

**DETERMINANT AND IMPLICATIONS OF WORKING PAST RETIREMENT AGE
AMONG ADULT WORKING POPULATION IN GOVERNMENT PARASTATALS IN
SOUTH WEST NIGERIA**

Agboola, G. B. Ph.D

Department of Adult Education and Community Development
Ekiti State University,
Ado Ekiti, Nigeria.

Dr. M. O. Adedokun Ph. D

Department of Adult Education and Community Development
Ekiti State University
Ado-Ekiti, nigeria

Dr. C.W. Adeyemo

Department of Adult Education and Community Development
Ekiti State University,
Ado Ekiti, Nigeria.

ABSTRACT: *The study examined the determinant factors and implications of working past retirement age among working population in government parastatals in south west Nigeria. The research was prompted by growing apprehension of many would-be retirees about the poor pension scheme and ugly experiences of retirees among other factors which pre-mediated their unwillingness to retire voluntarily or as at when due. The population of this study comprised of male and female employees of government ministries and parastatals in south west Nigeria. A sample of 300 personnel was selected through multi-stage sampling procedure which covers male and female workers. A validated instrument titled 'Determinant and implications of Working Past Retirement Age Scale' (DIWPRAS) was used to obtain data from the respondents. The reliability coefficient of the instrument was 0.68, using Pearson Product Moment Correlation. The data collected were analyzed using descriptive statistics to analyze the research questions. The results revealed that the negative perception of traumatic feelings, isolation, worrisome experiences by present retirees and pervasive corruption in the pension scheme among others are the reasons why some employees defer their retirement. The result also indicated that men prefer working past retirement age than their female counterpart due to men's primary identification as economic provider. However, some experienced professionals are retained in workplaces beyond their retirement age because of their expertise and years of cognate experience. Appropriate recommendations were advanced in line with these findings.*

KEYWORDS: Determinant, Implications of Working, Past Retirement Age, Adult Working Population, Government Parastatals, South West Nigeria

INTRODUCTION

Retirement session, period or age is a time which most workers dreaded especially those engaged in public and private service who have a fixed time to leave their employment either on the premise of age or year of service? Letting go has a devastating effect on some people. They perceived it as a hostile act, whether it happens at a prearranged stage in life (i.e, at retirement) through voluntary or imposed redundancy, through an organizational political coup de d'etat, or through ill health (Manfred, 2003).

The fear of facing retirement early in life has made some young employees to alter their age at assumption of duty so as to have more years in service, while some who are on the job already tamper or alter their records so as to extend their stay on the job. It is noteworthy to observe that this retirement syndrome goes along with age of the worker or employees hence their bid to change it to enhance their longevity on the job. But little did some aging employees know that, reality of age advancement will definitely become obvious as a number of bodily changes present themselves ; dental problems, wrinkles, graying hair, balding, the need for glasses, hearing loss, weight gain, diminished bladder control, sagging breasts, loss of physical fitness and sexual problems.

Conversely, some employees look forward to their retirement, or others voluntarily retire from public service because of their advance plan of engagement after retirement. Some smart employees do start to plan for their retirement right from their first day of engagement at work, thereby making their retirement a smooth transition to another work phase. Retirement is more agonizing for leaders as relinquishing of power is especially difficult. The prospect of climbing down of the top of the heap and becoming a nobody holds little attraction for them as former president Ronald Reagan once quipped; "two weeks ago I went into retirement. Am I glad that's over! I just didn't like it. Took all the fun out at Saturday" (Manfred, 2003). The situation is worse in Africa continent as most of their leaders are often time forced out of office after expiration of their terms in office. It is equally important to note that most political office holders generally are retirees from either public or private service. Even at present, in Nigeria, members of the state and national assemblies, senators, governors and even the president are all retirees from the public service. Not until there is a fixed retirement age even in politics, it appears people see it as a leeway to sure prosperity after their retirement.

However, with the reform of the Nigerian civil service decree no 43 of 1988, retirement age has been put at 60 years or 35 years in service whichever come first. This is only applicable to personnels in the civil service and some private establishments with the exemption of people interested in politics or those who are in it already. Politicians have no definite retirement age in Nigeria context except when their health system could not cope with pressure of work again as a result of advanced age.

Worklife and retirement age phenomena

Work and activities generally are part of human existence and maintenance. Life would have been boring and passive without work activities in its daily appearance. Agunlana (2003) sees a role-

less person as heading to mental and physical illness and sometimes premature death, hence, he further asserted that “work is life and that idleness is a living death”. People always want to be busy for better part of everyday doing something to keep the spirit, body and soul active, hence the imperativeness of work in human existence. But the intensity of this work and other activities in individuals will decline and degenerate with age when the spirit and soul are willing in most cases and the body is always weak to carry on

Apart from the weak body system, there is also a ‘fiat’ in most countries of the world labour system called retirement age which puts a stop to ones active service in public and private practice. Akinlade (1993) defines retirement as a final stage of life when one leaves on occupation which one had been involved in for a considerable length of one’s working life. While Ode (2005) and Aigbekaen (2008) also sees retirement from work as the first life step that convincingly defines a person as old because it implies total or partial withdrawal from normal activities in business, industry or rendering of services. The issue of retirement defining one as been too old to work may not be acceptable as there are some individual workers that voluntarily retire from service before the retirement age for the purpose of engaging themselves in more profitable venture.

Ode (2005) identified three major forms of retirement, namely; voluntary or self-retirement, compulsory or forced retirement and mandatory retirement. The first one-voluntary retirement is a self-imposed one by the employee, the second- compulsory retirement is imposed at the instances of the employer or without taking the feelings of their employees into consideration, perhaps due to some prevailing factors like administrative reasons, decreasing efficiency, prolonged ill-health, indiscipline, economic recession etc, this is very common among the armed forces. While the third one mandatory retirement – occur when the employee has attained the maximum age of retirement (sixty years) or year of service (thirty-five years). In Nigeria context. There is a slight variation of sixty-five years for academics in tertiary institutions and seventy years for appeal court, Supreme Court judges and university professors in Nigeria. The retirement age is not peculiar to Nigeria alone but also to most develop and developing countries of the world, though with few variations in some nations which allows for flexible work arrangement.

The assumptions for workers retirement in most nations of the world is built on the following premise according to Denga (1992);

1. That workers within the age bracket 55 to 60 years have lower productivity due to loss of effectiveness as a result of old age or ill-health.
2. The persons within the age bracket experience widespread difficulty with occupational mobility, because at that age they feel less free to go on transfer or change jobs, because of immediate and extended family ties
3. The third assumption is that these old workers need to give way so that the young unemployed people can get job.

Though, there seems to be a paradigm shift in these assumptions as there are evidences which shows that senior citizen who remain active beyond the official retirement age are on average happier and healthier than those who don’t. Fengler and Koetti (2005) submitted that the world is undergoing momentous demographics shift majorly in Europe i.e the number of retirees (65+) is increasing while that of potential workforce (age 16-64) is declining rapidly. They also found out

that the nature of work has also changed; from predominantly “blue collar” jobs (many of which are getting automated) to increasingly “white collar” occupation which are less tasking physically. It was also observed by the duo that the assumed correlation between age and productivity is weaker in the new economy. Skills and productivity are not necessarily declining with age, but rather shifting especially those related to oral and written comprehension, expression and soft skills like emotional stability, conscientiousness and agreeableness, which are otherwise called “age-appreciating” skills.

This new trend of development are popular and in practice in the developed nations of the world like Europe and Asia where life expectancy is on the high side. Life expectancy in most developing nations (Nigeria in particular) is relatively low, which makes retirement a nightmare for those who are able to reach the age. Akonam (2002) enumerated some of the problem associated with retirement as follows:

1. Traumatic experience.
2. A time when individuals faithfulness and dependability begin to erode.
3. Mental health of ageing retirees is affected. Work is believed to have a therapeutic value and that without work, mental ailment ensues.
4. Retirement may cause physiological and emotional disorders like moodiness, erratic behavior, hypertension, stomach ulcer, heart disease and a pressing to commit suicide (Denga, 1996).
5. Accommodation problem for some who doesn't have one before retirement.
6. The physical and social changes that comes with retirement may reduce feelings of adequacy and self-worth.
7. Retirees are generally dissatisfied with the mode of getting their post-retirement benefits like gratuity and pension.
8. Problem of isolation and solitary life
9. Retirement particularly the compulsory or forced one may lead to some psychological effect such as disbelief or denial. Anger, anxiety disorder, depression, substance abuse and frustration (Ekoja and Tor-Ayiin, 2005)

These factors among others have been observed as reason why so many employees in developing and undeveloped nations will make conscious effort to work past retirement age so as to defer the unpleasant experiences that will definitely come one day if death did not occur.

Determinants of retirement deferment in public service

There are barrage of reasons why employees will want to stay beyond the retirement age or defer it if permitted, these reasons ranges from one country to another owing to prevailing situation in them. In the developed nation of the world, labour policy and work system there permits them to work past retirement or engage them in active service after retirement. Fengler and Koetti (2005) reported a momentous demographic shift from youthful group (15 – 64 years) to senior citizen work group (65 +). Also changing nature of work from predominantly “blue collar” (many of which are getting automated to increasingly “white collar” occupations, which are less tasking physically.

Indications from the report of Fengler and Koetti revealed that the labour system in Europe permits flexible work arrangement which allows for working past retirement age possibly because of the momentous demographic shift in their work climate.

AP-NORC Centre for Public Affair Research (2016) in a recent study revealed that a majority of the older population in the United States plans to work past the age of 65 or are already doing so, and a quarter of older workers now say they never plan to retire. For many, the decision to work longer is related to anxiety about retirement and financial concerns. This later reason is more of a general apprehension which is peculiar to developed and developing nations.

In Nigeria, it appears the situation is more precarious, as workers who are presently on the job see the agony and travails of their retired fellows. Akonam (2002) and Sulaimon (2006) submitted that workers are scared of retirement due to following perception and realities; traumatic experience, deprivation, bitter pill, an undercut on the economic viability of retirees, marks decline in social relationship, cause of some physiological and emotional disorders, accommodation problem, and solitary life among others. Workers are generally dissatisfied with the mode of getting their post-retirement benefits like gratuity and pension (Bukoye, 2005). The payment of these legal benefits are most times unnecessarily delayed and retirees may die due to stress in the process of travelling a long distances and waiting on queues to process their retirement papers or for other verification exercises.

More often than not, some retiree who do not own their own houses but stay in rented apartment, which they must vacate at retirement, are either exposed to societal ridicule or encounter financial difficulties in payment of house rent, while many retirees do not have the required capital to start up income yielding businesses in retirement (Etadon & Jimoh, 2012, Aigbekan, 2008, Onyemowe, 2006, Orhingur, 2005). Similarly, at retirement, retirees usually have difficulties in cutting down already-formed pattern of spending while in service (Olatomide, 2010 and Olatomide & Akomolafe, 2012)

The current economic recession ravaging the world over with Nigeria worst hit, have even made the plight of this tireless workers go from bad to worse. As many states in Nigeria are owing their workers salaries ranging from 5-12 months, this trend has further degenerated the condition of the unretiring workers which made them become more vulnerable with their prolonged service and also with no hope of post retirement entitlement if eventually they disengage.

These ugly scenarios among others are instrumental to why many workers work past retirement age which have a serious negative implication on workers generally, government and intending applicants for employment.

Statement of the problem

Observations and researches has shown that most Nigerian retirees are vulnerable especially those that did not plan well for retirement. Inability or delay in accessing their post-retirement benefits like gratuity and pension. Often time, leads to depression, shock and untimely death of many retirees. Owing to this ugly situation, the workers in active service prefer to delay their retirement if permitted, some may even supply false date of birth or alter their year of service to prolong their stay in service. Alternatively, some workers do arrange for contract appointment after their

retirement to engage them for another round of years after retirement. This study is set to investigate the determinants and implication of working past retirement age using adult working population in government parastatals in south west Nigeria.

To achieve the objectives of this study, the following research questions were raised:

1. What is the general perception of workers concerning retirement age?
2. Do workers prefer year of service to retirement age?
3. What are reasons for workers staying longer in service beyond their required time?
4. What are the implications of working past retirement age on stakeholders?
5. Which of the genders prefer working past retirement than the other

METHODOLOGY

This study adopted a descriptive survey research design to examine the determinants factors of working past retirement age and its implication on the entire citizenry and labour force. The study drawn on civil servants working in government, parastatals, as the target population. The sample comprises of 300 civil servants randomly selected in the six south west states in Nigeria (fifty from each of the six states)

A validated instrument tagged scale on determinant of working past retirement age (SDWRA) was used to obtain data from the respondents. The reliability coefficient of the instrument was 0.69 using Pearson Product Moment Correlation. The instrument was administered in the six south west states of Nigeria with two research assistants. The data collected were analysed using descriptive statistics. The results of the analysis are presented as follows;

RESULTS

Question 1: what is the general perception of workers concerning retirement age.

Table 1. Perception of workers concerning retirement age

	Worker's perception of retirement age	Frequency	Percentage
1	It has a traumatic experience	64	21.3
2	It is a time of self rule and freedom	33	11
3	Thinking of workless days brings mental and psychological torture	56	18.6
4	It is a well desired time because of my advance plan for it	42	14
5	My main concern is that of detachment and isolation	21	7
6	it remind me the ugly experiences and ordeals of present retirees	84	28
	Total	300	100

Table 1 indicates that majority of the present workers in government parastatals have negative perspective about retirement age, as 28% of the respondents are always been reminded of the ugly experiences and ordeals of present retirees. While 21.3% often think about the trauma of retirement, and another 18.6% are already imagining the mental and psychological torture they will go through without working. Another 7% of the respondents are also bothered about isolation retirement age will bring after their detachment from their regular social group.

Only 15% of the respondents are desirous of retirement age because of their advance plan for it, while 11% consider the period a time of self rule and freedom. This is an indication that majority of the workers will be willing to defer the day if permitted.

2. Do workers prefer year of service to retirement age or voluntary retirement?

Table 2: Workers preference of retirement mode.

Retirement mode	Frequency	Percentage
Years of service (35years)	127	42.3
Retirement age (60 years)	121	40.3
Voluntary retirement	52	17.3
Total	300	100%

Table 2 above reveals that most workers prefers year of service (42.3%) to retirement age (40.3%) while the remaining meager (17.3%) proportion of the respondents have the plan to retire voluntarily. This perhaps indicates that years of service which allows for more years than retirement age is preferred by workers, while only few workers have the plan of retiring voluntarily.

Question 3: what are reasons for workers staying longer in service beyond their required time?

Table 3: Reasons for deferment of retirement by workers

	Retirement deferment reasons	Frequency	Percentage
1	Loss of contact or social relation with colleagues	31	10.3
2	Feeling of dissatisfaction and unfulfilled life	14	4.7
3	Condition of financial anxiety	89	29.7
4	Feeling of boredom and isolation	46	15.3
5	Ugly ordeals of the retirees	72	24
6	Fear of becoming a nobody	48	16
	Total	300	100%

Table 3 above shows that condition of financial anxiety (29.7%) is the highest reason why employees tend to defer their retirement period. This is followed by the ugly ordeals of the retirees, (24%) which cause a great concern for the present workers who will later retire as well. Fear of becoming a nobody (16%) especially senior cadre or executive officer is another major reason why workers defer their retirement or even want to stay on the job permanently if allowed. Feelings of boredom and isolation (15.3%) and loss of contact or social relations with colleagues (10.3%) are other psycho-social reason for want to work past retirement age. While feeling of dissatisfaction and unfulfilled life (4.7%) constituted the lowest reason why workers may intend to stay beyond their normal retirement age.

The result implies that retirement deferment factors ranges from financial anxiety, to personal reasons and other psycho-social factors.

Which of the gender prefer working past retirement age than the other?

Table 4: Showing gender preference of working past retirement age.

	Yes	%	No	%	Total
Male	113	37.6	37	12.3	150
Female	59	19.6	91	30.3	150

Table 4 reveals that the male gender (37.6%) prefers working past retirement age than their female counterpart (19.6%). This is perhaps largely due to the fact that the male worker in a matrimonial setting is expected to provide financial support to dependants\ children and for lack of social security and good pension provision in Nigeria setting.

DISCUSSION

Perception of many workers as regard retirement age is that of a traumatic feeling, psychological torture, isolation and detachment, and the worrisome experiences by present retirees. Okechukwu and Ugwu (2011) and Anieto (2013) corroborated this as they concluded that retirement period is time of government indebtedness to many Nigerian pensioners who are owed several months of pension arrears with little or no hope for immediate payment. The provoking thought of facing the future creates an ambience of disturb among the working class. But only few workers with advance plan look forward to it or even voluntarily retire. Corruption in the pension scheme has become so pervasive that Denga (1996) noted in related study that the uncertainty and helpless condition of retirees bothers serving workers to the extent that some workers falsify their age and career records in order to postpone retirement date. Manfred(2003) also affirmed in his similar study that workers especially those in leadership/executive positions are saddled with depressive thoughts of becoming “a nobody” and loss of public exposure, contact, influence power and admiration often time made them prefer clinging on to power rather than confront these painful realities.

It was also revealed from this study that male workers prefer working past retirement age than their female counterpart as this is being interpreted as a reflection of men’s primary identification as economic provider in an ideal situation and women’s role as family caretakers (Detinger & Clarkberg, 2002)

Implications of working past retirement

In Nigeria context, with low life expectancy and the absence of pension arrangements, most workers continues to work until death (Wikipedia, 2011). This trend of work till death is not dignifying as there is need for a time to rest or relax and reap the benefits of long year labour. The restriction in the labour working age is to prevent an ageing labour force by allowing entrants of young-able-bodied for increasing efficiency (Ali, 2014). The implication of deferred retirement is prolonged worklife for some (old employees) and prolonged unemployment for young job seekers which implies inefficiency and reduced productivity especially in manual-related job instances or extremely stressful ones.

The depth of knowledge and expertise of some old employees may likely make them to be retained or work longer because of the difficulty of getting another replacement. Some employees are asset to their work organizations due to the value they add to the workplace in monetary and experience

pool. The labour system or law of some countries permits certain professionals to exceed the 65 years retirement age, as they believe that the older, the merrier and more profound they become. Instances of these are magistrate judge in the judiciary and professors in the tertiary institution settings whose retirement age extends to 70 years.

Conversely, the cost of managing chief executives or senior personnels that mostly have reached the peak of their career is on the high side compared to young and fresh recruits. An instance of this is university setting where the monthly take-home of a professor can conveniently pay five graduate assistant pay. In essence, if a professor is staying on the job beyond 70 years regardless of the premise of his/her stay, five fresh graduate assistants are been deprived of getting employment. Ultimately, employees that are overstaying on the job beyond their retirement age will definitely cause the wage bill to shoot up than the normal, this may likely have adverse effect on ability pay salary promptly and regularly in this time of economic recession.

POLICY RECOMMENDATIONS

Based on the premise of negative implications that deferred retirement is having on its stakeholders, the following are recommended;

1. Employers are encouraged to give pre-retirement education and entrepreneurial training programme to his workers from time to time. This will go a long way in preparing the employees towards retirement and also expose them to various stressless ventures and engagement which they can embark upon after retirement to keep them busy and economically viable.
2. Considering the past pension scheme's failure, government should allow for joint committee of government and workers to fashion out and agree on pension fund administrators and the accredited financial institution(s) that will manage their pension. This proposition will guarantee a sense of security and assurance for the intending pensioners in respect of their gratuity and pension after retirement.
3. As part of smooth transition to retirement, government being the largest employer of labour and other employers should put a scheme in place which will monitor and assist employees to partially commence the undertaking of their post-retirement endeavour. This arrangement will enables retirees to take official disengagement from regular career job due to retirement as a normal phenomena and move on with their life as planned.
4. Employees are enjoined to save certain percentage of their income on a monthly basis apart from the contributory pension scheme to avail them rest of mind immediately after retirement. This fund can also serve as a take-off fund for any venture they may likely want to embark upon, while they await their pension and gratuity after retirement

CONCLUSION

Working past retirement age is mostly borne on the premise that most would-be retirees are scared of the uncertainty and tortuous experiences that retirees are going through in Nigeria. It is majorly the financial needs or concern that makes most employees that are working longer than necessary do that among other reasons. It is therefore expedient for employers and employees alike to plan for the "rainy days" which will definitely come one day either planned or unplanned for. Government preparedness also will make the transition a smooth sailing.

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