

**UAS****Retirement in the 21 St Century: The Need for Retirement
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The paper gives detailed and concise historical background of retirement and expatiates on current trends in retirement. Here the paper gives various means through which employer of labour are trying to adjust retirement policy to accommodate the growing number of retiree. Furthermore the paper expounds on the concept and need for retirement education and justifies it as a significant tool in addressing the challenges of retirement.

Finally, it suggests the need to adjust and reform retirement rules to accommodate growing number of retiree and the need for further study on retirement.

Introduction

Active service year is usually the period in which an individual operates at optimal physical and mental level. At this period the vigour to pursue daily activity and performance as expected on designated duties largely depends on agility brought about by age. Nobody is indispensable, excellent job performance does not immunise an individual from retirement. In other words, retirement is inevitable. Thus, adequate preparation is necessary in order to have a successful retirement. To avoid disruption of continuity in the society that may occur as a result of sudden death, the society makes use of retirement as one of the measures to ensure orderly disengagement of people from work. In a nutshell, retirement is one of the means through which the society disengages people from their statutory duties without disturbing the normal and proper functioning of the society.

Accepting retirement can be difficult, especially when it is sudden or impromptu without adequate preparation in terms of alternate activity and particularly the loss of pecuniary influence and other job benefits. Consequently, in some situations workers find it

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cumbersome retiring at the appropriate time. Some are forced to leave while others retire with frustration, because they are not prepared for retirement. Some may end up with debilitating sickness like hypertension and stroke. Some live below the poverty line because of loss of finance; inadequate pension and gratuity that is constantly eroded by inflation {Help Age International 2003}.

For effective management of retirement, workers need to be acquainted with knowledge on how to prepare for retirement years before they retire. Therefore, there is the need for retirement education as retirement is inevitable. People in formal employment either public or private even self employed individuals need to plan for life after work {retirement} because owing to age and senescence disengagement from commercial activity will occur. Therefore, there is the need for constructive approach towards retirement .The goal of this paper is to bring into focus the concept of retirement education in order to bring an understanding for its rationale. This paper is an approach in that direction.

Retirement

Retirement is a twentieth century social institutions .It evolved as a result of industrialisation, surplus labour and rising standard of living. From the submission of Moody {1998}, retirement became possible only after the success of industrial revolution of 19 th centuries. The emphasis at this epoch was on speed over skills in the operation of machines that led to higher output. This favoured the younger people more than the older persons and retirement became a tool in achieving this. Historically, Prussian Chancellor Otto Von Bismarck introduced retirement, when he introduced 65 years as the age of pension. By 20 th century, many European countries began to institutionalise retirement. From the foregoing it can be deduced that retirement is formal and universal .It creates manageable exit from labour and is a form of regulation for demand and supply of labour-a convenient means of ‘pruning’ the labour force to allow new ‘shoot’ to grow.

Defining retirement is cumbersome. This is because workers do not make complete departure from employment by making partial departure from full time job either to work at part-time job, contract job and volunteering. While some in some cases pick up a new job entirely, especially, if they retire at a young age. Another

contentious issue in retirement is age .The age of retirement is dynamic and relate to nature of work and professions. For example, a military personnel joining the military service at 20 years can retire at the age of 45 after 25 years .On the other hand, professionals in sport retire early .An average professional player in soccer is expected to retire from mid thirties while academics are expected to retire at 65 or more. Even from cursory investigation a Professor does not retire, because you can only retire a professor but you cannot retire his /her brain. The suggestion is that retirement depends on a number of issues, and in defining it such issues such as; age and profession are parameters for definitions. Commenting on this ambiguity, Mutchler et al {1997} were of the opinion that retirement is somewhat blurrier as a life transition and probable several criteria are needed to constitute a working definition.

In an attempt to solve this ambiguity, Gendell and Sengel {1992}, identified two criteria for determining retirement. These are pension and diminished activity in the labour force at some advanced age for reasons other than health. Ekerdt and Deviney {1990} suggested the following as indications of retirement; Receipt of pension, total cessation of employment; departure from major job of adulthood and significant reduction in hours of employment. From the foregoing retirement is multifarious in meaning. However, what constitute retirement is one or more of the four criteria listed above .In this discourse, retirement is considered as: disengagement or relinquishment of an individual either voluntary, mandatory or for whatever reasons from his/her main income generating activity, with accompany loss of influence and associated benefit of the work. The definition encompasses those that are in formal and informal employments. This is because from submission of international organisations, such as Help Age International {2002} only 30% of world older persons are currently covered by pension. This connote that the two major phenomena in retirement are receipt of pension and /or gratuity and departure from major job of adulthood.

CONTEMPORARY RETIREMENT

Owing to a number of economy and other related factors in our present modern world, financing retirement in public and private sector is becoming cumbersome. Therefore, viable measure is

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needed to accommodate the projected large number of retiree. Meanwhile, there are measures that can be used in reducing number of workers that will qualify for retirement benefit.

One of such measure is downsizing. According to Moody {1998}, downsizing refers to letting go of employee through layoff and early retirement incentives programme. Downsizing is a common practise among blue chip company .It is done to restructure the labour force in favour of younger less costly and technological advanced workers.

From forage in to literature, generally retirement can be in any of the three forms. Voluntary retirement, when a worker on his own decides to retire out of choice. In voluntary is leaving a job as a result of ill health or accident. Mandatory retirement is when a worker retires after working for mandatory number of years according to the rule of the employee.

Retirement can either be early or normal the two are motivated by different factors. Early retirement can occur in one of these situations .For examples, the decision of a worker to retire prematurely before reaching the age of retirement or forced to retire before the stipulated years for retirement. In general a number of issues determine retirement in contemporary work force. These include the decision of a worker to retire rather than to face unemployment as a result of downsizing before spending the stipulated number of years for retirement. Williamson et al {1992}, identified others causes of early retirement as; health status, perceived retirement income, financial plan, peer group and family pressure and early retirement incentive packages. In his argument La Rock {1993}, state:

Psychological attractiveness of the work place
and strength of family ties is among the most
important factor that influence decision to retire.

From the submission above the working condition is a major factor that determines retirement. That is, the propensity to retire is highly determined by working condition and benefits at retirement. With a good working condition and retirement benefit the less likely workers will retire. However, when it is vice versa the higher the likelihood of early retirement .The assertion from the above is that working condition and retirement benefit are major determinant in taking decision on retirement.

On the other hand, normal retirement is when a worker retires at the stipulated age or spent the required number of years on a job. It involves official agreement and procedure to quit a job after the stipulated age or after a particular number of years. Though in some cases some workers do wish to stay longer on the job owing to influence, finance and psychological attractiveness of the work place, but the inevitability of retirement will not allow. Retirement whether in public or private sector remain an integral social institution and a major phenomenon in the life of anyone who has a means of livelihood and a means of reducing the number of his workers to a manageable number.

It has its advantages and disadvantages. On the positive side it gives enough time to people to engage in desired activity and opportunities for self fulfilment in later life. That constitutes a time of personal freedom, choice and control. On the other hand, it has its negative side. It increases the cost of running business as the private and public employees have to source funds to pay benefits to those who have stopped working. The pressure to pay and fund the pension scheme continues to increase because of the fact that there is an increase in the number of years spent in retirement and the number of retirees. It also leads to 'skill flight' as accumulated skills and experience of older workers that remain irreplaceable go with them as they retire. In addressing the problem of skill flight Moody (1998), suggested phased retirement in which employees gradually reduce their work hours or take longer vacations. Such an approach assists workers in acclimatising to retirement and it will allow employers the opportunity of using the experience and skills of older workers in coping with the abrupt departure of well-integrated workers. It can be deduced from the above submission that adoption of phased retirement will be beneficial to employers of labour in that it will assist in training new recruits into the workforce. This is because it will serve as a transitional stage for full retirement and will address 'skill gaps' which occur with the abrupt departure of older workers.

Furthermore, it will address ageism and allow intergenerational interaction in which the young workers will relate and share in the experience of older persons. This Buonocore (1992), describes as rich life experience embodied in proven, valued workers. Retirement in the

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contemporary term is becoming complex as a result of longevity, as more money is needed to finance retirement benefit. Consequently, the need to make retirement viable for retiree and the society in general call for urgent attention form all professionals .It has become an emergency that is vital to social change and development. Thus, the suggestion at this junction is the encapsulating retirement education that covers issues that will educate policy makers and retiree themselves on how best to handle retirement in our ever-changing social milieui.

RETIREMENT EDUCATION

Since this paper is an attempt in focusing on the need for retirement education, it is necessary to understand the kind of education. Retirement education falls under the ambit of adult education. Adult education generally refers to education for people that do not or have stopped attending school on regular basis. Adult education from submission of Sarumi {1998} has replete meaning. Commenting on adult education, Liverights and Haygood {1978} state:

A process whereby persons who no longer attend school, on regular and full time basis undertake sequential and organised activity with the conscious intension of bringing about changes in information, knowledge undertakings skills appreciation and attitudes for the purpose of identifying personal and community problems.

Defining adult education Omolewa {1997}, states:

Life long education. That is any type of education that could be provided for adults that will make them cope with the problems emanating from the fast changing social world order.

The definitions above portray adult education as a multidisciplinary subject, which has educational, vocational, remedial, aesthetic and cultural goals. Retirement education is adult oriented education. It contains information that will equip and bring conscious change to attitude and perception of people about retirement. Most importantly is to capacitate workers in coping with problems

emanating from retirement. Synthesis from submission of Ojeme {1988}, the ultimate aim of adult education is to help every man or woman to make the best of life by providing means of acquiring new skills and personality development. In the same vein retirement education seek personality development and self worth for retiree and assurance of quality life before retirement for workers. Retirement education is all encompassing it encapsulates the whole labour in that it is applicable to all categories of workers irrespective of qualifications and position. In essence, retirement education focuses on knowledge about retirement inorder to make it attractive and less cumbersome for workers in particular and to the society in general.

COURSE CONTENT

In relation to the discourse on retirement education the following are the suggested topics

- RETIREMENT
- RISK REFRAIN
- PLASTICITY
- FINANCIAL SECURITY
- HOUSING
- POLICY FORMULATION
- STRESS MANAGEMENT
- CAREER GUIDANCE
- VOLUNTEEING

RETIREMENT

Is to expatiate on what constitute retirement in relation to different individuals according to their profession and number of years in service.

RISK REFRAIN

-To intimate workers on the best measures to be taken in reducing financial risk before or at retirement.

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PLASTICITY

-It concerns the issue of retraining and exploring area of new opportunities on a job. This is necessary because skills acquired by older persons become obsolete. The teaching technique to be adopted is the discovery method. This will allow older persons to discover for themselves how to carry out a task make decisions actively and then receive immediate and corrective feedback.

FINANCIAL SECURITY

-The aim is to ensure workers' ability to meet financial needs at retirement.

HOUSING

- Helping workers to determine before retirement where they would live and giving information on how best they can become house owners before they retire.

POLICY FORMULATION

- It concerns redesigning retirement policy and practise in the public and private sector in order to ensure successful retirement.

STRESS MANAGEMENT

-Coping with everyday stress without it affecting job performance or retirement plans.

CAREER GUIDANCE

-Exposing workers to an appropriate and an alternative career after retirement.

VOLUNTEERING

- Helping on how best to contribute their quota to the development of their community without being inimical to them.

Human resources departments in private and public are to be responsible in organising retirement education. The above-mentioned topics are to be facilitated by professionals in relevant fields. The topics are to be facilitated through nonformal recreational education in form of seminars and workshop.

JUSTIFICATION FOR RETIREMENT EDUCATION

Owing to the inevitability of retirement it has become a necessity to know how to approach it. Furthermore since it is an integral part of the labour as an institution one-way or the other it affect workers. From cursory investigation workers normally become jittery of retirement because of its accompanying antecedents such as less income and loss of influence. This unconsciously affect attitude to work that hinders job performance. Collectively, this hampers labour development in the long term. These are expressed in age falsification, constant agitation for wage increase; lack of job commitment and embezzlement of resources as means of financial security to cater for shortfall in financial income in retirement.

However, with better understanding and knowledge of retirement the discomfort and fear either real or imagined about retirement would have been addressed in workers. This will reduce psychological stress that result from fear of what the future holds in retirement. In addition allowing workers to concentrate on their work and creating a conducive work psychic that will facilitate and enhance proficiency and improve job performance. The essence is eliminating the desperation of worker for personal gain to the detriment of their statutory duty as a result of the fear of retirement. From this perspective the best approach is educating workers on retirement as a means of ameliorating and informing them on its know how. Addressing 'fighting for economy space syndrome' that is tantamount to using one's office to selfish end at the detriment of the society.

The major concern in retirement is financial stability and avoidance of poverty. Success of retirement is based on economic status that determines the quality of life in retirement. Though economic status is not an end in itself but it constitutes a major factor in determining satisfying life for retiree. According to Hooyman and Kiyak {1991}, satisfying life for older persons or retiree largely depends on retirement benefits. In sum ensuring successful retirement rely heavily on financial accessibility of retiree. In other words financial stability is paramount in retirement because one major consequence of retirement is reduced income, which, if not addressed will result in poverty or near poverty for older persons that constitute majority of retirees. Giving credence to this, Help

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Age International report on poverty in 2003 asserts that many older persons live in poverty. Retirement education becomes necessary because most retirees are older persons and as number of older persons is increasing so also the number of years spent in retirement will increase. This is to have multiplying effect on the economy, as more money will be needed to pay retirement benefits. Such include increase in tax and extension of retirement age all these will have negative effect on workers as they will have to pay more and work longer.

The modern world has divided an average human life into three major segments, first, the period of education that defines the transition into adulthood from youth, second, the period of adulthood when an individual engages in active means of income generation according to capability and training, thirdly and finally, the stage of retirement that marks the transition from middle life to old age. According to Foos and Clark {2003}, as a result of increase in life expectancy and coupled with early retirement people are to spend more time in retirement than ever before. This becomes delicate, as risk tolerance is very low. Consequences of financial and other risk on retiree and on older persons can be severe because recovery can be very difficult if not totally impossible. Here retirement education is to expatiate on financial risk, suggesting means and methods of avoiding and reducing any form of risk close to or at retirement.

Retirement education is also to enlighten the society of the need to engage the residual productivity power of older persons {retiree}. At the same time availing retiree the opportunity to continue contributing and offering their wealth of experience when necessary to the society. Such opportunity is bound to revamp self worth and confidence formally provided through employment.

The argument at this point is human nature value productivity, which is defined in terms of paid employment. From this perspective retiree are not productive. Addressing this, retirement education is to promote productive ageing defined by Caro et al {1993}, as any activity by an older individual that produces goods or services, or develop the capacity to produce them whether they are to be paid or not. From this perspective the aim of retirement education is to address boredom and redundancy by increasing social role and

participation of retiree through substitution of roles and relationship.

In nutshell, productive ageing is not only driven by pecuniary gain. It includes intangible social services like sharing experience, information and humour. The core of the matter is ensuring that retiree operate at the peak of their physical and psychological functioning and are given the opportunity to contribute and engage in progressive social activity. The argument is that retiree needed to be engaged so they can live fulfilling life-not palliative.

Retirement education is designed to enlighten workers on how they can be positively engaged after retirement. It involves volunteering in religious groups, non profit organisation or being involved in private practise. The focal point of retirement education is redefining retirement from being tantamount to redundancy but a free time allowing retiree to express themselves and do all they would have liked to do but could not owing to employment. These include travelling and leisure - free time use in a positive sense, for activity of personal interest that is beneficial to the retiree and others. Furthermore, successful retirement does not only infer the absence of disease and disability for retiree but a time of deserved rest devoid of work tension, in which activity is by choice and not compulsion. Non-monetary benefit such as social interactions that accompany community service and volunteering will help retiree in addressing boredom and restore self worth.

In conclusion, owing to the fact that only 30% of world older persons are covered by pension, as earlier reported, this connotes that majority of retirees do not have access to formal income, that greatly increase their propensity of living in poverty. Hence, this makes necessary the need for retirement education which will provide knowledge of how to maintain income at retirement. Johnson et al {1997}, describe income as amount of money necessary for people to purchase life sustaining resources, material goods, or service. Here, the goal of retirement education is to provide means of safety net of resources for retirees with adequate income. Ensuring this, they live appreciable and satisfactory lives. This includes ability to participate in economy, social and political activities thereby preventing social exclusion and increasing propensity to participate in decision-making process in their

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community. Such will restore self-confidence that would make life more interesting and worth living. The main thrust of retirement education relies on the need to adapt and adjust retirement program to changing economic and social condition.

CONCLUSION

It is a fact that the number of older persons who constitute and will constitute large number of retiree is to increase. Also numbers of years to be spent in retirement is increasing; therefore, there is the need to make retirement more viable and attractive. This is because the assurance of good retirement life will in a way allow workers to concentrate on their job; this will enhance their productivity of which accumulated effect will be beneficial to the entire society. This demands concerted effort on the part of all stakeholders. In the light of this, retirement education is an essential element in the societal quest in ensuring a good life for older persons in general and workers who are to retire in particular.

RECOMMENDATIONS

From the above submission, retirement as a social institution is in expendable; further study should be done on retirement. This will allow reformation and reengineering of existing retirement policy, in meeting future challenges- a new retirement policy that will empower the society in accommodating the expected number of retiree and ensure successful ageing. Retirement education should be administered as recreational education to the working class. Special attention should be given to those that have less than ten years to retire and those who have spent more that ten years in formal employment and older persons in the informal sector.

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