redesign are potential management choices, but no comparable capital-expenditure or automation measure is analysed here.

Human Capital Theory and the RBV therefore guide interpretation of the research context. They are not treated as a causal model for the reported employee-cost changes.

2.3 Drivers of the Virtual Exodus

Cross-border online work reflects several intersecting conditions, including connectivity, platform access, occupational demand, worker skills, and local employment opportunities. The reviewed evidence does not establish a single cause or a firm-level effect for the companies in this sample.

2.3.1 Global Demand and Technological Architecture (Pull Factors)

Research on remote work maps the uneven global distribution of tasks and digital capabilities (Braesemann et al., 2022). Nigerian employer-survey results indicate expected future growth in demand for some digital skills (World Economic Forum, 2025), while platform studies describe the role of digital infrastructure and platform access (Stegeman & Hardy, 2025). These sources establish wider context, not current firm vacancies or a quantified Nigerian remote-work trend.

2.3.2 Economic Asymmetries and the Compensation Gap (Push Factors)

Inflation and currency instability can shape the purchasing power of earnings and the choices available to workers. Studies of migration and labour markets provide relevant context but cannot be used as direct evidence that Nigerian employees moved to foreign remote jobs or that firms raised pay in response. The present analysis therefore treats such mechanisms as hypotheses requiring worker- or firm-level evidence.

2.4 Digital Labour Migration and Remote Work Expansion in Nigeria

Recent evidence indicates that Nigeria has become an increasingly significant participant in global remote labour markets, driven by expanding digital infrastructure and online platforms that facilitate cross-border employment without physical migration (World Bank, 2023). This phenomenon, conceptualised as "Digital Japa", enables Nigerian professionals to provide services to international clients while remaining resident at home (TechTrends Africa, 2026; Vanguard News, 2026). According to the MyJobMag Remote Work Statistics Report (2026), approximately 17% of jobs in Nigeria are now remote, compared to a global average of 28%; although remote-work penetration remains below the global average, the trend demonstrates growing integration of Nigerian professionals into digitally enabled labour markets, particularly in technology, digital marketing, content creation, and other knowledge-intensive occupations (MyJobMag, 2026; TechTrends Africa, 2026).

A survey of over 500 Nigerian organisations further illustrates the shifting landscape: 55% operate fully on-site, 31% hybrid, and 14% fully remote, suggesting that flexible work arrangements are no longer exceptional, though traditional models still dominate (TechTrends Africa, 2026). Evidence from online labour markets underscores Nigeria's expanding role in the export of digital services. The World Bank (2023) estimates that Nigeria, Kenya, and South Africa together account for approximately 17.5 million online gig workers and generate more than 80% of Sub-Saharan Africa's internet traffic to labour platforms, with major categories including software development, digital marketing, business support, data

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processing, writing, translation, and design (Punch, n.d.; World Bank, 2023). Nigeria's technology ecosystem provides additional evidence of international labour-market integration, as software developers, data analysts, designers, and digital marketers increasingly secure remote positions with firms in Europe, North America, and other regions while residing in Nigeria (Vanguard News, 2026). This development broadens employment opportunities for highly skilled workers beyond the domestic market and may intensify competition for digital talent among local employers.

Historical trends reveal rapid remote-work adoption following the COVID-19 pandemic. A study of remote employment trends reported that remote work in Nigeria increased by approximately 200% between 2020 and 2022, a faster growth rate than several comparator countries, with technology-enabled occupations such as software development, consulting, content creation, and digital services experiencing substantial expansion in remote participation thereafter (Professions.ng, 2023). Notably, prior to the pandemic, only a small proportion of Nigerian workers had experience with remote arrangements, whereas post-pandemic growth was substantial (StranSact, n.d.).

Taken together, these findings provide evidence that Nigerian professionals increasingly participate in global remote and platform-based labour markets. However, this evidence does not demonstrate labour scarcity within any particular organisation nor establish that Digital Japa directly caused employee-cost increases among the firms analysed; rather, observed employee-cost patterns should be interpreted as potentially consistent with labour-retention pressures arising from broader global competition for skilled workers rather than as conclusive proof of Digital Japa-induced labour scarcity (Vanguard News, 2026; TechTrends Africa, 2026; World Bank, 2023).

2.5 Empirical Review and Methodological Gap

Adegoke (2023) examined the Nigerian Japa out-migration trend through interviews with migrants and focused on social media's role in that process. Ajonbadi et al. (2026) examined web-based platform work through interviews with 23 Nigerian workers. These studies provide direct evidence of physical emigration and online labour experiences, respectively, but neither estimates a national remote-work rate or links worker movement to the audited employee costs of the firms in this study.

The relevant methodological gap is not an absence of all qualitative evidence. It is the limited linkage between worker-level evidence on online work and firm-level audited employee-cost disclosures. Employer projections of future skills demand provide further context but do not measure actual vacancies or exits (World Economic Forum, 2025).

Audited statements can establish reported expenditure changes, but not the source of those changes. The current study addresses this narrow gap with a transparent CPI adjustment and explicit limits rather than treating balance-sheet totals as direct measures of migration, wages per worker, or scarcity.

2.6 Conceptual Framework

The conceptual framework treats digital cross-border work as a possible labour-market context in which workers may access opportunities beyond their domestic employer. It does not assume that this context caused the employee-cost changes observed in the audited statements.

The measured outcome is each firm's change in aggregate employee-cost expenditure, in nominal and CPI-adjusted terms. Digital Japa, labour scarcity, turnover, profitability erosion, ownership moderation, and capital-technology substitution are not directly measured or tested in this study.

2.6.1 Variable Interactions and Hypothesised Pathways

1. Independent Variable: Digital Japa / Virtual Exodus

Contextual factor: cross-border online work may connect some Nigerian residents with foreign clients or employers. The current dataset contains no employee-level or firm-level measure of this activity, so it is not operationalised as an independent variable.

2. Moderating Variable: Firm Ownership and FX Capital Structure

Firm ownership and foreign-exchange exposure may be relevant for future research, but the small purposive sample does not test them as moderators.

Indigenous enterprises: firms may face different revenue and financing conditions, but this study does not establish that they absorb a larger digital-work shock.

Foreign-owned subsidiaries: parent-company relationships may affect financing and treasury arrangements, but access to a foreign-exchange buffer is not established by the employee-cost data.

3. Mediating/Adaptive Variable: Strategic Capital-Technology Substitution

Technology investment is a possible organisational response in theory. Comparable technology-capital data are not analysed, so capital-technology substitution is not included as a measured mediator.

4. Inflation adjustment: national CPI

The national CPI is used to express annual employee costs relative to broad consumer-price movements. It is a descriptive deflator, not a control variable that isolates firm-specific or labour-market effects.

The measured outcome is CPI-adjusted employee-cost growth. Labour scarcity, recruitment cost, attrition, and profitability remain relevant concepts but are not dependent variables in this analysis.

The framework separates the available accounting measure from outcomes requiring additional data:

CPI-adjusted employee-cost growth: an aggregate expenditure comparison, not a pay-per-worker measure.

Labour scarcity and replacement costs: not measured because consistent vacancy, turnover, and recruitment data are unavailable.

Profitability effects: not estimated because the study does not model operating margins, productivity, or alternative cost drivers.

2.6.2 Digital Japa (Virtual Labour Interruption)

"Digital Japa" is used as a working descriptor for cross-border online work by people based in Nigeria. It is distinct from the physical out-migration studied by Adegoke (2023) and is not a measured independent variable in this study. Research on African digital labour and platform work provides context for the range of online work arrangements (Anwar & Graham, 2020b; Ajonbadi et al., 2026).

2.6.3 Labour scarcity and wage paradox

Potential outcomes associated with cross-border work include changes in skills demand, employee choices, and firm recruitment conditions. The current dataset does not observe these outcomes directly.

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Digital-skill demand: Nigerian employers report expectations of rising demand for network and cybersecurity skills by 2030 (World Economic Forum, 2025). These expectations are not evidence of current labour scarcity or of digital-work-related exits.

Wage paradox: this term describes a possible situation in which nominal employee costs rise while purchasing power or retention does not improve. Aggregate audited expenditure cannot establish this mechanism or attribute it to skilled migration (Kar & Marjit, 2024).

2.6.4 Measurements and Empirical Linkage

The measurement framework links the accounting data to a limited descriptive outcome. It does not infer the intensity of digital work or a causal effect on the sampled firms.

The available measure is

Reported employee/personnel cost: used to calculate aggregate nominal and CPI-adjusted changes; it is not a wage rate per employee.

Recruitment and training expenditure: not consistently disclosed in comparable form and not analysed.

Employee mobility and scarcity: not observed in the company statements; conclusions about them require direct workforce data.

3.0 METHODOLOGY

3.1 Research Design

This study uses a descriptive archival design to examine audited employee-cost disclosures for FY2023 and FY2024. It does not identify an exposure to Digital Japa, construct a counterfactual, or estimate causal effects. The design is suitable for comparing reported expenditure totals and their movement relative to a broad CPI deflator.

3.2 Sample Composition and Selection

The original purposive sample comprised five listed or audited Nigerian private-sector firms across financial services, telecommunications, and manufacturing/healthcare. Four firms with comparable December year-ends and naira-denominated employee-cost figures form the core analysis. Airtel Africa remains a contextual case and is excluded from the core calculation because its year-end and reporting currency differ.

Zenith Bank Plc (Banking Sector)

Access Holdings Plc (Financial Sector)

MTN Nigeria Communications Plc (Telecommunications and Technology)

Airtel Africa Plc (Telecommunications and Technology)

Fidson Healthcare Plc (Pharmaceuticals and Manufacturing)

3.3 Sources and Method of Data Collection

Data were taken from FY2024 audited statements and the comparative FY2023 figures within those reports. The primary filings and exact note and page locations are listed in Appendix A. Airtel Africa's annual report is used only to document its reporting period and currency; its cost figures are not pooled with the core sample.

3.4 Variables and Operationalisation

The analysis uses the following financial information from the selected companies' audited reports:

Employee/personnel cost: the aggregate line item as defined by each company's report; it may include salaries, benefits, pensions, share-based expenses, or costs included in cost of sales.

Recruitment, training, vacancy, and turnover information: not consistently available in comparable audited disclosures and therefore not analysed.

Employee count and turnover: not used as measures because consistent year-to-year counts and role-specific turnover data were not available for all four firms.

3.5 Method of Data Analysis

The analysis reports source values, nominal year-on-year growth, and growth after adjustment by the NBS annual-average CPI. The December-to-December CPI rate is used for sensitivity. No cross-company OpEx ratios, CapEx comparisons, profitability estimates, or causal tests are performed.

4.0 RESULTS

This section reports the descriptive comparison of employee/personnel costs for the four firms with audited December-year, naira-denominated FY2023 and FY2024 figures: Zenith Bank, Access Holdings, MTN Nigeria, and Fidson Healthcare. Airtel Africa is excluded from the core panel because its year ends on 31 March and it reports group results in US dollars. The sampled reports also differ in consolidation scope and employee-cost composition; each firm is compared with its own prior-year figure.

The primary CPI adjustment uses the 2024 twelve-month average inflation rate of 33.24%, reported by the National Bureau of Statistics in the December 2024 CPI release (pp. 6–7). The December year-on-year headline rate of 34.80% is used as a sensitivity check. Both figures come from the contemporaneous CPI series published before the 2025 rebasing.

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4.1 Reported Employee Costs and Nominal Growth

Table 1 reports the employee/personnel cost totals as disclosed in the four audited FY2024 reports. Zenith Bank, Access Holdings, and MTN Nigeria figures are group amounts. Fidson Healthcare reports company-level personnel costs, including the amount allocated to cost of sales. Exact note and page references are listed in Appendix A.

Firm	FY2023 employee/personnel cost (₦bn)	FY2024 employee/personnel cost (₦bn)	Nominal growth (%)
Zenith Bank Plc	124.415	204.170	64.1
Access Holdings Plc	167.903	381.413	127.2
MTN Nigeria Communications Plc	65.002	91.919	41.4
Fidson Healthcare Plc	4.498	5.386	19.7

Nominal reported costs increased at all four firms between FY2023 and FY2024. The growth rates were 127.2% for Access Holdings, 64.1% for Zenith Bank, 41.4% for MTN Nigeria, and 19.7% for Fidson Healthcare.

4.2 CPI-Adjusted Employee-Cost Growth

Table 2 applies the formula in Section 1.4.2. The annual-average CPI adjustment expresses each FY2024 total in FY2023-price naira. It is a descriptive expenditure comparison, not a wage-per-worker measure or an estimate of foreign-exchange wage friction.

Firm	FY2024 in FY2023 prices (₦bn)	Adjusted change (₦bn)	CPI-adjusted growth (%)	Sensitivity at 34.80% CPI (%)
Zenith Bank Plc	153.235	+28.820	+23.2	+21.7
Access Holdings Plc	286.260	+118.357	+70.5	+68.5
MTN Nigeria Communications Plc	68.988	+3.986	+6.1	+4.9
Fidson Healthcare Plc	4.042	-0.456	-10.1	-11.2

At the 33.24% annual-average CPI rate, the adjusted employee-cost change was positive for Access Holdings, Zenith Bank, and MTN Nigeria and negative for Fidson Healthcare. Using the 34.80% December-to-December rate produced the same sign for each firm and a slightly lower adjusted growth rate for the three firms with positive growth.

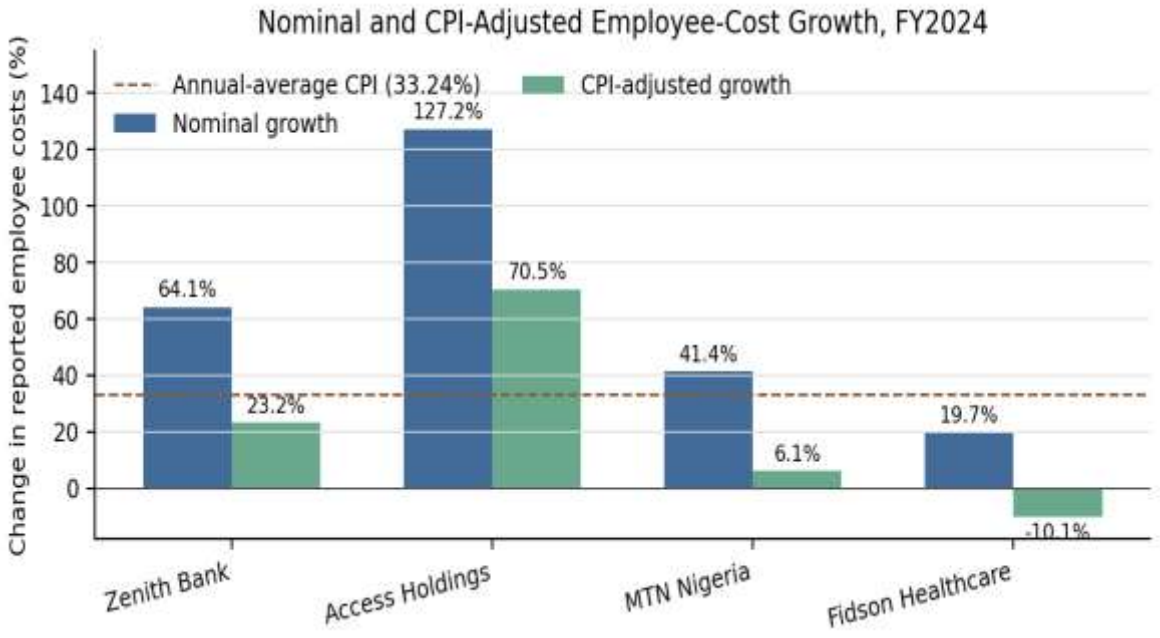


Figure 1. Nominal and CPI-adjusted employee-cost growth, FY2024.

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Figure 2. CPI-adjusted change in employee costs, FY2024, in billions of naira.

4.3 Comparability of Other Cost Measures

Operating-expense and technology-capital classifications differ across sectors and audited statements. The measures are not sufficiently harmonised for pooled comparison, so this study draws no conclusion about operating-expense structure or technology investment as a response to labour pressure.

Headcount, vacancies, employee turnover, recruitment expense, and profitability are also not reported consistently enough across these firms to support a comparable analysis. These outcomes are therefore outside the results presented here.

4.4 Limits of the Available Financial Evidence

Employee cost totals show changes in accounting expenditure, but do not distinguish pay-rate changes from workforce growth, role mix, benefits, share awards, restructuring, or changes in reporting scope. The figures cannot establish whether an employer faced labour scarcity or responded to remote foreign offers.

The firms are compared within their own reporting series. Their absolute totals should not be interpreted as a ranking of wage levels because group scope and cost composition differ.

4.5 Summary of Results

The four firms reported nominal employee-cost growth from 19.7% to 127.2%. After adjustment using an annual-average CPI inflation of 33.24%, three firms had positive aggregate expenditure growth, and Fidson Healthcare had negative growth. The December-to-December sensitivity calculation did not change the sign pattern. These results describe company-level expenditure and do not measure labour scarcity, individual wages, or the cause of the cost changes.

5.0 DISCUSSION

5.1 Interpretation of the Employee-Cost Pattern

The calculations show heterogeneous movements in reported employee costs after broad CPI adjustment. They do not show that wages per worker changed by the same percentages. Access Holdings has the largest adjusted aggregate change in this sample, but its consolidated total can reflect changes in workforce size, group composition, incentives, and pension costs as well as salary rates. The figures do not identify which factor produced the increase.

The same caution applies to Zenith Bank, MTN Nigeria, and Fidson Healthcare. Their reported totals include different combinations of staff costs and cover different reporting scopes. Within-firm comparisons are more defensible than interpreting differences across firms as evidence of ownership, currency buffers, or sector exposure.

5.2 Digital Labour Evidence and Theoretical Interpretation

Nigerian interview research documents web-based platform work and employer expectations point to future digital-skills demand (Ajonbadi et al., 2026; World Economic Forum, 2025). This makes cross-border digital labour a relevant context for discussing skill retention. Neither source connects worker participation or employer demand to the audited cost changes at the four firms. Human Capital Theory and the Resource-Based View offer concepts for future research on skills and firm resources, but this descriptive analysis does not test their mechanisms (Becker, 1993; Barney, 1991).

The distinction between physical Japa migration and remote work also remains important. Adegoke's (2023) study concerns out-migration; it cannot establish the number of Nigerians who work remotely for foreign clients while staying in Nigeria. Conversely, platform-worker interviews describe experiences but do not show that participants left the sampled firms. The present company statements contain no comparable employee-level records that could connect those sources of evidence.

Ownership differences, access to foreign exchange, and technology investment could be examined in a larger panel, but the present four-firm comparison does not test them as moderators or mediators. The data presented here do not show that foreign ownership buffered wage pressure or that technology spending substituted for labour.

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5.3 Measurement and Practical Implications

CPI-adjusted employee-cost growth is useful as a broad expenditure benchmark when its formula and limitations are explicit. It removes neither firm-specific inflation nor changes in workforce composition, and it is not a direct measure of retention pressure. To assess labour scarcity or the effect of digital work, future analyses need job-level pay, headcount, vacancies, hiring time, turnover, recruitment costs, and recorded reasons for leaving. Profitability effects would require a separate analysis of margins and other cost drivers.

6.0 CONCLUSION

This study compared audited FY2023 and FY2024 employee/personnel cost totals for four Nigerian listed firms with December-year, naira-denominated reports. Nominal costs increased in all four firms. After adjustment using NBS annual-average CPI inflation of 33.24%, aggregate expenditure remained higher at Access Holdings, Zenith Bank, and MTN Nigeria and lower at Fidson Healthcare. A sensitivity check using the 34.80% December rate preserved the sign pattern.

The findings support a limited conclusion about reported company-level expenditure relative to consumer inflation. They do not measure pay per employee, labour scarcity, remote work, attrition, or the cause of cost changes. Nigerian platform-worker research and employer projections provide context for digital work and skill demand but do not establish a causal link to these companies.

The study's contribution is a transparent calculation from audited reports, with note and page references, a CPI sensitivity check, and a clear distinction between observed financial data and interpretations that require direct labour-market evidence.

6.1 Recommendations

The findings support improvements in measurement and reporting:

Companies examining retention pressure should report employee-cost components separately and pair annual totals with consistent headcount and role-level information.

Human-resource reporting should include vacancies, time to hire, turnover, recruitment expenditure, and recorded exit reasons for hard-to-fill roles, while protecting employee privacy.

Researchers and decision-makers should treat CPI-adjusted employee-cost growth as an aggregate expenditure indicator and avoid using it alone as evidence of wage rates, Digital Japa, or labour scarcity.

Policy conclusions about currency stability or remote-work competition require direct evidence linking worker choices, pay, and employer outcomes; the present analysis does not establish those effects.

6.2 Suggestions for Further Research

Future research should expand the sample across sectors and years, maintain consistent reporting scopes, and link financial statements to workforce measures. A firm-level panel could compare salary rates, headcount, vacancies, and turnover while accounting for acquisitions and changes in accounting definitions.

Airtel Africa could be examined separately using a currency- and reporting-period-adjusted design. Further studies should directly measure remote cross-border work and employee exit reasons before testing whether digital labour-market access is associated with wage growth or labour scarcity.

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Appendix A. Audited data sources and calculation notes

The figures below come from FY2024 audited reports and comparative FY2023 disclosures. Tables 1 and 2 show them in billions of naira; cost definitions and reporting scope differ, so comparisons are within each firm.

A1. Zenith Bank Plc

FY2024 audited Group financial statements, Note 36, p. 181. Personnel expenses were ₦124,415 million in FY2023 and ₦204,170 million in FY2024. The note includes salaries and wages, other staff costs, and pension contributions (Zenith Bank Plc, 2025).

A2. Access Holdings Plc

Group Note 14, p. 161, reports personnel expenses of ₦167,903 million for FY2023 and ₦381,413 million for FY2024. The statement of profit or loss (p. 61) shows ₦381,414 million; Table 1 uses the note value. The note includes salaries, pensions, and restricted share-plan costs (Access Holdings Plc, 2025).

A3. MTN Nigeria Communications Plc

FY2024 audited Group financial statements, Note 12, p. 53. Employee costs were ₦65,002 million in FY2023 and ₦91,919 million in FY2024. The line includes salaries and wages, pensions, share-based expenses, and other staff costs (MTN Nigeria Communications Plc, 2025).

A4. Fidson Healthcare Plc

Note 8(b), printed on p. 51, reports personnel costs of ₦4,497,767 thousand for FY2023 and ₦5,385,670 thousand for FY2024. The total includes administrative personnel and personnel costs in the cost of sales (Fidson Healthcare Plc, 2025).

A5. Airtel Africa Plc (contextual case; excluded from core comparison)

The 2024 report covers the year ended 31 March and reports group figures in US dollars across multiple countries. Airtel Africa is excluded because its period and currency do not match the December-year, naira-reporting sample (Airtel Africa Plc, 2024).

A6. Inflation series

The NBS December 2024 release reports annual-average inflation of 33.24% and December year-on-year inflation of 34.80% (pp. 6–7). The former is primary; the latter is the sensitivity check. Both use the pre-rebasing CPI series (National Bureau of Statistics, 2025a, 2025b).

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