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Employees' Post-service Plans and Options in Nigeria

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Abstract. One of the greatest challenges that faced typical employees throughout their working life is life after retirement. Despite government roles at providing social security, retirement epoch has been a tension provoking and overwhelming phenomenon in Nigeria and other emerging economies of Africa, Asia and Latin America. A close observation of many retirees in Nigeria society and the problems they are facing draw the attention of all and sundry. These problems seem to range from sudden death, dwindling status, lack of occupation, loss of the usual monthly salary, decreased strength and deteriorated health condition, physical disabilities, aging and anxiety about a residential home. In Nigeria, the regular non-payment of pensions and gratuities benefits has brought untold hardship and sudden death to many retirees, thereby making retirement something that is dreaded by workers. This problem is further compounded to lack of planning and management of post-service epoch and conditions. It is against this backdrop that this paper seeks to identify and discusses strategies available for managing post-service condition in Nigeria. The paper calls on Nigerian workers to embrace one of the options to remain moderately productive and healthy after retirement. The paper suggests, among others, that both employers and government should undertake regular pre-retirement training for their workers in order to save the country the embarrassment of seeing their retirees going to early graves or turning into destitute on the streets.

Keywords: retirement, planning, strategies, retirees, Nigeria

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Планы и возможности сотрудников по окончании службы в Нигерии

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Аннотация. Одна из самых серьезных проблем, с которыми сталкиваются граждане, – это жизнь после выхода на пенсию. Несмотря на роль государства в предоставлении социального обеспечения, проблема пенсионного возраста провоцировала напряженность в Нигерии и других странах с развивающейся экономикой в Африке, Азии и Латинской Америке. Наблюдение за многими пенсионерами в нигерийском обществе и проблемами, с которыми они сталкиваются, привлекает внимание исследователей. Это в первую очередь проблемы риска внезапной смерти, ухудшения статуса, отсутствия занятости, потери обычной ежемесячной заработной платы, снижения силы и ухудшения состояния здоровья, проявление физических недостатков и процессов старения, а также обеспокоенность по поводу домов-интернатов. В Нигерии регулярная невыплата пенсий и премиальных привела к трудностям и гибели пенсионеров, что заставило многих служащих опасаться выхода на пенсию. Эта проблема еще больше усугубляется отсутствием планирования и управления в этой сфере и условиями после службы. Именно на этом фоне в данной статье делается попытка определить и обсудить стратегии, доступные для управления состоянием после выхода в отставку в Нигерии. Статья предлагает несколько путей решения проблем, направленных на сохранение продуктивности и здоровья после выхода на пенсию. В тексте статьи как работодателем, так и правительству предлагается, среди прочего, проводить регулярную подготовку своих работников перед выходом на пенсию, чтобы избавить страну от затруднений, связанных с тем, что их пенсионеры рано уходят из жизни или превращаются в нищих на улице.

Ключевые слова: выход в отставку, планирование, стратегии, пенсионеры, Нигерия

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Introduction

Retirement is perceived as a threat to many employees rather than an issue of interest. This is so because a close observation of many retirees in the Nigerian society and the problems they are facing draw the attention of all and sundry. The problems seem to range from sudden death, dwindling status, lack of occupation, loss of the usual monthly salary, decreased strength and deteriorated health condition, physical disabilities, problems associated with old age and so on. In Nigeria, the regular non-payment of pensions and gratuities benefits has brought untold hardship and sudden death to many retirees, thereby making retirement

something that is dreaded to workers. This problem is further compounded to lack of planning and management of post-service epoch and conditions.

One of the greatest challenges that face typical employees throughout their working life is life after retirement. Retirement concerns emotional, psychological, as well as financial challenges that workers have to prepare well for ahead of time [1]. In most developing countries and Nigeria in particular, government restrict working age of public civil servants to prevent an ageing labour force by allowing entrants of young-able-bodied labour for increasing efficiency and productivity [2; 1; 3]. This has become absolutely necessary because as a worker become older his Marginal Physical Productivity of Labour (MPPL) will decline. Thus, retaining such a worker in employment at this point will amount to running the organization at a loss. Fajana [4] added to this view that from the employer's point of view, such an employee must go if the employer should minimize losses. This is why in Nigeria, statutory working age in the public service is fixed at sixty (60) years or thirty-five (35) years of unbroken active working service before retirement; whichever comes up first. However, the Retirement Age harmonization Act of 2012 puts the retirement age of academic staff of tertiary institutions and judicial officers at 65 and 70 years respectively because of the belief that the 'older, the wiser' in those sectors. Similarly, in the private sector, retirement age varies between 55 and 60 years of service and the factor of 35 years in service is not applicable [5].

It has been observed that in most of our organizations, both in the private and public sectors, workers are not adequately exposed to pre-retirement training before they are finally discharged from employment. This has negative consequences on the life of the retirees. Abdullahi and Jummai [1] have rightly observed that many people enter into retirement without any personal plans or pre-retirement counseling. Employers of labour on their own part have not done much to enlighten the labour force on the need for planning for retirement. Hence, many workers enter retirement as destitute. It is important for both employers and government to undertake regular pre-retirement training for their workers in order to save the country the embarrassment of seeing their retirees going to early graves or turning into destitute on the streets. Obviously, retirees in Nigeria today are more like beggars especially those who retire without planning. Therefore, the need to cope with retirement life should be considered as a critical issue both by employers and employees, most especially where the retiree is a family-head. This is so because by circumstances of their position as family-head, they are more prone to face difficult situations in the context of the present depressed state of the Nigeria economy. The purpose of this study is to review the various available literatures on employees' post-service plans and options and challenges waiting retire at retirement in Nigeria.

Conceptual and Theoretical Framework

Retirement from active service is a sine-qua-non in the life of every employee both in public and private sectors. It is a stage that every worker must surely reach whether he or she prepares for it or not. Retirement is a fluid concept

because it connotes different things and is fraught with different experiences for different people [2. P. 112]. We observe over time that retirement life is not a homogenous experience for everyone. While some individuals view it positively and anticipate it with nostalgia, others dread its eventuality with great anxiety. Therefore, different people perceive retirement in different ways. The idea of retirement is of a recent origin, being introduced in the 19th and 20th centuries. The standard retirement age varies from country to country, but it is generally between 55 and 70 years.

The restriction in the labour working age is to prevent an ageing labour force by allowing entrants of young-able-bodied labour for increase efficiency and productivity. Thus, retirement is an inevitable stage of ageing where the individual gradually disengages from the mainstream of active work, social work and is eventually replaced with younger ones [6]. In his words, Bur [7] looked at retirement as the act of leaving the service either voluntary or compulsorily where such an employee has completed a specified period of service years or is removed from office by way of compulsory retirement, lay-off, dismissal (for acts of insubordination or misconduct), death, illness, disability or by voluntary withdrawal from service. Also, Nwachukwu [8] sees retirement as a socially accepted means of withdrawing from one's occupation or business in later life to enjoy leisure, freedom or simply to cope with health problems. Similarly, Egbuta [9] regarded retirement as the withdrawing of individual from gainful employment in the later part of his or her life in order to enjoy a period of leisure till death. Nafisat [10] remarks, that retirement is a process that separates an individual from a job role or as termination of a pattern of life and a transition. This supports the assertion of Olatunde and Onyinye [11] who posits that retirement is a real transition, transition in the sense that it is the passage from one place, stage of development to another. Aina [12] was also of the opinion that the transition could mean passage from the former business career of active services to another, a second stage of life development.

Robinson and Davidson [13] cited in Esene and Akeni [14] was of the view that retirement is the act of someone stopping work permanently usually on reaching an age at which a pension can be received. Similarly, Cole [15] views retirement as a period when an employee reaches the end of his working life. He posits further that retirement comes, and it tends to emphasis separation from job and concern for the future. Retirement is indeed a period of withdrawal from active job of one's means of livelihood. The causes of separation may be due to old age, poor health, social pressure or apathy. Aina [12] found that lay-offs, retirement and dismissal are indefinite separation from the payroll due to factors such as loss of sales, shortage of materials, seasonal fluctuation, production delays or due to major administrative shake-up as have been witnessed in public service in the 1980s. In a study by Iyortsuun and Akpusugh [16] it was found that most employees do not invest towards retirement as a result of the inadequate pay package given to them by their employers and that the challenges faced by retirees is due to poor preparation towards their retirement period. Therefore, many people especially those who never thought of retirement as a necessity often looked dejected, depressed and frustrated when suddenly they found themselves retired.

There is a plethora of benefits that accrued to a retiree who has planned properly for his/her retirement. Some of these benefits that planning brings about for a retiree include:

- a. It provides adequate good health in later life.
- b. It provides adequate security for life after retirement.
- c. It eases the process of adjustment to a completely different lifestyle.
- d. It reduces concern and burden of money.
- e. It provides some kind of pre-occupation by removing the burden of idleness in later days or years.

Similarly, lack of planning for retirement can bring about the following problems:

1. A condition of financial frustration and anxiety.
2. Impairment of health, strength, attitude and general well-being.
3. Loss of contact with colleagues.
4. Untimely death within a few years of retirement.
5. State of boredom and distress
6. Feeling of dissatisfaction and unfulfilled life.

Therefore, the need to be prepared and plan for retirement in conformity with the organization policy cannot be over emphasized. It therefore becomes necessary to plan ahead for how you would like to spend your retirement, and to prepare yourself mentally and financially. In a nutshell, planning and retirement are concomitant. With effective planning, a retiree is sure of experiencing a pleasant post- retirement life and ability to cope with some challenges inherent in retirement.

Forms of Retirement

Retirement can be in many forms. In Nigeria, three major forms of retirement are identified in the literature [17; 18; 1; 2; 10]. They are voluntary retirement, compulsory retirement and mandatory retirement.

Voluntary or Self Retirement: This occurs when individual decides to quit active service for personal reasons(s) irrespective of age, experience, length of service or retirement policies. This type of retirement depends more on the employee than the employer.

Compulsory or Forced Retirement: This is a situation in which the individual is forced or compelled to retire against the individual's expectation and when he or she is ill-prepared for it. It is usually viewed negatively in that it is unplanned and reasons might include inefficiency, old age, ill-health, indiscipline. This type of retirement is in the interest of the organization, therefore the need for reduction of the workforce.

Mandatory or Statutory Retirement: This is the normal (or expected form) in the sense that the person involved has reached the statutory age of retirement as specified in the condition of service of the establishment. For instance, in Nigeria the age is specified for civil servants while judges and lecturers retire at 70years or when an individual has put in 35years of service.

Retirement Age

The age of retirement varies from country to country according to the climatic conditions and the average expectation of longevity of life. The age of retirement is generally fixed by the statute but in certain important cases it may be fixed by the constitution. In the United States, the retirement age of employees is 65-70 years, in Britain 60-65years, in India 55-60years. In Nigeria, the statutory retirement age is dependent on the sector. For instance, it is sixty-five (65) years or thirty-five (35) years of active working service for staff of tertiary institutions other than professors. Those on the professorial cadre retire at the age of 70 in respective of years of service. It is to be noted too that judges at the court of Appeal and Supreme Court levels retire at 70 while those at the High Court level retire at 65. However, it is 60 years of age in other public service and private sector or 35years of unbroken active service which ever come first [19]. However, the 35years of active service is not applicable to workers in the private sector.

Recently, however, large numbers of workers have been pushed into premature retirement in Nigeria the victims of organizational downsizing. Whether the trend in early retirement will continue as more baby boomers enter retirement age is open to speculation. Nevertheless, Eyitayo, Bamilola and Obadofin [20]; Olufemi and Fashiku [3] and Thakur and Jain have argued that if workers in service know some of the good things they could do in their retirement, it might fortify them towards early or voluntary retirement instead of records falsification often linked to fear of retirement, in their bid to remain longer than necessary in service. Therefore, the knowledge of the opportunities for success that awaits retirees at retirement might equip workers to take advantages presented by retirement as soon as they become retirees. Reflecting on the issues of early retirement, Korn [21] argues that for early retirement to be successful and possible, it involves adopting three fundamental strategies or options: aggressive investment, planning your healthcare needs that will most likely impact you during the retirement period and exploring the possibility of what he calls ‘filling the hours’-working during the period of your retirement.

Preparing for Retirement

While most people eagerly anticipate retirement, many are bitterly disappointed once they reach this stage of life. Employers may offer pre-retirement planning programmes to help make employees aware of the kinds of adjustments they may need to make when they retire. These adjustments may include learning to live on a reduced, fixed income and having to cope with the problems of lost prestige, family problems and idleness that retirement may create. The pre-retirement programmes typically should include seminars and workshops on pension plans, health insurance cover, social security and medical care, personal financial planning, wellness and lifestyles, and adjustment to retirement. This supports the assertion of Kolawole and Mallum [22] who posits that retirement pension is typically one of the largest social security components of public interventions for the retired public civil servants. Except, otherwise, mandatory retirement is expected to be a blissful transition in the life of an

employee. In western countries and some planned economies of the world like America, United Kingdom, Britain, Russia, Cuba, Malaysia, Yugoslavia, etc., where pension schemes are functional, majority of the retired workers live comfortable with their pension allowances without any distortion in their family economic stability. Government in these countries made available adequate resources and infrastructural provisions to cushion post-service conditions.

Despite several moderations of benefits for workers in Nigeria, pension fund has been characterized by outright corruption, embezzlement, mismanagement and diversion of fund over the years. More so, the delay in payment of pensions and gratuities has become so pervasive and this has resulted in untold hardship, frustration and sudden death of retirees. As point out by Denga [23]; Nwajagu [17]; Maji [2], the uncertainty that characterized the retirement life bothers serving workers to the extent that some workers falsify their age and career records in order to postpone retirement date. This problem is further compounded by the fact that post-retirement welfare of workers is not even a top priority of Nigerian government. Therefore, in addition to the epileptic government pension plan, workers should also make every effort to have their own pension plan, estimate their sources of income, developing friendship (social network) and establishing business in own area of specialization.

Preparing for retirement entails planning for the inevitable – the period in one’s life when he or she withdraws from active service. This is why Weirich and Koontz [24] defines planning as the examination of the future of a subject-matter, deciding what needs to be achieved and then developing a plan of action towards actualizing the objective. Retirement is a major change and should be prepared for. The decision to retire is determined by both micro and macro conditions. At the micro level, individualistic factors are the dominant factors that influence one’s decision to retire while at the macro level, wider factors beyond an individual’s control have the most influence in the decision to retire. Berry [25] in Iyortsuun and Akpusugh [16], identified four factors at the micro level that influence the decision to retire. These are: “finance, health, care responsibilities and family” while at the macro level, he identifies the factors as “an ageing society, the pensions system and the economic change”. This supports the assertion of Bohlander and Snell [26] who posits that the major factors affecting the decision to retire are the individual’s personal financial condition and health and the extent to which he or she receives satisfaction from work. They further state that attractive pension benefits, possibilities of future lay-offs, and inability to meet the demands of their jobs are also among the reasons workers choose to retire early.

Iyortsuun and Akpusugh [16] argue that employees need to plan, adopt and implement strategies to ease the pain and problems associated with retirement. Since retirement is not what one could avoid except death, it is advisable and appropriate to start preparation immediately one gains employment. Therefore, in order to ensure a smooth landing and get rid of anxieties in retirement, strong foundation or strategies have to be laid or adopted to ease the pain of retirement. One of such strategies, which is compulsory for those in the public and private sectors in Nigeria is the monthly contributory pension scheme. With this strategy,

employees are expected to open a retirement savings account in his or her name with any reputable pension fund administrator of their choice.

Other strategies that can be adopted include maintaining a personal savings account or a fixed deposit account with a bank to enable an employee save towards retirement, investing in small sideline business, investing in skill acquisition and training, ownership of property genuinely acquired, investment in shares and stocks, establishing business in own area of specialization and acquiring an insurance policy (Sickness, accident, loss of property) among others [16; 2; 27]. Therefore, there are four simple steps to arrive at an ideal retirement plan:

Step 1: Planning adequately and determining how much your financial need in retirement is very important. In planning towards this, one must take into account his family responsibilities, state of health and expected life expectancy.

Step 2: Calculate the sum to be received in lump sum (terminal benefits) on retirement time e.g., income from investments such as dividends, capital appreciation, vital income as well as pension and retirement benefits.

Step 3: Select the suitable retirement plan that enables you to cater for your post- retirement requirements, preferably, choose the right investment avenues, which can provide you with potentially greater returns in the future.

Step 4: Start investing immediately you gains employment, and you can enjoy the power of compounding. And increase your financial stability.

Below is the ideal retirement plan diagram which aptly describes the retirement planning process.

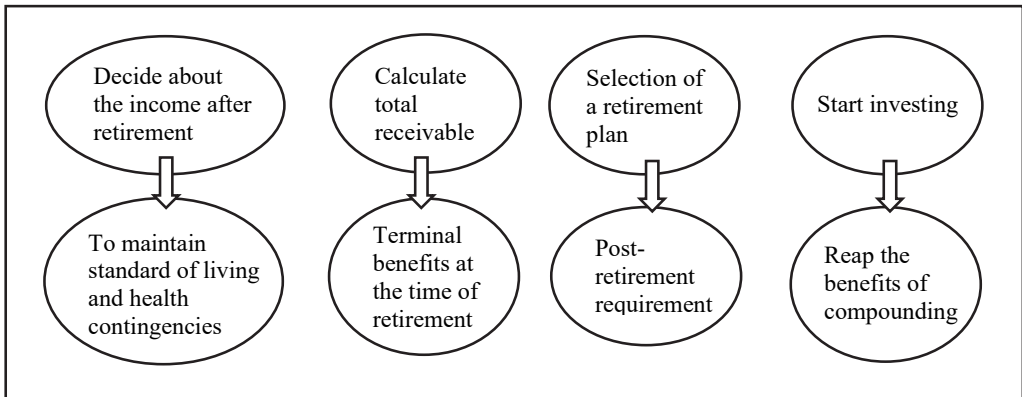


Fig. 1. Retirement planning process

Source: Thakur and Jain [27]: retirement planning and social security concept in India context.

Obviously, from the foregoing, retirement in life is one of the milestones and it requires a great deal of planning and managerial ability. Eyibe and Eyibe [28] stressed that planning ahead will enable an individual to look at all the factors that have bearing on life in retirement and pursue the realities from the on-set. Kolawole and Mallum [22] rightly observed that where adequate planning is nursed, frustration and anxiety in retirement will be eliminated. Maji [2] equally observed that workers around the globe who fail to plan for retirement always experience some avoidable problems in post- retirement life, such as (i) state of

boredom (ii) a condition of financial anxiety (iii) distress (iv) loss of contacts or social relation with colleagues (v) feeling of dissatisfaction and unfulfilled life and (vi) often experience psychosomatic and phobic reactions. Agada equally cautioned that retirement planning if given priority will facilitate a sure smooth landing for retirees. Attendants benefits of effective and functional retirement plan include: a. Good health in post- retirement life; b. Adequate security provisions for life after retirement; c. provision of some kind of pre-occupation (or vocation) by removing the burden of idleness in post- retirement years; d. Reduce concern for money and e. Eliminate feeling of uselessness and not being tolerated or wanted. Therefore, retirement plan should not be overlooked by any worker considering the fact that labour wage in Nigeria is far from being a living wage and also expectancy of long life after retirement is obviously good news, but it makes retirement very expensive too. So, it is very imperative to do proper planning ahead and be financially prepared at the time of retirement age.

Post-Service Strategies/Options

The fear of the unknown and the desire to maintain the status quo forces most employees to attempt avoiding retirement. But of course, retirement ‘is a necessary ill’ which cannot be avoided. Therefore, every striving worker in the 21st century should know that the Nigerian economy is facing serious challenges, hence, there is need for pre- retirement planning strategies to combat and manage the impending pains and problems (misery and hardship) associated with retirement. Nuss and Schroeder [29] have argued that transition provide individuals with the opportunity to take stock of and take charge of their lives and they posits further that to cope with transition effectively involves assessing one’s situation, self, support and strategies of coping. In order to experience a pleasant post- retirement life, the following are some post-service activities that retirees are advised to consider:

1. *Establish Business in Own Area of Specialization:* Retirees should identify and start a post-service/ retirement business suitable to the retiree’s lifestyle. Identifying and starting a business in one’s area of specialization or where the retiree’s skill is greater could be a real avenue to engage after retirement [2]. Suggestion of such occupations include: Running a consultancy services or business undertaking in your area of specialization; writing books and articles; editorial consulting; pursuit of hobbies into income etc.

2. *Invest in Small Sideline Business:* This is popularly referred to a small-scale business. Sideline business has to do with running small business while one is still fully in employment of government or statutory bodies. This could include: retail outlets, running restaurants, clinics or hospital, soap production, nylon production, computer services, garri production, home laundry services, designing and making children dresses, baby cots and toys, transport business, cake baking, ice block production, chairs, canopies and plates production, decoration, beautification and arranging of foods for parties, gardening, keeping of poultry, piggery and goatry, establishment of schools, veterinary services, snail rearing, table water business, food and beverage production, concrete block production,

hair and body cream production, establishment of recreation business, foam production business, aquaculture farming and selling of farm products, musical and choral band, editorial work, consultancy firms, land surveying, telephone operation, operating a barbing salon and hair-dressing, tailoring and plumbing business, plastic crushing, fish farming, grass cutter rearing, palm kernel oil production, among others. These are vocations that do not only create wealth, provide employment opportunities for the youth but have the potentials that drive economic growth and development. A little extra income from sideline business can go a long way to making life comfortable in post-retirement life and at retirement, when the structures are on ground retiree can fall back on it, modify it to test and pre-occupy the body and mind.

3. *Bank Fixed Deposits*: In a bank fixed deposits, an investor deposits a lump sum of money for a fixed period of time say five years and above, on a fixed rate of return. That is, investor gets a principal +Interest at the maturity of the deposit. Bank fixed deposits are traditional saving scheme open to an average investor. Bank fixed deposit is expected to increase your financial stability during retirement.

4. *Open a Retirement Saving Account*: Workers in both the public and private sectors are encouraged to open a retirement saving account with any pension fund administrators (PFAs) of their choice. The amount an employee is to receive on retirement is contributed jointly by employee and employer into the retirement savings account so that at retirement, there should be something for employee to fall back on as a guaranteed income for him/her or for his/her dependents. One of the opportunities of the contributory pension scheme in Nigeria is that participants are allowed to open individual Retirement Saving Account (RSA) where contributions are accumulated till retirement.

5. *Invest in Stocks and Shares*: A lot of income and other benefits can be realized through investment in stocks and shares. A share or stock is a certificate issued by a company. Therefore, shares are paper commodities and ownership rights in a company. The Stock Exchange, an important member of the capital market provides facilities of the purchase and sale of stocks and shares. Therefore Ross, Westerfield and Jordan [30] defines a Stock Exchange as an organized market with physical location and facilities for trading in stocks and shares through professional intermediaries known as stockbrokers. Investment in stocks and shares are expected to support and guarantee a steady and continuous flow of income for the retiree.

6. *Real Estates Investment*: Real estate investments relate to landed properties owned by an individual. Investment in real estate is of prime importance because they appreciate in value continuously. It is not an exaggeration to say that real estate offers a return on investment which is superior to other investments on a long-term basis. Therefore, is advisable to invest in real estate to ensure high capital appreciation during retirement.

7. *Hobbies*: It is wise to cultivate hobbies and develop areas of interest, which can assist retiree in their social life. The health and wellbeing should be the most important consideration of a retiree as noted by Iyortsuun and Akpusugh [16]. Interest such as sports athletics, painting, travelling, gardening, fishing,

sewing, photography and hunting among others should be of interest to retirees and be cultivated. These hobbies are expected to support and give much pleasure and happiness during retirement.

8. *Retirement Annuity*: An annuity is a special form of life Assurance policy in which the retiree (annuitant) pays a lump sum of money at retirement to a life assurance company. In return the life Assurance Company undertakes to pay the retiree a monthly amount called annuity for a specified period or for the remaining days of his life. When a worker is retiring from employment and he is paid entitlements, it is advisable that he uses a good percentage to procure an annuity. Since retirement imposes a considerable change in lifestyle, there is need to develop a financial plan to match the new standard of living with the retiree's income.

9. *Participation in Politics*: Politically speaking, retirement could enhance retirees' active participation in politics, both at the grassroot, state and national levels [31; 32; 3]. In Nigeria, for instance, notable politicians are retirees. E.g. Late Adebayo Adefarati (one-time Governor of Ondo State) was a retired secondary school principal before veering off into politics. Also, Olusegun Obasanji (ex-Nigerian President). David Mark (ex-senate president), Prince Olagunsoye Oyinlola (one-time Governor of Osun State), etc. are all retired military personnel who veered off into politics in their retirement, a feat they would not have achieved while in service [33].

Challenges of Retires in Nigeria

1. *Physical Disabilities and Ageing*: Researchers such as Adegoke [34]; Okam [35] have argued that certain problems are associated with old age, particularly for those employees who might not have planned for their retirement. These problems which relate to their feelings about retirement are intellectual, physical, behavioural, emotional and spiritual in nature.

2. *Intellectual Problems*: Muddled thinking, lack of problem-solving ability, analysis paralysis, funnel vision, inability to take decisions etc.

3. *Physical Problems*: Lack of energy, anxious appearance, tense posture, and hyperactivity.

4. *Behavioural Problems*: Ignoring others' feelings, withdrawing socially, changing management style abruptly and becoming careless.

5. *Emotional Problems*: Dullness of spirit, lack of responsiveness to encouragement, loss of achievement orientation.

6. *Psychological Problems*: Initial shock and anger, drop in morale, self-esteem, self-confidence, stress, boredom, apathy, anxiety and feeling of dissatisfaction with almost everything.

Adegoke [34] noted, however, that the severity and effect of these problems on the retirees depend on the proximity to retirement. That is, the nearer the retirement date, the more acute are the problems faced by the retirees. Semone [36] recounts that the worst thing about getting retired and or becoming old is not getting sick but receiving the dehumanizing looks of others. These looks and actions by the non-old imply that the old and the retired are generally unattractive, worthless, worn-out and out of the way. These expressions of disdain are the

consequences of commonly held stereotypes about the elderly including the retired. This class of individuals according to Abdullahi and Jummai [1], are believed to be unfortunate-poor, isolated, neglected, sickly, senile and depressed. Similarly, Okam [35] revealed that the elderly persons usually display highly visible traits that make them different from the majority. These traits include the following:

- a. Possession of aged bodies;
- b. They are relatively powerless;
- c. Their behaviour and traits are stereotyped and regularly depreciated and devalued by the dominant group;
- d. And most- importantly, because of their age, the retired and the elderly are often singled out for differential and unfair treatment.

The notions are based only partly on fact. For the most part, however, these stereotypes are generalizations that do not fit the majority of the elderly and the retired persons in Nigeria.

1. *Planning and Management Stage*: As a result of their unpreparedness many have faced lots of psychosomatic problems and some exhibit psychophobic reactions [1]. Today, civil servants in both public and private sectors in Nigeria perceive retirement as most intractable problems. According to IBTC pension Manager [37], retirement planning as an exercise in the world over is fraught with many challenges. For Nigerian civil servants who are especially challenged by low level of income and savings as well as huge family and social responsibilities, retirement planning can be more complicated. Some of the social issues that affect effective retirement planning in Nigeria include the size of the family, polygamy and the additional responsibilities of the extended family and inadequate access to medical facilities.

2. *Reduction in Income*: Retirement exposes retirees to a sharp reduction in income [38; 39]. This reduction in income may be aggravated by delay in payment of retirement benefits like pensions and gratuity [40; 41; 3]. Indeed, in Nigeria, it is a common knowledge particularly in the public sector that payment of pensions to retirees is not well co-ordinate. Cases abound of retirees who are reported to have given up the ghost while on queue to collect their pension allowances. Also, it's a common incident to see retirees visit their former places of work (particularly a day or two following the payment of salaries) to beg for money from their former colleagues. This unpleasant situation may have been caused by delay in the payment of their retirement benefits or inadequate pre-retirement planning, or both factors. Therefore, some of these retirees exhibit some undesirable behaviours in the form of defence mechanisms such as drinking, smoking, gambling, etc., perhaps to make up for their seemingly dehumanizing lifestyle.

3. *Domestic Violence*: Domestic violence is another challenge to retirees. Here domestic violence refers to control by one partner over another in a dating, marital or live-in relationship. The means of control include physical, sexual, emotional and economic abuse, threats and isolation. Retirees face many obstacles in trying to end the abuse in their lives. Although most are psychological and economic entrapment, physical isolation and lack of social support, religious and

cultural values, fear of social judgement, threats and intimidation over custody or separation [42; 43; 1]. Therefore, retirees are subjected to internal domestic violence with their family's members.

4. *Corruption in the Pension Scheme*: Despite several moderations of retirement benefits for workers in Nigeria, pension fund has been characterized by outright corruption and embezzlement, mismanagement and diversion of fund over the years. Corruption in the pension scheme has become so pervasive. The embezzlement and corruption manifests in different shades and colours [2]. Fapohunda [44] revealed that of the 141, 790 pensioners listed on the government payroll, only 70, 657 were said to be genuine, while the police pension officer also alleged collected N5 billion monthly as pensioner's claim against the actual requirement of N500 million. She further revealed the recently multi-million pension fund scandals pervading many strata of the Nigerian society like the pension unit of the office Head of civil service of the Federation, PENCOM and the Nigerian Police Pensions. A recent National Assembly public hearing on pension revealed that six (6) civil servants stole N24 billion from the police pension funds. The same persons were alleged compliances in the illegal diversion of another N24 billion from the police pension funds. Similarly, N189.8 billion. Pounds were recovered after the conduct of Biometric Data capture exercise on pensioners since 2010 [10]. Obviously, millions of pensioners who served this country have their latter years enmeshed in suffering due to the greed of some uncultured public office holders.

5. *Sudden Death*: Yet another issue that comes to mind regarding challenges to retirement is sudden death in service or as well as death during retirement. Here Retirement Act provides that where a contributor dies during employment, the balance on his/her Retirement Savings Account will be transferred to his/her known beneficiary named in the will, which is his or her spouse, children, next of kin or the administrator of his/her estate as determined by the Pension Act. The same provision also applies to retirees who have started receiving benefits through programmed withdrawal [45]. And are not made to retirees' beneficiaries at their deaths.

6. *Anxiety about Residential Home*: Anxiety about a home into which to retire is another challenge faced the retirees in Nigeria. More often than not, some retirees who do not have their own building or houses but stay in rented apartments, which they must vacate at retirement, are either exposed to societal ridicule or encounter financial difficulties in payment of house rent [33]. Also, Abdullahi and Jummai [1] noted that a lot of retirees in Nigeria reach the age of retirement without personal residential home. This problem persisted due to the fact that Nigerian workers are paid low wages, which make investment to have residential home very difficult. Esene and Akeni [14] stressed that an employee should endeavour to own at least a retirement building between ages 35 and 60 years. They posit further that the retirement phase in one's life is not the time to continue in paying rents to landlords. Therefore, having a home into which to retire gives an individual a secured feeling and enhances his/her status in the society.

7. *Other Challenges*: At retirement, retirees usually have difficulties in cutting down already-formed pattern of spending while in service 37. Also, how

to budge for time and use time wisely, worries about what to do in order to continue to earn the respect of immediate family members in retirement as when in service, difficulties arising from reduction in social network due to loss of contact with office friends, workmates, and clients at retirement, including society's negative perception of the retirees as people who have wasted their opportunities while they were young are some other challenge facing retirees in retirement [46; 33; 39; 3].

Economics of Healthcare in Retirement

Better healthcare is a primary human need. Apart from the income component at retirement, healthy engagements of the mind, body and even the soul should be of primary concern to the retirees. Economics of health in retirement is the harnessing of resources that are available within the environment or locality of a retiree for optimal utilization for healthy living [2]. Obviously, an employee in service has hope for monthly salary to meet his/her body needs but at retirement when salary ceases, such hope could be dearth.

Bohlander and Snell [26]; Bhagwan and Bhushan [47] and Maji [2] stressed that post-retirement is another phase of life that is associated with changes not only in income but physical fitness and health conditions. A retiree at the age of 65 years (and above) that is less in active service, by Nigeria's standard may be prone to old age sicknesses (like osteoarthritis, diabetes mellitus, hypertension, obesity, etc). It therefore becomes necessary for a retiree to think of how to cope with the body needs by harnessing and utilizing resources within his/her reach for healthy living during retirement. According to Nwachukwu [48] knowledge of this will enable an individual (retiree) to be an active participant in his/her healthcare. He posits further that a healthy eating plan can reduce the risk of developing hypertension, diabetes and lower an already elevated blood pressure. The following are tips for managing healthcare conditions during post-retirement:

a. Develop a dietary eating plan that emphasizes eating more of fruits fresh vegetables and plant products, low fatty foods, poultry, fish, moyin moyin, akara and less in-take of red meat, sweets, salt, sugar, beverages, processed or refined food products. In post-retirement and considering the age at that period, these food menus are recommended for longevity.

b. Post-retirement task should be done with ease and moderately. Trying to do much work at a time can leave you weak or damage your health at that old age (of 65 years +). Therefore, avoid any activities that will sap your energy.

c. Warm up with a low impact exercise like walking, jogging, swimming, running, cycling, dancing, recreation, playing table tennis, golf and the like. This can improve body image, fitness of the heart and lungs and very good in the management of hypertension.

d. Visit your Doctor/hospital regularly to check your blood pressure (BP), blood glucose, etc. At post-retirement this is very necessary. Besides, most hospital do not even charge for checking a patient's BP.

e. In addition, all health-conscious individuals (including retirees) can possess medical kits like blood pressure machine, glucometer for measuring blood

pressure and sugar level on their own (with significant doctor's or other health workers monitoring) respectively.

f. Drink plenty of fluids. When doing any activities, sweating means you are losing fluid and this has to be replaced. Water is usually the best choice.

g. Take rest and sleep when getting exhausted. Allocate time to observe these. Remember that a little relaxation goes a long way in boosting your energy level.

h. Participate in self-care programme that could promote self-cleanliness e.g. personal and environmental hygiene.

Policy Recommendations

The following policy recommendations are made to address the challenges faced by the retirees in Nigeria:

1. Government should strengthen the regulatory and supervisory framework and empower it to successfully and effectively check earring pension fund administrators in the country. This will no doubt improve social security delivery for the retirees and prevent event of seeming financial anomaly.

2. Employers and government should organize timely, adequate pre-retirement orientations/seminars/workshops for their workers in order to save the country the embarrassment of seeing their retirees going to early grave or turning into destitute on the streets.

3. Employees and retirees should be encouraged to invest in shares and real estates so that at retirement they can earn additional income to supplement their pension income at retirement.

4. As a way of preparing for life after retirement, the retirees and employees are encouraged to invest in themselves by self-sponsor to retirement seminars and workshops where the employers and government are failing to do so.

5. Workers in addition to the new contributory pension scheme should also hold life Assurance Policies and embrace Retirement Annuities. This will no doubt encourage self-reliance in post- retirement.

6. Government should establish a National Public Services Rehabilitation and vocational centre to provide a series of skills acquisition training and counseling programmes for workers about to retire from active service. In addition, government should mandate and empower the centre to reward retirees with concrete achievements and excellent character. This will encourage all serving public officers to work hard with dedication, loyalty and honesty.

7. The issues of regular medical check-ups should not be over- looked since retiree may be prone to old age sicknesses like hypertension, obesity, diabetes, osteoarthritis, etc.

The authors are of the opinion that if the precautionary advice and recommendations are adhered to, retiring workers would have a pleasant and fulfilling retirement life.

Conclusion

Retirement without planning is likely to result in total failure and frustration at the point of retirement. Therefore, necessity rest on every employee to begin to

consider the issue passionately since life at retirement can be blissful or painful depending on the level of preparedness and planning. Whichever way, the choice is yours. It is obvious that the pension reform Act 2014 is a key component of the general economic reform implemented by the federal government. The present state of the pension market has reflected the extent of government political will and commitment to ensure the successful implementation of the scheme. This paper commends the effort of the government for establishing the Army Resettlement Centre at Oshodi, where soldiers who are about to retire are trained in one handicraft or the other, such as, tailoring, carpentry, soap making, refrigerator repair, etc, with the purpose of getting them skilled in one trade or the other in order to get a means of livelihood after retirement. It is hope that more of this kind of resettlement centre will be establish for other paramilitary officers and civil servants across the country. Finally, we are confident that with the effective implementation of Pension Reform Act 2014, the stories of pain and death associated with payment of pension and gratuities to retirees will be a thing of the past.

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