

**AN ASSESSMENT OF RETIREMENT CHALLENGES IN NIGERIA  
PUBLIC SECTORS**

**(A CASE STUDY OF SOKOTO STATE)**

**BY**

**ISMAILA ABUBAKAR BINJI**

**ADMISSION NO 16220904007**

**A RESEARCH DISSERTATION SUBMITTED TO THE POSTGRADUATE  
SCHOOL, USMANU DANFODIO UNIVERSITY, SOKOTO, IN PARTIAL  
FULFILLMENT OF THE REQUIREMENT FOR THE AWARD OF  
MASTERS DEGREE IN PUBLIC ADMINISTRATION**

**APRIL, 2019**

## **DECLARATION**

I Ismaila Abubakar Binji declare that this research work and the data here in are to the best of my knowledge original and gotten from my research effort and they have not been submitted to any other university for examination.

---

Students Signature

---

Date

## **CERTIFICATION**

The dissertation title “An assessment of the retirement challenges in Nigeria public sector, a case study of Sokoto State by Ismaila Abubakar Binji, meets the regulations governing the award of master degree in the department of public administration, of the Usmanu Danfodio University, Sokoto and have been approved for its contribution to knowledge and literary presentation

---

**Professor M.U Alti**  
Supervisor

---

**Date**

---

**Associate Professor, Sanusi Ahmad**  
Head of Department

---

**Date**

---

**Professor B.B Kasim**  
Dean, Faculty of Management Science

---

**Date**

---

**External Examiner**

---

**Date**

## **DEDICATION**

I dedicate this research work to my entire family for their support and prayers during the course.

## **ACKNOWLEDGEMENTS**

I thank the Almighty Allah (SAW) for sustaining me and for giving me the courage and good health to see the end of my master degree in Public Administration and this research work.

I wish to express my gratitude and appreciation to my supervisor, Professor M.U Alti, whose constant guidance, unconditional help and expertise made it possible for me to chose this topic and able to successfully complete my research on it. It was a pleasure working with him.

My special gratitude goes to the lecturers. Whom I had the chance to attend their classes and learn from their experiences and knowledge. In this regard, I thanks, professor B.B Kasim, Dean Faculty of management sciences, Head of Dept, Associate Professor, Sanusi Ahmad, Dr. Nura Abubakar Allumni, Dr. Ibrahim Tanko, Professor Nasiru, Yauri of Business Admin Dept, Associate Professor A.S Junaidu, Dr. Tukur Baba of Political Science and that of Professor Sulaiman Kura of Political Science.

I say to Hajiya Amina Yusuf Garba, MON MNIM, Registrar, Sokoto State University, words cannot describe enough my profound appreciation for your immense contribution and guidance may Allah continue to provide you with all that you desire.

My warm gratitude goes to the management of the Sokoto State University, for granting me the permission to pursue this master degree in Public admin

My brothers and sisters from within and outside the state, I thank you for your contribution and prayers during this period. Worthy of thanks are my course mate of this programme colleagues and well wishers, I thanks you all for your support and prayers.

## ABSTRACT

*Retirement has many financial, health and emotional effect. In many developing countries, older people are poorest members of society. This study aimed at assessing the retirement challenges with a view to making appropriate recommendation to improve the quality of life during retirement. The study was conducted in Sokoto State. The need to plan, adopt and implement strategies to ease the pain and challenges associated with life after retirement. The survey method was adopted and one hundred and ninety (190) questionnaires were randomly administered to retired professional and non professional retirees in Sokoto State. Data collected were categorized and coded. The data were analyzed using simple percentage and CHI-SQUARE statistical techniques. The study revealed that most of retirees retired as a result of their attainment of the prescribed length of service or age limited. The implication of retirement is that, after retirement, the retirees will be unhappy, dejected, feeling, inferiority complex as a retirees, low self esteem in the community, regretted retiree from public service, and inability to contribute to the society. Furthermore, the study shows that there are inadequate government retirement programmes equipping retirees interms of ability to plan and set up new business after retirement, in order to take care of themselves and family, the study recommended that retirees should encouraged to invest in asset and financial ventures so that at retirement, they can earn additional income from these asset and financial ventures to supplement their pension income and they should embark on continuous education and skills acquisition and training as way of preparing for life after retirement.*

## **TABLE OF CONTENT**

### **Chapter One General Introduction**

- 1.0 Introduction
- 1.1 Background of the study
- 1.2 Statement of the problems
- 1.3 Objectives of the study
- 1.4 Research questions
- 1.5 Hypothesis of the study
- 1.6 Significance of the study
- 1.7 Scope of the study
- 1.8 Limitation of the study
- 1.9 Organization of the study

## **CHAPTER TWO**

### **Literature Review**

- 2.1 Introduction
- 2.2 Definition and concept of retirement
- 2.3 Forms of Retirement
- 2.4 The origin of retirement
- 2.5 Preparation towards retirement
  - 2.5.1 Retirement counseling
  - 2.5.2 Financial Planning
  - 2.5.3 Retirement expectation
- 2.6 Challenges facing retirees in Nigeria

- 2.7 Causes of Retirement Challenges
- 2.8 Effect of Retirement
- 2.9 Factors that Influence Fulfilling retirees
- 2.10 Retirement & Pension Policy
- 2.11 Problem facing retirees
- 2.12 Theoretical Frame work

## **CHAPTER THREE**

### **Research Methodology**

- 3.1 Introduction
- 3.2 Research Design
- 3.3 Instrument of Data Collection
- 3.4 Population
- 3.5 Sample and Sampling Technique
- 3.6 Pilot Testing
- 3.7 Data Analysis
- 3.8 Method of Testing Hypothesis

## **CHAPTER FOUR**

### **Data Presentation and Analysis**

- 4.1 Introduction
- 4.2 Data Presentation and Analysis
  - 4.2.1 Test of Hypotheses



## **CHAPTER FIVE**

### **Summary Conclusion and Recommendation**

5.1 Introduction

5.2 Summary

5.3 Conclusion

5.4 Recommendations

REFERENCES

APPENDIX

## **CHAPTER ONE**

### **1.1 Background to the study**

Life comes in stages and each stage of life throw up its own challenges and opportunities and among this stage of life is the retirement phase which comes after one has actively engaged his time in work as an employee over a period of time. According to Akinboye to everything there is season a time to born, a time to die; a time to plant and a time to pluck up that which is planted. Therefore a time to work and a time to retired and also a time to plan for retirement and a time to harvest that which is planned during retirement. Retirement in the public or private organization is a n official and formal ending of a work life. It is a transition from active involvement in the world of work to active world of leisure.

The retirement means different things to different people while some person views it positively and awaits it with happiness. Other have negative perception about retirement as absolute that stage of life with boredom, economic suffering, ill health and death; such individual experience a sense of lowliness and loss of status retirement is a necessary end which every worker must anticipate, whether in the public sector or private sector (Onoyas 2013).

As a result of unpreparedness, many have faced a lot of psychometric problems and some exhibit psycho-phobic reaction. Today, civil servants in both

public and private sectors in Nigeria perceive retirement as the most intractable problem (Abdullahi 2002). Since the retired population are part of the society and considering the recent growth of population of retirees, their welfare should constitute an issue of national importance and not to be treated with levity.

Ending a career is a big void in human life, career provides human with money for livelihood and makes their lives meaningful, peaceful, and inner creative joy, it saves people from the dullness and boredom of life because it put their energies to a proper use since unused energies create disorder and make human physically unhealthy and mentally unhappy. The inevitability of ageing has made retirement a natural normal phenomenon in the world of work, the importance of work lies in the fact that it determines the social and economic status of an individual and influences, philosophy, attitude, dressing, behavior and also belief of an individual. However, despite the magnitude of work to individual and wellness of the society in general, work is inexhaustible to individual, hence workers must disengaged from work (retire), therefore, retirement is a stage in life that is normal for any worker (public or private) that do not die in active service must undergo. Therefore in many ways, starting retirement is like starting a new job, there are new things to learn, new rules and regulation, new opportunities and challenges. There is the tendency to face new personal and lifestyles issues, as well as majors financial

realities. Retirement is seen by workers as a transition that could lead to psychological and economic problems (Ogunmbaremu & Bamiwuge, 2004).

Retirement is an age-long practice in both private and public sectors (osula, 1985) furthermore, it is a major stage in adult development and it essentially marks the split from middle years to old age. Additionally at age 60, our mental and physical exuberance dwindles. It however become rational to relieve the person of some strenuous and excruciating duties that may weigh him/her down and consequently threaten his health. However, relieving one of his duties means the individual will no longer earn income and associated benefits, which would otherwise have been enjoyed in active service, there is therefore the need to understand theses upcoming issues and plan well to mitigate certain negative event, in order to enjoy a more successfully retirement.

According (2009) Retirement should normally be a period of rest from the stress and exertion from work, when one spend most of his time with family, with old school mate and of course in bed. Again spend 30-35 years working for salary, one would normally be expected to have laid a foundation for financial stability, with pension income acting as backup (Asamoah 2012). Continuity theory maintain that retirement will be stressful for many people as a result of discontinuity in a central and important role and suggest that there will be an overall decline in wellbeing after retirement(foster and Moris, 2012) furthermore this theoretical model suggest

that, if people are to make a successful transition to retirement, they should maintain the post-retirement as they did pre-retirement in order to preserve existing internal and external structures older people to adopt strategies to maintain this continuity and stay connected to their past experiences (Atchley 1971)

The today is however not what we expect, most of our senior citizen who have retired are either poor, psychologically unsound, and medically unfit, the only major sources of income for some is monthly pension salaries or lamp some benefit that they might have been entitled to at the time of retirement. This package is only a percentage of what they use to earn as monthly salaries in active service. According to 2011/2012 world security survey report the major risk faced when an individual reach old age is poverty or income insecurity due to loss of ability to earn income whether partially or completing (Atchley, 2013 P).Economic difficulty might be a principle factor for mal adjustment among retirees, in the reality of Nigeria situation, inflation has eroded the value of the currency of Nigeria, that is it could be safety that the amount being paid as pension is inadequate and is not usually paid on time (Olatunde &Awosusi, 2011) pensions are significant in peoples lives because they are meant to alleviate poverty and destitution, stervart & Yerno (2009) indicate that pensioner play an important role in poverty alleviate of the elderly. One of the most vulnerable group in any society.

## **1.2 Statement of the problem**

Retirement is intended to be a period in a person's life where he/she is no longer working due to old age. Retirement age differ from one country to another depending on the prevailing economic and life expectancy of that society, retirement days are expected to be looked at with great anticipation and anxiety, probably because of the uncertainties regarding the future. It becomes a threat to many who may not have known what to do with their lives after retiring (Nsirmobi & Niwedi 2005) A handful of people are able to reduce or overcome such fear by taking a realistic look at how well one is prepared for the event. Retirement is full of uncertainties; job loss, interpersonal problems, self esteem, loneliness, and identity are engulfed in the uncertainties in the retirement.

During retirement, retirees experience interpersonal problems in the form of loss of social control, complete or near complete lack of contact between the retirees and the society he/she use to be now become problematic. The individual become isolated from the occupational world, friends, and relatives, from the occupational staying home for many hours with no conversations with family, which becomes the norm. They are withdrawn from social contact to the extent that they feel no longer needed.

### **1.3 Objectives of the study**

1. To determine whether or not civil servants effectively plan for retirement
2. To assess the extent to which retirees experience undue delay in receiving their entitlement
3. To determine whether the new pension scheme is more effective than the former in addressing the challenges of retirement in the public sector organizations
4. To examine the extent to which the transition from role to non-role status affect the wellbeing of retirees

### **1.4 Research Questions**

The following research questions will guide the study

1. Do civil servants effectively plan for their retirement?
2. To what extent do retirees experience undue delay in receiving their entitlement?
3. Does the new pension scheme effectively addressing the challenges of retirement in the public sector organization?
4. Does the transition from role to non role status affect the well being of retirees?

### **1.5 Hypotheses of the study**

For the purpose of answering the above research questions, the following null hypotheses were formulated.

1. That civil servants do not effectively plan for retirement
2. That retirees do not experience undue delay in receiving their entitlement

3. That the new pension scheme does not effectively address the challenges of retirement
4. That the transition from role to non role status does not affect the wellbeing of retirees

## **1.6 Significance of the study**

This study will be a significant endeavor in promoting work in the assessment of the retirement challenges in public sectors, the outcome of the study could be beneficial to the students, organizations, as well as Sokoto State government in decision making, as far as pension administration and issues related to pension are concerned. By understanding the plight and pleasure of pensioners, both the pension administration institution and government will be guided into taking decision and formulating policies.

It will also serve as future reference for the researches on the subject of retirement in public sectors.

## **1.7 Scope and limitation of the study**

This study will focus on retirement challenges in the public sectors however due to resources and other constraints, this study will be limited to retirees in Sokoto State.



## 1.8 Definition of terms

**Retirement:** Is an inevitable stage of ageing where the individual gradually disengage from the main stream of active work, social work and eventually replaced with younger ones.

**Retirement** refer to as the time an employee reaches the end of his working life

**Public sector:** Is usually comprised of organization that are owned and operated by the government and exist to provide services for its citizens

**Public sector:** The public sector of an economy is the sector that provides a range of governmental services, including infrastructure, public transportation, public educations, healthcare, police, military service, and etc.

**Challenge:** The action or instance making a judgment about something the act of assessing something appraised

## 1.9 Organization of the study:

The research is organized according to chapters, with sub-heading in each chapter, the chapters are numbered one to five as follows.

- The first chapter will elaborate the introductions comprising the background of the study, statement of the problems, objectives of the study research

questions, hypothesis of the study, significance of the study scopes and limitation, definition of terms and organization of the study.

- The second chapter will seek to review the related literature of the study which have authored by the other researchers
- Chapter three will show the method used in the study it include introductions, research design sources of data, unit of analysis, population, sample size, sample techniques, questionnaire and data analysis.
- Forth chapter will seek to analysis the data collected through administration of questionnaire and interview

The last chapter summaries key findings recommendations and the conclusion of the study

## **CHAPTER TWO: Literature Review**

### **2.1 Introduction**

Introduction: This section will present a review of related literature. It will present options and counter options as well as the position of authorities in the field of political economy and development studies. The research will critically examine the input generated through book, journals, magazines periodical and other sources of academic information in the light of methodology, conclusion, and environment variability.

### **2.2 Definitions and concept of retirement**

Retirement it is a transition from the active involvement in the world of work to active world of the leisure. Denga (2010) noted that retirement is the longest vacation and it is a pleasurable experience retirement can simply be explained as a situation where an individual is formally or officially stopped from active work role. Work is the means by which an individual is formally or officially stopped from active work role. Work is the means by which an individual can achieve improvement of self either materially, intellectually or physically. Work is a basic need in human life work provides money, regulates life activities, gives a sense of

purpose, removes boredom, provides status and stimulates interpersonal relationship with others. Akinloye (2002) enumerated that work gives opportunity to control it afford the individual the opportunity to generate goals the worker is given the opportunity to like his skill work gives variety to life, work enhance the individual financial status, it afford him physically and social security. It gives the worker the opportunity for interpersonal contest it places him a valued social status, and it nurtures creativity.

Adamolekun (2001) stated that when retire from the active work role, they clearly cut off from the benefit derived form the work culture hence some psychological, economic, social and even health problems may occur, without challenging work, man is bound to be unhappy, lonely and terminally depressed.

Retirement signifies that detachment from the primary activity in business, industry or activates service as full time employee. It can also conceptualized as a process that separate an individual from job role according to Atchely, (2005) retirement is said to be as the act of stopping ones regular work especially because

one has reached a particular age, the event of retiree or state of having retired from work.

Omoresemi, (2001). Argue that the causes of the detachment or separation is done to old age, poor health, social pressure, or apathy.

Retirement is the act of retiring or of leaving one's job, career, or occupation permanently, usually because fage, numbers of years and on the ground of ill health, or accident. According to Wikipedia retirement is the point where one disengages completely from occupation, business or from office. Retirement is a multifaceted social phenomenon retirement signifies the detachment from customary activity in business, industry or activate service as full time employee (Morris, 2011), thus Igwe (2000), defined retirement as the termination of the service of an individual when he or she is no longer capable of rendering effective service.

Retirement life demand great managerial ability it has been a pleasant post-retirement life style would have to device effective means of managing some

challenges inherent in retirement. It has been posited by Kolawole and Mallum, (2004), that the typical retirees in Nigeria setting is confronted with the challenges of managing optimal goal accomplishment (Abdulkareem, 2004) counseling between the counselor and the counselee. According to Oniye, (2004), it is a helping relationship based on trust.

However, retirement is a complex social pattern that touches the lives of almost everyone (Akinade, 2006, & Atchely, 1976) Akinade (2006), defined retirement as a final stage of life when one leaves an occupation which one had been involved in for a considerable length of his or her working life. Career (2004), perceived retirement as meaning “occupational death” as contrasted with biological death, which is terminal. Olayinka and Omegun, (2002) insisted that retirement connote the physiological atrophy which unavoidably accompanies an active life, which must take lace in a workers lifetime without work there is no retirement. The most workers the mere though of retirement is stressful, dreadful, frightening, and depressing kemp and buttle, (2005) observed that retirement is a

transfer of one life to another and that many people suffer from shock and sense of the deprivation during the early period of their retirement.

Akinade, (2006), Haris & Cole (2009), and Carp, (2002), claimed that retirement could mean termination of a pattern of life and transition to a new one which always involved radical charges. Interest, value, association, work and social aspect of life. Nonetheless retirement like work does not have the same meaning for all individual. For some, it is a realization of a life goal and represents the happiest time of their life while for many other it is a time for bitterness and frustration. Which ever way retirement is conceptualize it is seen as a final stage of life a worker leave an occupation which he/she had been involved in for considerable length of the employees adult or working life and the course of type of retirement determines the retirement can not be underestimated a lot of civil savants who does not plan for retirement experiences trauma, and stress in their retirement. Billings, (2004), further asserted that sudden and unplanned retirement has adverse that sudden death, and leads to mental disorder, reduced social participation, unsatisfactory living arrangement and depression.

Retirement stress is a major problem of retirees, Omolabi (1990) assert that the factors influencing the nature of such stress facing retirees include; perception of retirement, available social support, satisfaction at work, personal life style, income during retirement, health status, of then retirees, family background and individual personality type.

Retirement: Action or fact of leaving one's job and leasing to work from the study retirement was considered to be a stage in one's career life when they are required by la and employment contact to exit from their formal career engagement on account of their age I could also be occasional by one's health personal retirement is views as an imperative stage in human improvement everywhere throughout the world, individual who arrange their retirement well ahead of time alter well to retirement, and they are probably going to experience it is a special first night stage in which they are very dynamic or may experience a R and R (rest & retexation) period of recovering from the burden and strain of business (Odu 1998).

Retirement is a move from the universe of work into a universe of less through work action and rest, particularly in regard of retirement because of maturity or



long years of administration (Belsky, 1990) in numerous creating nations, retirement has not been because of maturity or long administration, however it is additionally been because of a chop down in cost in the generals population and private division of the economy and to political elements. (Adeoye& Legbara) retirement nervousness by its tendency, include fears and stresses over the eventual fate of the person as an after effect of the discontinuances of dynamic working life. It include expect that more often than not come about because of progress.

According to Maletle & Oliver (2006), retirement is a period of transition during which one leaves a known way of doing and being unknown territory and may experience significant feeling of and associated grieving. Furthermore, the retired individual may also be subjected to the ageist stigma. Ravined (2003), charlossberg & pare (1998), Johnson etal (2000) and the berg (2004) all suggest that retirement can be a liberation, an opportunity to finally realize project kept on the proverbial backburner during one's active professional life (as cited in Mallele & Oliver 2006, P, 32).

Asamoah (2012) also affirmed that retirement may also be viewed as a state (no connection to the labour force or to a life-long occupation), or as a process of gradually reducing labour forces activity, masters (2009), was of the view that

retirement was initially as a straight forward concept until such a time that dynamics of population growth and industrialization made the concept a broad spectrum that encompasses several factors and conditions (as cited in Asamoag, 2012, p24).

Retirement has many consequences on different aspect of life, such as the financial situation, the allocation of time, social relation as well as physical and mental health, furthermore, these changes are likely to affect individual well-being in various ways (Bonsani & Klein 2011). To retire means to stop working (Berny, 2010), However this conventional definition hide significant discrepancies, the meaning of retirement is usually bound up with the receipt of pension which is precisely why retired people are frequently referred to as “pensioners” Retirement like other transition prompt many individual to become at least temporarily introspective. To add to that, at such times they may question their value, past professional and personal accomplishment, current life situation and how to live the rest of their live (Malette & Oliver 2006) there may also be an increased sense of urgency compared to other transitional periods, given an increased awareness of one’s mortality (Nadeau, 2003).

Retirement is regarded as an important stage in human development, all over the world people who plan their retirement in advance adjust well to retirement, and they are likely to go through it as a honeymoon phase, in which they are quite

attractive or may go through an “Raw R (Rest & relaxation) phase of recuperating from stresses and strain of employment (Odu, 1998).

According to Buckley (1974) retirement is an inevitable stage of ageing where the individual gradually disengages from the main stream of active service, social work, and is eventually replaced with the younger one's (cole 1997) sees retirement as the time an employee reaches the end of his working life. Shea (19910 and Maisamari(2005) remark that retirement is an aged long practice in both public and private service, many people especially those who never thought of retirement as necessary often looked dejected, frustrated and depressed when suddenly they found themselves retired.

Retirement is the point where a person stops employment completely, a person may also semi-retire by reducing work hours. Many people choose to retire when they are eligible for private or public pension benefits. Although some are forced to retire when physical condition don't allow the person to work anymore (by illness or accident) or as a result of legislation concerning their tenure. Germany was the first country to introduce retirement in the 1880s.

In Nigeria the statutory retirement age is dependant on the sectors, for instance, it is Sixty Five (65) years or thirty five (35) of active working service for staff of tertiary institutions other than professors. Those on the professional cadre retire at

the age of 70 irrespective of years of service, in the same vein, the non academic staffs of tertiary institutions retire at 65 irrespective of years of service, it is also, to be noted too that judges at the court of Appeal and Supreme Court level, retire at 70.or 35 years of active service of unbroken active service which ever came first (FRN 2014) However, the 35 years of active service is not applicable to the workers in the private sector. According to Onyi (2004, which ever way retirement comes, it tend, to emphasis separation from job with concern for the future.

### **2.3 Forms of Retirement in Nigeria**

Retirement can be of different forms, in Nigeria, three major forms of retirement are identified in the Literature (omore-semi, 1978; Denga; 1996 Nwajagu, 2007, Okechukwu and Ugwu 2011) they are voluntary retirement, compulsory retirement, and mandatory retirement.

- a. **Voluntary Retirement:** Occur, when the individual decide, to quite active service for personal reasons irrespective of age, experience, length of service or retirement policies, this type of retirement depends more on the employee than the employer.
- b. **Compulsory Retirement:** Is a situation in which an individual is forced or compelled to retire against the individual's expectation and when he is ill-prepared for it. It is usually viewed negatively in that it is unplanned for. Okechukwu & Ugwu (2011) identified reasons for compulsory retirement to

include inefficiency, old age, ill-health, indiscipline; this retirement is in the interest of the organization.

- c. **Mandatory Retirement:** is the normal (or expected form) in the sense that the person involved has reached the statutory age of retirement as specified in the conditions of service.

In Nigeria, the current retirement is guided by the Federal government public service rule (2008) which state clearly that.

- i. The compulsory retirement age for all grades in the civil service shall be 60 years or 35 years of pensionable service which ever is earlier.
- ii. No officer shall be allowed to remain in service after attaining the retirement age of 60 years or 35 years of pensionable service which ever earlier.
- iii. The provision of (i) and (ii) of the rule is without prejudice to prevailing requirement for judicial offices and academic staff of tertiary institutions of learning who retire at 70 and 65 years respectively.

## **2.4 The origin of Retirement in Nigeria**

Nigeria is one of the developing economies in Africa, with a population of over 170 millions people According to Federal Civil Service Commission of Nigeria the population of Federal civil servants in Nigeria was 120, 226 as at October 2017 (Federal Civil Service Commission of Nigeria) although, that the aggregate

researcher, it is possible that the aggregate figure of State worker across the country be more than the Federal workers.

According to World Bank, retirement counseling comes into forms, Financial and Non Financial. Accordingly, these can be so valuable. Financial counseling focuses on basic-saving and spending plans, benefit contribution schedules.

Non-Financial counseling addresses a range of psychological and practical issues surrounding retirement, such as coping with the loss of identity, pursuing “bridge” jobs, exploring volunteer possibilities and discussing housing issues for aging employees and other employee assistance programme can help worker cope with unique work place challenges to keep them productive and happy in their jobs.

Retirement counseling is also interested in sanitizing prospective retirees and retired people about issues bordering on the effect/ stress or problems of retirement (Wilson & Aggrey, 2012) for example, in the study carried out among some Nigeria retirees, Omoresemi (1987) revealed that retirement directly affects the income, residence, family structure or relationship between member of the family as well as economic viability of retirees it must however be stated that, those who retire voluntarily or those who prepared adequately are more better than those who are compulsorily retires (Adeloye 2000).

Retirement in Nigeria is usually welcomed with a sense of uncertainty (Iyortsom & Akpu sugh, 2013) it is usually associated with risk, especially among the civil

servants, retirement is perceived as a transition from the known to unknown. Scholars like Adewuyi, 2008, Ali 2014, Garbs & Maman 2014, Onyi 2015 stress retirees experience before they are able to access their benefits and entitlement from either government or the pension managers. (Tnaaja & China, 2013) the researcher also observed over six years that retirees in Sokoto State are made to go through rigorous screening exercises on the regular basis, some of these exercise on the regular basis, take more than a day and retirees may have to be on queue at the venue for several hours.

Occasionally, media report do have news of how some retirees collapse and lead them to die at the screening exercise venue at the end of the exercise, hey might still be paid to their pension and gratuity immediately.

## **2.5 Preparation towards retirement**

A sweet and enjoyable post retirement life demands that certain capital or income generating production/service outfit(s) be put in place before retirement, every striving worker in the 21 century should know that the Nigeria economy is facing serious challenges hence there is need for preparation towards retirement planning strategies to combat and manage the impending pains and stress in retirement. Retirement preparation should not be over looked by any worker considering the fact, in Nigeria is the first stage in the retirement management process. The need to

be prepared and plan for retirement in conformity with the organization policy cannot be over emphasized. Eyibe (2000) stressed that planning ahead will enable an individual to look at all the factors that have bearing on the life in retirements and pursue the realities from the on-set. The mind to plan in the first place is enough social security for post retirement living, when this is done, it makes the future a better place to live and it helps to increase the chance of the longevity of the retiring officer.

Preparation makes retirement meaningful in the sense that the retiring officer will no longer rely on traditional family arrangement for livelihood, income and other forms of social security provision at the post retirement in the other word, in addition to the government pension plan, workers should also make every effort to have their own pension plan.

**2.5.1 Retirement Counseling:** Retirement. Counseling is the process of providing prospective retirees with factual information needed to make a pleasant transition from world of work into the world of less rigorous occupational schedule-retirement (Wilson & Aggrey, 2012), there is the need to review all insurance policies, management of personal income during retirement, explanation of the retirement process, general information about social security.



**2.5.2 Financial Planning:** Jahns, (1976) asserted that those who planned more extensively for financial needs during retirement we the stronger financial security. Kim etal (2005) reported that those who calculated their retirement funds needs Hassan & Lawrence (2007) also reported that those who planned for retirement were more likely to contribute to the pension plan

Financial Literacy is “the ability to read, analyze, manage and communicate about the personal financial conditions that affect material well-being (Vitt etal 2000 pg1)

**2.5.3 Retirements Expectation:** while policy makers and researchers often conceptualize retirement as a one time complete withdrawal from the experiences of only half of the retires.

(Maestas), 2005, Cobb-Clark & Stillman 2006 were of the view that examining retirement expectations can help assesses the extent to which this transition reflect voluntary versus involuntary behavior, which in turn has implication for the well-being of the older individual.

## **2.6 Challenges facing retirees in Nigeria**

Planning and Management stage: As a result of their unpreparedness many have faced lots of psycho somatic problems and some exhibit pschphobic reaction, civil

servant in public sectors of Nigeria perceive retirement as most intractable problems.

According to IBTC Pension manger (2008), retirement planning as an exercise the world over is fraught with many challenges, Nigerian civil servants are especially challenged by low levels 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.

**2.6.1 Corruption at the pension Board:** despite the several moderation of retirement benefits for the workers in Nigeria pension fund has been characterized by outright corruption and embezzlement and corruption manifest in different shade and colour.

**2.6.2Physical Disabilities and Aging :** According to Semone (1973), recounts that the worst thing about getting retired and or becoming old is not getting sick but recovery the dehumanized looks of others. Coile and Philip (2009) in Okan (2013) revealed that in many developing countries, including Nigeria old people and referred person currently constitute minority group within socio-cultural system which are begins to be characterized by a good deal of “youth worshiping”

these 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 behavior and traits are stereotype and regularly depreciated and devaluated by the dominant group.
- Discrimination by the Society: Retired persons are usually subjected to discrimination design intrinsies.

In Ageism, Ageism refer to the systematic stereotyping to discrimination against people because they are old this is becoming a real phenomenon in the Nigerian Society. As observed by Udo (2012) reflect that people who manage to old generally recognized the awareness that the present socio-cultural and socio-political circumstances in Nigeria are destroying them.

**2.6.3 Domestic Violence:-** Domestic violence is another challenge to retirees, here domestic violence refer to control by one partner over another in dating, marital or live in relationship the means of control include physical, sexual, emotional and economic abuse, threat and isolation retirees face many obstacle in trying to end the abuse in their lives through most are able to psychological and economic entrapment physical isolation and lack of social

support, religious and cultural values, retirees are subjected to internal domestic violence with their family members

**2.6.4 Sudden Death:** Another n issues that come to mind regarding challenges to retirement is sudden death in service or as well as death during retirement. Here retirement act provide that where a contributor dies during employment the balance on his RSA will be transferred to his known beneficiary named in the will, which is his or spouse, children, next of kin, or the administrator of estate as determined by the pension.

## **2.7. Causes of Retirement Challenges**

Retirement makes a major life change for many people the income, status, responsibilities, activities and social relationship associated with the work environments suddenly change are the cause of retirement anxiety to world be retired officer (Adisa 2003), Ode (2004) sees the following as some of the major causes of retirement anxiety.

- a. **Time Management:** Because most of the retirees find it difficult to manage their time especially where they cannot be meaningfully engaged, retirees tend to engage in habits which may be determines to their well-being this, the pre-retired workers have to find alternative ways of being fully engaged when they are retired.

- b. Total dependency on present salary: currently, it is becoming increasingly difficult for the average Nigerians workers to make end meet because of inadequate wages and inflation retirees are not exception in this situation their expense may even be worse as the little amount received by them as a pension may not be paid on time. Consequently, retirement (which may not have been planned for in most cases) is accompanied with some psychological problem or anxiety.
- c. Problem of serving residential accommodation: the problem of quitting official quarter for rented apartment after retirement is also a major concern of most prospective retirees as most Nigerian workers are unable to build their own houses before retirement. An Akinade (2006) note that is frustrating not has a roof over pones head in retirement.
- d. Ignorance of what to with pension salary prospective retirees need to think about what to do to invest their gratuity in some viable ventures before retiring. Unfortunately, the pension and gratuities are not paid immediately after retirement and so some lost on what to do. Some are ignorant and so some lost on what to do. Some are ignorant of their personal qualities interest, talent, habit, lifestyle, drive and etc. thus, the prospective retirees need to make sure that they acquire enough knowledge, skills, ideal, qualifications and the like from their place of work before retirement. For

such knowledge and skills will enable them to find what to do after retirement in the public or private sector to be an entrepreneur or small scale industries.

- e. Attitude of friends and family: The attitude of friend and family play an important role in the retirement decision from a research report carried out at Aladaja Delta State of Nigeria by Ode (2004), it was observed that retirement affect the income, residences, family structure in relationship between the members of the family as well as the economic viability of retirees.

## **2.8Effect Of Retirement Challenges**

Retirement challenges by its nature involve fears worries about the future of the individual as a result of the cessation of active working life it involves fear that usually result from change. According to Adebayo (2002) change is inevitable but most people tend to resist change because it is not always convenient.

- a. Anxiety over finance: Money is the major determinant of what an individual does in retirement money is needed for payment of bills that hither to were taken care of by the office, bill such as electricity, water, telephone, security, house help, driver, the visitors, and medical bills are great challenges which may result in stress and frustration. Consequently high blood pressure for some retirement workers.

- b. Challenges in managing health: Health according to the world health organization (W.H.O) (2019) is being in a state of complete physical, mental, and social well-being. It is not merely the absence of diseases or infirmity thus retirees, tend to face serious challenges in managing the health especially because of inability to do the constant exercise such category of retirees might experience some physiological illness such as stomach ulcer, heart disease, hypertension and a pressing tendency to commit suicide.
- c. Not planning for retirement: statistic have shown that 90% of the retired persons look miserable, confused and helpless (Ndama, 2004) as a result of lack of pre-retirement planning or improper pre-retirement planning. According to Ndama (2004), ten percent (10%) of those who retired, who are living well and probably in high spirit and are able to maintain their status quo are those who planned ahead retirement. Thus an unplanned retirement create some avoidable problems notable among which are; some of boredom a condition of financial anxiety distress, loss of contact with colleagues and feeling of classification and unfilled life.

**2.9 Factors that influence fulfilling Retirement:** scholars have identified some determinates of a satisfying post retirement challenges. According to finding from studies concluded on the factors that stimulate post retirement challenges satisfaction sound health, and regular income top the list. Adedokun (2010)

Ali(2014) Fapohula (2015), Quick and Moen (1998), explicated factors that could positively influence a fulfilling a post retirement years these include.

- i. **Adequate Material resources :** This refer to the status aspect of the retirees life at the retirement (Ali 2014 Fapohunla, 2015 Goodman 2013, Garba & Mamman, 2014) Ali (2014) Quandagno (2005) argued that this is the most salient determinant of the positive perception and attitude to retirement.

This aspect of life defined what a retirees is capable of achieving financially and what he or she is able to do physically. For instance, a strong financial based helps retirees to live in the environment of their choice and maintain their preferred life styles.

- ii. **Sound Health is a predicator of retirees happiness:** This is one of the most consistent finding in retirement studies. (Adedokun, 2010; Ogbebog 2011) good health in the post retirement years is perceived as a predictor of a retirees happiness retirees are capable of directing the affairs of their lives at anytime when they are free illness.
- iii. **Nature of Retirement;** Satisfaction in retirement is also dependent on the manner of a retiree exit from service voluntarily retired individual are more fulfilled than those who were compiled to retire (Ali, 2014; Ogbebor, 2011) these often a polar distinction between the mindset and preparedness of a



voluntarily and compsorily retired employee while the former mind is made up for retirement the later experience a sudden exit from service, some time, triggering a shock.

- iv. **Family Status:** According to the Quandagno (2005) married retirees are happier and able to transit to the retired status with less stress. This she perceives as a resultant effect of the emotional attachment between couples Quandagn, however was silent on the retirement satisfaction in relation to couples in troubled marriages.
- v. **Sufficeint and Timely Retirement Planning:** Studies by Adwuyi (2008) Akpan MK (2011), Ali (2014), Quandagno (2005) and many more have shown that retirement planning is the strongest determinant of satisfaction in the post retirement dies, while many workers have financially plan towards their retirement a few among them plan for the social aspect of retirement is crucial for employees to plan and be at ease with social activities they can afford after retirement.
- vi. **Freedom to choose how to retire:** In Nigeria the mandatory age of retirement page down workers choice of determines when and how he or she retire. Barners Farrel (2003), Argues that the privilege to determine the timing of one retirement has a great effect on experiencing satisfactory retirement.

- vii. **Perception of Retirement:** How individual perceive retirement determines to an extent the degree of satisfaction they will derived from retirement. A positive perceive of retirement is important to living a satisfying life after retirement (Adeokun, 2010; Akpankpuk, 2011).

**2.10 Retirement and pension policy in public sector:** during retirement a retiree public officer usually receives certain benefits in the form of gratuity and pension. Gratuity is the sum of total lump paid to a worker on existing from the service either through withdrawal or retirement, while pension is the sum of annuity paid periodically, usually monthly to a public servant who disengage from the service after attaining a specified age limit usually 60years-35years of active service

In the other words, gratuity and pension are post employment benefits, these benefit are designed to prevent a sudden sharp drop in the financial capacity and living standard of the worker as world happen with the stopped of his monthly salaries and allowances after retirement or disengagement the lump sum or gratuity he is paid is meant to enable the retirees France any post-retirement endeavor of his choice while pension replace the monthly salary the retirees get while he was still in active service . In this way the retiree having spend a substantial part of his productive life working to earn a living, can in his old age that is a retirement, sustain and maintain standard of living comparable to what he was used to while in

active service. It is based on this that most progressive government enact laws to back up their policies on employment, retirement, and pension in both public and private sector of the economy.

The first pension legislature in Nigeria was enacted in 1951, referred to then as the pension ordinance. Although the ordinance was promulgated in 1951, it has retrospective effect from 1<sup>st</sup> January 1946. At the attainment of independence the section 171, 208 and 309 of the constitution of the Federal republic of Nigeria Decree 12 of 1989, stipulated to protection and regulation of the gratuity and pension right if employees in the public service of the local, State and federal government levels and this, constitute primary sources of pension laws and regulations in the country the major statutes and statutory regulation for the management and administration of public service pension currently in force in Nigeria include.

1. Pension Decree No 102 of 1979
2. Armed Force Pension Decree No 103 of 1979 enacted by the various State government present to a presidential directives.
3. Local government staff pension board edict enacted by the various State government pursuant to a presidential directive

**2.11 Problem Facing Retirees in Nigeria:** Many retired civil servant in Nigeria are experiencing negative and different changes that come as a result of cessation of active work life (Adelokun, 2010; Akpankpuk, 2011, Fapohunda, 2013). Due to pervasive of retirees exposure to risk and poverty in the first retirement. Retirement researchers in Nigeria have carried out several studies in this regard. Several overlapping challenges have been discovered Garba& Mamman (2014) identify the problems of retirees in the country as including among others, the problem of planning ahead of the retirement. Several employees retire without tangible planning some of them entered the retirement phase devoid of any financial or material savings and acquisition to fall back in frustrating and untimely death. Garba& Mamman, However observed that low incomes among civil servants in the country. Coupled with heavy family (Including extended family) responsibilities are unfavourable to saving and retirement planning among the employees in the country.

## **2.12 Theoretical Framework**

This study adopted three theories that are relevant to the subject matter of the study. A framework that guides the study was in these theories, the theories explain the disengagement challenges.

- i. **The activity theory;** The activity theory was pronounced by Robert Havighurst in 1961 in reaction to disengagement theory. This theory stand on the premises that elderly individuals experience utmost happiness when they actively engage in meaningful social interaction and activities . In this way, elder people remain active members of society as they age gracefully. According to Vicky (20150, elderly people could engage either scholarly or physical activities as long as they kept active as they get older.
- ii. **Conversation of resources theory:** This model was developed by Steven Hobful in 1989, the conversation of resources theory 9COR) argue that human being worry over factual and observed threat therefore they work towards acquiring and returning prized resources. These resources refer to anything people perceive as valuable they could be in the form of
  - Object: These include food, cloths, investment
  - Conclution: Like employment status, reputation, good health leadership position
  - Personal characteristics: These include self-confidence, self esteem, skills and
  - Energies which include acquired knowledge and time.

iii. **Multiple modes of livelihood approach:** Multiple mode of livelihood (MML) as put forward by Abdul Raufu Mustapha in 1991, is the third approach to explaining the nature of adaptability employed by Nigerians, Chamber and convey (1992) conceptualized multiples modes of livelihood in the following ways.

“ A livelihood comprise the capabilities asset,, (stores, resources, claim and access0 and activities required for a means of living a livelihood is suitable which can cope with and recover from stress and shocks, maintain or enhance its capabilities and asset and provide sustain bale livelihood opportunities’ for the next veneration.

From the above definition, livelihood is a coping strategy employed by individuals, a group or society to eliminate or alleviate stress. According to Mustapha (1991) multiples modes of livelihood refer to means household, devise for the purpose of survival during period of economic insufficiency, pressure and hardship they are means employed by people to gain additional earning through additional jobs or other ventures.

- a. Means of generating additional earning to augment inadequate income.
- b. In Nigeria context, multiple modes of earning for sustenance go beyond individuals and societies cooperate organization have implied and societies

cooperate organization have imbibed the culture of seeking out other means of generating funds for continuous existence.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter deals with the techniques that are applied in conducting the research it covers introduction, design, population of the study sample and sampling technique, instruments for data collection, and method of data analysis.

#### **3.2 Research Design**

Research design was described as a clear specification of what is being studied and determination of the best way to accomplished it. Therefore research design is a blue print or plans for obtaining information to achieve the research objectives and goals.

The current study adopted a cross sectional quantitative research design as an effective mode of determining and describing the relationship between one thing (an independent Variable) and another (a dependent variable) in a population. Intangible factors such as behavior, feeling, reactions, opinion, social norms which are quantitatively described to provide accurate and valid representation of factors or variables that were relevant to the research questions to allow the researcher to



timely gathering of information and study individuals in their natural environment without using artificial experimental design.

In another stance the quantitative research design was assumed to provide a room to researcher to employ a quantitative descriptive statistical ways in analyzing the data obtained from the self-administered questionnaire distributed to respondent and also simplified statistical presentations of the study findings.

### **3.3 Instrument of Data Collection:**

The Instrument used for data collection is questionnaire forced choice questions were asked. The questionnaire was classified into two sections, A&B section A deals with the personal data of the retirees, these include gender, age, marital status, academic qualifications, section B assessed the retirement challenges faced by retiree in the Nigerian public sectors.

### **3.4 Population of the Study**

The target population of the study consists of retirees and pensioners of the Sokoto State Establishment and Pension Board, the choice was because they are directly involved and have depth knowledge on retirement challenges and its consequential effect.

Presently the population of retirees in the pension board is about 2000.

### **3.5 Sample and Sampling Techniques**

It is all agree that, since it is not possible to deal with whole population in research. There were need to identify a portion of the population called a sample. The sample represent the actual characteristics of the whole population convenience sampling was adopted to select 190 retirees to constitute the sample of the research

### **3.6 Pilot testing**

In order to ascertain the mechanics of the study in relation to the answering the questionnaire, a pilot test was conducted on a few individual (non pensioners) to test comment and point out any problems with the test instruction, as well as instance where there was lack of clarity and typographical errors and issues, this help fine-tunes the instrument for reliable results.

### **3.7 Data Analysis**

Statistical product and service solution (SPSS) version seventeen(17) is used to analyze the data, which list be screened, coded, and entered into SPSS software for further processing and analysis, descriptive statistical techniques which include Average, Bar charts, cross tubation and frequencies will be used in the analysis.

### 3.8 METHOD OF TESTING HYPOTHESIS

In order to test the hypothesis formulated, CHI-SQUARE method is employed as it good for testing the validity of the hypothetical statement especially the relationship between two or more variables the CHI-SQUARE is given by

$$X^2 = \sum (f_o - f_e)^2$$

Fe

Where  $X^2$  = Chi-Square

$\Sigma$  = (Sigma) Summation

$f_o$  - Frequency Observation

$f_e$  - Frequency expected

$$f_e = \frac{R_y \times C_y}{G_T}$$

Where

$f_e$  = observed frequency

$R_f$  = Row total

$C_t$  = Column Total

$G_t$  = Grand total

Also, the degree of freedom (df) of the hypothetical statement is given by the following formula

$$Df = (c-1)(r-1)$$

Where

Df=Degree of freedom

R= Numbers of row

C=Numbers of column

Degree is however, determined testing on 0-5% level of the significance i.e 0.05

## **CHAPTER FOUR**

### **DATA PRESENTATION AND ANALYSIS**

#### **4.0 Introduction**

Data gathered in the course of the research is presented and analyzed in this chapter, hypothesis posited in also tested using chi-square technique.

#### **4.1 Analysis of responses to questionnaires**

A total of 190 questionnaires were administered while 183 were duly filled and returned, which represents 96.3% rate of return.

**Table 4.1 Gender of respondents**

<b>Background Characteristics</b>	<b>Frequency</b>	<b>Percentage%</b>
Male	121	66.1%
Female	62	33.9%
<b>Total</b>	<b>183</b>	<b>100%</b>

**Source: Questionnaire administered, 2019**

The table shows that 121 (66.1%) of respondents are males while 62 (33.9%) are females. This indicated majority of respondents are males.

**Table 4.2 Age of respondents.**

<b>Age</b>	<b>Frequency</b>	<b>Percentage%</b>
30-39	9	53%
39-49	35	19%
49-59	69	38%
60-70	70	38.3%
<b>TOTAL</b>	<b>183</b>	<b>100%</b>

**Source: Questionnaire administered, 2019**

The table shows that 9 (4.3%) of respondents are between (33-39) years old, 35 (19.12) are between 39-49 years, 69 (37.7%) are between 49-59 years while 70 (38.30) are between 60-70 years old.

**Table 4.3 Respondents years of service**

<b>Years of service</b>	<b>Frequency</b>	<b>Percentage%</b>
1-10	13	7.1%
11-20	12	11.5%
21-30	41	22.4%
30-35	108	59.0%
<b>Total</b>	<b>183</b>	<b>100%</b>

**Source: Questionnaire administered, 2019**

The table indicate that more than 13(7.1%)respondent had worked for 13years 12(11.53) for 11-20 years, 41(22.43) 21-30 years while 108(59.3) worked for 30-35years.

**Table 4.4 Educational qualification of respondents**

<b>Education</b>	<b>Frequency</b>	<b>Percentage</b>
SSCE	23	17.5
OND/NCE	100	89.5
BSc BA. Bed	40	22.4
Master degree & above	10	5.5
Total	183	100

**Source: Questionnaire administered, 2019**

This table showed that 100 of respondents (89.5%) of the exit the service with almost OND/NCE as their highest educational qualification 22.4% of the retired respondents has either BSc, BA. Bed as their highest education qualification 5.5% of retired respondent has master degree & above before they exit the service them finally 23 respondents (17.5%) showed that retired civil servants of these categories exist the service with SSCE which minimum qualification for Nigeria public service. Therefore in essence, this table showed that most of retired civil servant in the state exit service with either OND/NCE as their higher educational qualification.

**Table 4.5 Respondents Social Status**

<b>Social Status</b>	<b>Frequency</b>	<b>Percentage%</b>
Excellent	20	11.5
Good	30	22.4
Normal	133	66.3
Bad	-	-
<b>Total</b>	<b>183</b>	<b>100%</b>

**Source: Questionnaire administered, 2019**

From the table, majority of respondents 133 (66%) were in normal with social status before retirement, 20 respondents (11%) rated their social status as excellent after retirement while 30 respondents (22%) rated social status after retirement as good.

**Table 4.6 On whether respondents have planned for retirement**

<b>Options</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	40	20%
No	143	80%
<b>Total</b>	<b>183</b>	<b>100%</b>

**Source: Questionnaire administered, 2019**

From the table 143 (80%) of the respondents said that they do not planned for their retirement, while 40(20% )of the respondents did planned for their exit from active service, in order to enjoy a better life after retirement.



**Table 4.7: On whether respondents experienced undue delay in receiving entitlement**

Options	Frequency	Percentage
Yes	147	74%
No	36	36%
Total	183	100%

**Source: Questionnaire administered, 2019**

The table shows that 147 (74%) of the respondents experienced undue-delay in receiving of their entitlement while 36% respondent state otherwise.

**Table 4.8: On whether the new pension scheme is effective in addressing challenges of retirement**

Options	Frequency	Percentage
Yes	53	24%
No	130	76%
Total	183	100%

**Source: Questionnaire administered, 2019**

From the table 53 (24%) explained that, the new pension scheme has not address the challenges of retirement, while 130 (74%) of the respondents included that no new pension scheme has not addressed the challenges faced by retirees.

**Table 4.9: on which transition from the role to non-role status affect respondents wellbeing**

Options	Frequency	Percentage
Yes	120	82%
No	63	18%

Total	183	100%
-------	-----	------

**Source: Questionnaire administered, 2019**

From the table above, the view of the 120 (82%) respondents stated that, transition from the role to non-role status lead them to stress, ill health, frustration, loss of social status in the society, while 63(18%) of the retired respondents stated otherwise.

**Table 4.10 Respondent's view about the process of assessing retirement papers**

Option	Frequency	Percentage
Very Quick	11	4.7%
Quick	13	5.7%
Normal	20	11.5%
Slow	120	60%
Very Slow	20	11.5%
Total	183	100%

**Source: Questionnaire administered, 2019**

**Table 4.11**

**On respondents source of income after the retirement**

Option	Frequency	Percentage
Social Security	5	6%
Pension fund	150	71.0%
Saving	10	5%
Investment	14	8.3%
Post-engagement	4	5.7%
Total	183	100%

**Source: Questionnaire administered, 2019**

The table above, express that 150 respondents (71%) of the retired of civil servants in the state their major source of income after retirement is monthly pension, they were repaid on pension fund to take care of their responsibilities 8.5% of the respondent their main source of income is from investment which they have had invested before exit from service 5.5% also their main source of income is from saving of money 2.5% of respondents their major source of income is from social security while the 1.98% of the retired civil servant in the state their major source of income is from post engagement employment, that contract with other organizations.

**Table 4.12**

**On whether respondents main source of income meet their personal obligations.**

<b>Option</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	20	11.5%
No	163	89.1%
<b>TOTAL</b>	183	100%

**Source: Questionnaire administered, 2019**

The table show that an overwhelming majority of retired civil servants in the state, their main source of income were not help them to meet their personal and family obligations, while 11.5 % of the respondents of retired employee agree that their main source of income help them to cater their needs.

## TEST OF HYPOTHESIS

### Hypothesis No 1

Hypothesis 1 states that civil servants do not effectively for retirement. To test the hypothesis table 4.6 will be used, it is reproduced below.

Table 4.7 On whether respondents planned for retirement

Variable	Yes	No	Total
Yes	40	-	40
No	-	143	143
Total			183

Source: questioner administered 2019

The table is converted into contingency table as follow

Fo	Fe	Fo-Fe	Fo-Fe <sup>2</sup>	(Fo-Fe <sup>2</sup> )/Fe
147	57.5	49.5	245.25	43
36	18.20	11.52	20.48.	11.52
				83

Expected frequency=  $183/2=37.3$  for table value  $(x1)^2$

Df=K f (a) 0.05 probability level

Where df= degree of freedom

K=No of cases

I= Constant

Therefore, def =2-1=1

Therefore  $X+2= 3.84.16$

### Decision Rule:

Null Hypothesis (Ho) should be rejected and alternative hypothesis (H<sub>1</sub>) accepted if the calculated value of CHI-SQUARE is greater than table value of CHI-

SQUARE the reverse should be the case if  $X^2$  is less than  $X_{t^2}$ . Therefore, we accept the alternative hypothesis which state that effective planning help to reduce the retirement challenges and stress.

## Hypothesis No 2

Hypothesis 2 states that civil servants experienced delay in receiving entitlement. To test the hypothesis table 4.7 will be used, it is reproduced below.

Table 4.7 On whether respondents experienced undue delay in receiving entitlement

Variable	Yes	No	Total
Yes	40	-	40
No	-	143	143
Total			183

Source: questioner administered 2019

The table is concerted into contingency table as follow

Fo	Fe	Fo-Fe	Fo-Fe <sup>2</sup>	(Fo-Fe <sup>2</sup> )/Fe
147	57.5	49.5	245.25	43
36	18.20	11.52	20.48.	11.52
				83

Df=K f (a) 0.05 probability level

Where df= degree of freedom

K=No of cases

I= Constant

Therefore, def =2-1=1

Therefore  $X_{+2} = 3.84.16$

**Decision Rule:**

The tabulated chi-square ( $\chi^2$ -tab) value for degree of freedom four (4) with assumed level of significant of 5% (0.05) is 9.488. The Chi – Square test ( $\chi^2$ -cla) in the table returned a result of 107. Since the table value of chi-square ( $\chi^2$ -tab) is lesser than chi-square calculated ( $\chi^2$ -cal) that is ( $\chi^2$  tab  $\chi^2$  - cal) we accept that alternative hypothesis, therefore, we agree that there is undue delay in receiving the entitlement of retiree's.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATION**

#### **5.1 Introduction**

This chapter outlines the summary of findings the research came across in the course of the study in relation to the problem of the study and objectives of the study. The summary would be charted by conclusion based on the finding in relation to the topic study and main objective. It will finally end with recommendation of the study and a conclusion.

#### **5.2 SUMMARY**

The main purpose of this study is to assess the retirement challenges in Nigeria public sectors. It has been stated that retirement is a transitory stage in human existence. It is a period in life when one disengages from the active work.

Retirement from full-time paid employment is a defining moment that makes the beginning of a life transition. All over the world, retirement is regarded as an important stage in human development changes in life requires adjustment in identity, thinking, feeling and action. People who plan for their retirement will advance and adjust well to retirement and they are likely to go through it as a honeymoon. With the above perception, this study assessed how retirees manage life after retirement and challenge, there in. From the findings it was observed that majority of the retiree's retired from service as a result of length of service or age

limit and retiree's do not make plan for their retirement, the implication for not preparing and make effective plan for retirement is that, after retirement, the retirees will be unhappy, dejected, having feeling of inferiority complex as a retirees, low self-esteem in the community, regretted retiring from public service, inability to contribute to the society and unsuccessful as a retiree.

Furthermore, the study showed that there is inadequate government retirement programme equipping retired civil servant in terms of ability to plan and set up new business after retirement to take care of self and family, ability to develop various investment plans.

### **5.3 CONCLUSION**

The following conclusion were drawn based on the finding of the study .

- It could be concluded from the study that, inadequate fund, managing mental health, managing a new and lower social status, inadequate planning for retirement and difficulty in time management emerged as a source of retirement challenges. If these findings are abated. It would influence the challenges of the respondents and assist them to cope with their new position as retirees.
- The study revealed that inadequate financial preparation no proper accommodation arrangement, limited knowledge on pension contribution, bureaucratic process, retirement not being costly contributing to fasters



ageing, leading to early death, contributing to loneliness, contributing to friend upon retirement and difficulty in adjustment retirees not having plans for what to do immediately after retirement, losing identity, having fear of dependants becoming a burden and becoming a burden as a retiree, as some of the challenges. If these challenges are resolved, the anxiety associated with retirement will be systematically reduced and the general perception of retirement will be improved.

#### **5.4 RECOMMENDATION**

- To enable employees to plan better for their retirement economic benefit, they should be encouraged while still in employment to invest in financial scheme such as cooperatives, purchase of government bond and company/cooperative shares income from sources such as these will enable their financial status during retirement.

- Retirement awareness unit to be set up in all states and moderated by the Federal, State and Local gov't it should design in such a way that there will be seminars and workshops from time for civil servants

The govt should increase workers salary to hedge the rising cost of living in Nigeria.

Finally through the effort of employers, workers and employee representative bodies should be given psychological counseling on prospective challenges posed by life in retirement and strategies of coping with emerged challenges.

- Effective Planning during retirement: planning adequately are determine how much your financial needs in retirement are very important. In planning towards this, one must gange his family responsibilities, State of health and expected life expectancy. For example. If you still have children, your financial needs will out strip those who do not. If you already live in your own house and will not rent during your retirement, then your financial needs will differ from someone who does not own a house.
- Expected income during retirement: For someone that planned, this could consist income from investment such as dividends, capital appreciation, vital income as well as pension and retirement benefit.
- That the retirees should establish business in the area of specialization: retirees should identify and start a post retirement business suitable to the retirees life style identifying and starting a business in ones area of specialization or where the retirees still is greater could be a veritable avenue to engage after retirement. Suggestion of such occupations include: Running a consistency service or business undertaking in your area of specialization: writing, editorial consulting; pursuit of hobbies into income, gardening,

farming, keeping of poultry, goat, etc, coach in sport dancing, drama, and contract job (where possible).

- That the retirees should Increase the financial stability: This could include working part-time in your former place of work; it could imply finding a retirement job that is new and interesting and will also help you to earn money.

## QUESTIONNAIRE

**Usmanu Danfodiyo University, Sokoto**

**Faculty of Management Science**

**Department of Public Administration**

My Name is **Ismaila Abubakar Binji**, a student at postgraduate school, Usmanu Danfodiyo University, Sokoto. Studying a master degree in Public Administration. I am currently undertaking an academic research whose title is “**An assessment of retirement challenges in public sectors**” please lend me few minute of your time to fill this questionnaire, it is strictly for academic purpose and all information provided shall be treated with maximum cautions and confidentially. Therefore please answer all the questions provided honestly as possible to the best of your knowledge.

### **Section A. Biography Data**

#### **1. Gender**

- a. Male      [   ]
- b. Female    [   ]

#### **2. Age**

- a. 30-39      [   ]
- b. 39-49      [   ]
- c. 49-59      [   ]
- d. 59-70      [   ]

#### **3. Length of Service**

- a. 1-10 years      [   ]
- b. 11-20 years     [   ]
- c. 21-30            [   ]
- d. 31-3             [   ]

**4. When did you retired from service**

- a. Date [ ]
- b. Month [ ]
- c. Year [ ]

**5. What is your household size**

- a. 6-11 [ ]
- b. 12-17 [ ]
- c. 18 and above [ ]

**Section B Assessment of retirement challenges in the public sector**

**6. Do you effectively plan for your retirement?**

- a. Yes [ ]
- b. No [ ]

**7. Do you experience undue delay in receiving your entitlement?**

- a. Yes [ ]
- b. No [ ]

**8. Does the new pension scheme effectively address the challenges of retirement in the public sector?**

- a. Yes [ ]
- b. No [ ]

**9. Does the transition from the role to non role status affect the wellbeing of retirees?**

- a. Yes [ ]
- b. No [ ]

**10. What is your social status in society after retirement?**

- a. Much Improved [ ]
- b. Improved [ ]
- c. Normal [ ]

- d. Deteriorated [ ]
- e. Very Deteriorated [ ]

**11.What is your main source of income after retirement?**

- a. Social Security [ ]
- b. Pension Fund [ ]
- c. Saving [ ]
- d. Investment [ ]
- e. Post-retirement engagement [ ]

**12.Does the main source of income help you to meet your personal and family obligations?**

- a. Yes [ ]
- b. No [ ]

**13.How would you rate the process of assessing retirement paper in terms of time in order to get your benefit. ?**

- a. Very quick [ ]
- b. Quick [ ]
- c. Normal [ ]
- d. Slow [ ]
- e. Very Slow [ ]

**14.Would you say that the pension offered inadequate to cater for you needs?**

---

---

**15.How do you utilize/manage your time?**

---

---

Thank you!

## REFERENCES

- Abawai, K (2013) "Retirement its psychological, management and counseling techniques. The counselor, 17(1) 98-104 Anthony M.(2006), the new retire mentality; planning your life and living your dreams at any age you want Chigaco ka plan.
- Asamoah A.A Sefakor, N (2012) Adjustment towards retirement or published thesis Kwame Nkuma University of Science and Technology Ghana
- Attah &Atchley, R-C (1988), "Social free and ageing" (5<sup>th</sup> ed.) Belmont,C. A. wadsworth
- Berry, C (2010) "the future of retirement" international longevity centre (ILC), UK
- Bmo Retirement institute report (2012)"Broadening the approach to preparing for retirement
- Brancati, CU Breach, B Franklin BB& Jone M(2015) Understanding journey expectations Vs reality, [WWW.cuk.org.uk/publication](http://WWW.cuk.org.uk/publication)
- Ebersole, P, Tonhy, T Hess, PC, Jett, K& Lnggen, A.S(2007), "Towards healthy Ageing, Human needs & nursing responses"(7<sup>th</sup> ed) st Louis; mosby.
- Foster, P&Marris, M(2012) "Successful transition to retirement in Australia" social directory, Vol 1 No,1,4,2
- Hassan, M-K &Sharri BL, (2007) "Retirement saving of the hip generation. A study of retirement preparation and challenges among individuals in public sectors organization south western economic review 34.1, 155+29

- Hurd, M-D & Rohwedder, S. (2008) "The Retirement consumption Puzzle actual spending change in panel data (NO. W13729) National bureau of statistics
- Ingram of associate counseling & consulting, (2017) challenges facing retiree's international labour organization, (2001), fact on social security
- Jahn S, I, (1979) An analysis of financial proportion of retirement or thesis of masters of science (economics) Texas university, U.S.A.
- Jonson, H. Borell, L & Sadlo, G (2000) Retirement an occupational transition with consequences for temporarily, balance and meaning of occupations journal of occupational services 7, 291-37
- Kumar, R (2005) Research methodology. Step by step guide for beginner London-England. Sage
- Mac BBean E. C (2007) "Retirement realities retirement just are not what it used to be" Journal of financial service professionals Pp 40-50
- Maestas, N (2005) "Back to work. Expectation and realization of work after retirement "journal of human resources 43(3) , 718-747
- Malette, J Oliver L. (2006) "Retirement & existential meaning in the older adult a qualitative study using life review counseling psychotherapy & health 2(1), 30-49, April 2006
- Ogunberemu, P (1989) "the possible crisis of retirement. Africa Gerontology. NO5 English Edition 21-35
- Ogunbaremu, O and Baminuye, S (2015) "Attitude towards retirement and pre retirement education among Nigeria public servants; Education gerontology vol30, No 5 PP 391-401



- Olatunde, A& Awosusi O.O (2011) Social economic impletion of retirement on retired public servants in Ekiti State, Nigeria Pp 79-83
- Omoresimi, D(1987) “Retirement, a real transition Kano. Abbos Education services publication
- Osborne, J, W, (2012), Psychological effect of the transition to retirement Canadian journal of counseling and psychological, vol 46 no 46, no 1
- Xian, J.J (1995) Pattern of Household financial asset ownership” University of Rhode Island.
- Xiao, J J & Malrontu, L (1994), saving motive & saving behavior of the elderly consumer interest annual, 40-146-163.