Pre-retirement counselling services for employees: The case of two public sector organisations

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ABSTRACT

Among other things, employers owe it a responsibility to capacitate their employees towards an enhanced livelihood after retirement. Yet, there seemed to be an inadequate scientific investigation on what the public sector organisations do to achieve that end. To fill this knowledge gap, this study set out to unravel the pre-retirement counselling services that two public sector organisations render to their employees. A cross-sectional survey design was used to guide the conduct of the study. A sample size of 368 respondents was obtained by using stratified and simple random sampling techniques. The questionnaire was the main instrument employed for data collection, which had a reliability coefficient of 0.87. The outcomes of the survey disclosed that there exist inadequate pre-retirement counselling services for employees of the organisations. There is, however, a statistically significant difference in the pre-retirement counselling services that the two organisations render for their employees. The pre-retirement services provided for the Ghana Education Service (GES) employees seem to be more than those offered to the employees of Ghana Health Service (GHS). In view of the inadequate pre-retirement counselling services for the employees of both organisations, it is recommended that more should be done by the organisations on the pre-retirement counselling for their employees to enhance their preparation for and eventual retirement life.

Keywords: Pre-retirement counselling, counselling services, retirement planning, public sector employees.

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INTRODUCTION

Since time immemorial, work has been an integral part of human life as it helps in the growth and development of individuals, families and societies. For people to meet their needs and that of society, they engage in informal and formal forms of employment. For the formal kinds of work, there comes a time for disengagement from active employment, a phase referred to as retirement. Wang (2007) regards retirement as a ceasefire by persons employed by an organization who is on pay for a long term and have an adequate assurance of obtaining retirement benefits. Olatomide (2017) also considers retirement as a dynamic phenomenon that characterizes people who are getting older and therefore need their ordinary working lives to be withdrawn. Akinade (2011) also sees retirement as the end of the person's continuous working life, and this means a stop to a career that has gained the honour. Vordzorgbe et al. (2018) broadly classify retirement into voluntary retirement, compulsory or forced retirement and mandatory retirement. Voluntary retirement, according to Vordzorgbe et al. (2018), is a pattern of retirement that entails a willful withdrawal of employees' service from their employers for personal reasons irrespective of their biological age, length of service or employers' retirement policies. Reasons for this kind of retirement may include the need to search for greener pastures or the need for independence. However, for this type of free choice retirement to be operational, the concerned employee must be guided by the organization’s employment policies. Some of the conditions to be met before such withdrawal of service could be accepted may include, but are not limited to, giving a notice of not less than three months, in writing, directly to the management through his or her immediate supervisor. Subsequently, the approval and acceptance of such a letter of withdrawal of service must be obtained from the designated authority.
before the expiry of the notice period of three months.

With respect to forced or compulsory retirement, it is an obligatory withdrawal of an employee’s services by the employer despite the employee’s interest to continue on the job. Under this type of retirement, the employee is not consulted before he or she is made to withdraw from the organization with or without benefits (an example is retrenchment). This could be due to misappropriation of money, misconduct, frequent accidents on the job, prolong ill health, organizational restructuring or some other forms of misbehaviour. An employee may be retired compulsorily as a measure of punishment. The authorities who propose to impose the punishment of compulsory retirement, shall pay the employee all his or her entitlements following the dismissal from the organization. Lastly, the mandatory retirement pattern is a compulsory withdrawal from active service in line with the organisation or government’s stipulated policies. This could be as a result of reaching the mandatory retirement age of 60 years old and has worked for the organization for a maximum of 20 years. This type of retirement though mandatory is expected by the employee on the basis of the conditions of service. For any of these categories of retirement, planning towards it is very essential so that employees would not suffer should they experience it. That accounts for the need for organisations to use various means to adequately educate their employees on proper ways of planning for retirement.

Since retirement is an eventual time that employees experience, both the individuals and their employers ought to prepare for it. Olatomide (2017) regards the preparation of workers to enhance their prospects as a human development duty of organisations. Human resource departments of organisations are mandated to ensure the capacitance of their human resource to achieve organisational goals. The human resource department’s functions also include preparing employees for after-work life. The functions of the department include the provision of retirement education and counselling programmes to help employees adjust well during retirement. A study show that employees who regularly received retirement counselling and education adjusted better than those who did not have such education and counselling as they were not mentally prepared for retirement (Stephen, 2000). The consequences of the difficulties encountered during the early stages of retirement due to the inability to prepare well for retirement could be great and can have negative effects on the retirees.

The human resource departments of organizations usually undertake this counselling function via the organisation of talks, seminars, workshops and conferences to educate employees on stress and other issues during retirement. This function, if well-executed, goes a long way to help adequately prepare employees to minimize the fear of the future following retirement that creates a lot of trouble among employees (Abdulkadir et al., 2018). Joe and Grabble (2005) found that the programmes on counselling, education and financial services that employers organized for their workers have a good influence on their workers’ retirement savings and consequently life during retirement. It is also observed that the practice of providing pre-retirement counselling can help reduce the psychological difficulties that employees may experience during retirement. Exposing workers to the facts of life regarding pension income is very important (Loureiro et al., 2016). Organisations that know these issues try their best possible to provide enough education on various issues that would help their workers when they go on retirement.

Nsirimobi and Nguwede (2005) also contend that employers have a major role in the preparation of employees for retirement due to the fact that retirement raises risks for those workers who might not be aware of their lives after they have left active duty. Luhmann et al. (2012) realized that there are several factors responsible for retirees’ inability to adjust very well, one of which is the lack of pre-retirement guidance and counselling while in active service. The factors range from financial to non-financial issues which can positively influence the preparation that employees make for their retirement and the kind of life they would live. Through various means, the employer has the responsibility to prepare employees for their eventual retirement. Hairault et al. (2010) postulate that the orientation of employees on retirement is the most important way for employees to be offered guidance before retirement. The authors hold the view that guidance on retirement would enable workers to do the necessary things during retirement while they are still in active service. On their own, the workers may not have enough ideas about what will happen to them when they go on retirement. Olatomide (2017) also contends that employee retirement orientation sensitivity can be achieved with a pensioner or financial advisor advising and engaging in retiring or employer-coordinated workshops and seminars. There are surely many experts on various things that would help workers during retirement and organisations need to make use of such experts to, in turn, help their workers prepare well for retirement and consequently enjoy life during that period of their lives. Without adequate preparation, workers may not enjoy healthy life during old age and may even pass on earlier than they are supposed to be. Meanwhile, if employers provide adequate pre-retirement counselling services for their employees and based on that the employees prepare well before retirement, life would be bearable and that can prolong the life of the employees.

A study found that although some employers sought to expose their prospective retirees to retirement instructions, they had restricted coverage covering financial and health issues. The employers excluded other important areas such as pre-retirement vocational preparations, psychological, sociological, and physiological among others (Eshofonie, 2012). This study
finding portrays that although those employers tried to help their employees to have good retirement life, they left out some very other important things that can help their workers the more when they go on retirement. The organisation needs to recognize such things and render them to their workers so that life will be better for its workers. As Noone et al. (2013) reiterated, retirement preparations should include financial, psychosocial and physical transformations such as changes to the social condition, identity, health, recreation, and family and matrimonial relations. This practice of providing adequate counselling for employees is regarded as retirement therapy, which is the way to make factual knowledge accessible to potential retirees, to make a nice transition from work to the world of less restricted retirement schedules (Wilson and Aggrey, 2012).

The foregoing discussion emphasizes the importance of pre-retirement counselling to employees (Eyietyo et al., 2008) and that every set-up that employs workers have to take it seriously. Both the Ghana Education Service and the Ghana Health Service ought to provide pre-retirement counselling to the teaching and non-teaching staff and the health and ancillary workers respectively so that when they retire, life will be bearable for them. When workers are adequately educated on retirement, they would take the necessary steps to prepare for retirement so that when the time is due, they would not entertain fears of hardship during their old age. As Abdulkokadir et al. (2018) postulate, the fear of the future following retirement creates a lot of trouble among employees in addition to the psychological difficulties caused by a low retirement status, the pensioners’ ability to embrace or adapt to life after retirement has a financial effect and it is through pre-retirement counselling that we can avert this situation. Luhmann et al. (2012) also hold the view that retirees’ ability to adjust very well to their new age is dependent on the enjoyment of pre-retirement guidance and counselling services while in active service. This stems from the fact that such activities tend to positively influence workers’ retirement confidence (Kim, Kwon and Anderson, 2005) and workers’ planning behaviour (Bayer et al., 2008).

Retirement counselling is the process of offering would-be retirees vital and factual information required to make a pleasing conversion from work to the world of less vigorous occupational plans (Wilson and Aggrey, 2012). The vital information that could be included in the retirement counselling may range from financial issues to psychological, social, physical and health issues. An adequate provision of such services has the propensity to offer workers a good retirement life and the opposite would be true when fewer counselling services are provided for employees.

In spite of the relevance of retirement counselling services for people in active service, there seemed to be little or no research that had intended to discover the extent to which public sector organisations live up to this responsibility. There is a scarcity of research work on pre-retirement counselling provided for public sector workers especially the Ghana Education Service (GES) and the Ghana Health Service (GHS), which are the dominant public sectors and have more employees in the country. Besides, the various schools and health centres have counsellors and counselling units which are supposed to offer varied services to, among others teachers and clients. Although pre-retirement counselling is very important globally and locally, much research has not been conducted to unravel its implementation in public sector employment. This study deemed it expedient to fill this knowledge gap and also provide practical directions to the organisations involved that would contribute to enhancing pre-retirement counselling they provide for their staff for enhanced retirement life.

Consequently, two questions that do not have answers in the literature concerning pre-retirement counselling for public sector workers were posed. They are the following:

1. What pre-retirement counselling services are provided to the public sector workers in the country?
2. To what extent do both the Ghana Education Service and Ghana Health Service provide pre-retirement counselling services for their workers?

The study, therefore, was undertaken to find answers to the questions which lacked in literature. Finding answers to these questions made this study quite different from the studies that have been conducted on counselling for employees of public sector organisations and the findings contribute significantly to knowledge and practice.

METHODOLOGY

In undertaking the research, the quantitative approach was deemed appropriate. A quantitative research approach was used to guide the conduct of the study. A quantitative study represents the numbers and affirms the measures selected for the statistical analysis of the data based on the sample chosen. In addition, the implementation of a quantitative approach helps to gather data which involves a large number of people who participate in the study (Creswell, 2013). In line with the approach adopted, a cross-sectional survey design was used to select respondents from both GES and GHS from two municipalities in the Bono region of Ghana. The design also aided in selecting a large sample size from the two organisations (GES and GHS) to warrant the generalization of the study findings. As Kuranchie (2021) postulates, quantitative studies require the use of a large sample size to warrant good conclusions and also the generalization of findings on the study population.

The general population of the study consisted of employees who were forty (40) years or more and had worked with their organisations for more than 10 years. The researcher used this category of employees because they were nearing retirement. The Slovin (1960) formula
for sample size determination as quoted in Kuranchie (2021) was used to obtain a sample size of 368 employees and this was sufficient for the generalization of findings. Stratified and simple random sampling techniques were then used to sample the workers for the study. GES formed a stratum and GHS formed another stratum and a simple random sampling method, specifically, the lottery method, was then used to select members from each of the strata to have the sample for the study.

The instrument used to gather data was a questionnaire, which was made up of items structured on a five-point Likert rating scale. The questionnaire had two main sections: Section ‘A’ had items that elicited data on the respondents’ demographics while Section ‘B’ covered issues on pre-retirement counselling services. The research instrument’s reliability was checked using the Cronbach alpha reliability coefficient. The reliability analysis yielded a co-efficient of 0.87 indicating a high co-efficient and internal consistency. This reliability test result showed that the study variables meet the accepted reliability estimate of 0.7 and above as offered by Nunnally and Bernstein (2003). The necessary ethical protocols for research were observed in the conduct of the study. Permission was sought from the authorities of the schools and the health facilities that were involved in the study. The employees also gave their informed consent and were made aware of the right to opt-out of the study at any stage in the process without any reason. They also voluntarily participated in the research.

Both descriptive and inferential statistical tools were employed for the data analysis. Specifically, mean (M) and standard deviation (SD) were used to analyse the data that answered the first research question while the second research question was answered via the use of independent samples t-test to analyse the data. In view of the fact that the groups whose means were compared were two, this statistical analytical tool was appropriate.

Kuranchie (2021) contends that independent samples t-test is used to compare two group means. So, to know which of the two organisations’ employees do receive pre-retirement counselling than the other, independent samples t-test analysis was conducted. All the analyses were conducted through the services of Statistical Product for Service Solution (SPSS) version 22.0.

**RESULTS**

The following demographic data of the respondents were taken to provide a fair idea of the employees who participated in the study: age, sex, sector/organisation and the number of years of working with the organisation. The outcomes of the data analysis of the demographic data of the respondents are presented in Table 1.

From Table 1, the results show that 303 representing 82.3% of the respondents were in the age range of 41 to 50 years while 65 of them representing 17.4% were within the age range of 50 and 60 years. This result implies that the majority of the respondents have relatively more years to be in active service. So, with sufficient and efficient pre-retirement counselling services offered to them by their employers, most of them can effectively plan their retirement and consequently have restful retirement which can make them live longer and probably enjoy the fruit of their labour at old age.

The results also revealed that 212 representing 57.6% of the respondents were males while 156 representing 42.4 % were females. The results indicate that the male respondents outnumbered the females in the study. In the Ghanaian economy where males mostly shoulder greater parts of their families’ financial responsibilities, the employers need to provide adequate pre-retirement counselling services for them to enable them effectively plan their retirement and consequently be in a better position to live up to expectations.

**Table 1.** Demographic data of respondents.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Category</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>40-49</td>
<td>303</td>
<td>82.3</td>
</tr>
<tr>
<td></td>
<td>50-60</td>
<td>65</td>
<td>17.7</td>
</tr>
<tr>
<td>Sex</td>
<td>Male</td>
<td>212</td>
<td>57.6</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>156</td>
<td>42.4</td>
</tr>
<tr>
<td>Sector</td>
<td>GES</td>
<td>199</td>
<td>54.3</td>
</tr>
<tr>
<td></td>
<td>GHS</td>
<td>169</td>
<td>45.6</td>
</tr>
<tr>
<td>Years</td>
<td>10 or less</td>
<td>79</td>
<td>2.15</td>
</tr>
<tr>
<td></td>
<td>11-20</td>
<td>205</td>
<td>55.7</td>
</tr>
<tr>
<td></td>
<td>21-30</td>
<td>71</td>
<td>19.3</td>
</tr>
<tr>
<td></td>
<td>31-40</td>
<td>13</td>
<td>3.5</td>
</tr>
</tbody>
</table>
With respect to the sector of the employees, the results indicate that the majority of the respondents, 199, representing 54.1% were from GES and 169 representing 45.9% were from GHS. The results mean that GES employees dominated the study.

With respect to the number of years in the services of the employees’ respective organisations, the results indicated that the majority of the respondents (205) were between 11 and 20 years representing 55.7%. Those who have worked for less than 10 years were 79 representing 21.5%, the next year group was between 21 and 30 which had 71 respondents representing 19.3%, and the year group with the least number of respondents were 13 representing 3.5%. The results mean that the majority of the respondents have worked more than ten years in the service and should be receiving pre-retirement counselling services. It would not speak well of organisations whose workers have worked for more than 10 years without receiving adequate pre-retirement counselling services to prepare them when they leave the system.

To investigate whether pre-retirement counselling services are offered to employees in the public sector, the respondents were asked to rate their levels of agreement with the statements depicting the provision of pre-retirement counselling services for employees in the two public sector organisations. The items were on a Likert scale of 1 to 5, with 5 showing very adequate, 4 adequate, 3 somehow adequate, 2 inadequate and 1 very inadequate. The responses of the respondents were computed and analysed using mean and standard deviation. The mean score of above 3 was interpreted as adequate, 3 as somehow adequate and below 3 as inadequate.

The results as shown in Table 2 indicate that the statement ‘there are counselling units in the organisations’ was rated adequate and could be an influential measure of the construction of pre-retirement counselling plans in the public sector. It obtained a mean score of 3.682 and a standard deviation value of 1.332 revealing heterogeneity of views expressed by the respondents. The response means that the respondents were of the view that the counselling units’ activities are generally good in the respective organisations of the employees.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std</th>
</tr>
</thead>
<tbody>
<tr>
<td>The activities of the counselling unit in my institution</td>
<td>3.682</td>
<td>1.332</td>
</tr>
<tr>
<td>The counselling offered on retirement and its related issues</td>
<td>2.638</td>
<td>1.216</td>
</tr>
<tr>
<td>Pre-retirement education and counselling held for staff</td>
<td>2.673</td>
<td>1.193</td>
</tr>
<tr>
<td>The rate at which pre-retirement counselling is organised</td>
<td>2.440</td>
<td>1.228</td>
</tr>
<tr>
<td>The quantum of ideas offered on pre-retirement counselling to staff</td>
<td>2.842</td>
<td>1.242</td>
</tr>
<tr>
<td>The confidence gained from the counselling for staff</td>
<td>2.758</td>
<td>1.252</td>
</tr>
<tr>
<td>The counselling on staff savings and investment towards retirement</td>
<td>3.201</td>
<td>1.173</td>
</tr>
<tr>
<td>The counselling on staff retirement planning</td>
<td>2.710</td>
<td>1.116</td>
</tr>
<tr>
<td>Grand Mean</td>
<td>2.867</td>
<td>1.219</td>
</tr>
</tbody>
</table>

The item ‘pre-retirement education and counselling on retirement and its related issues’ had a mean score of 2.673 and a standard deviation of 1.193. The results mean that the respondents disagree with the item and their views were divergent. The results point out that the education on retirement and its related issues are not adequately provided for employees of GES and GHS.

The issue of the rate at which pre-retirement counselling is offered to employees in the public sector organisations’ had a mean score of 2.440 and a standard deviation of 1.228. Per the responses, the respondents held the view that they received inadequate pre-retirement counselling service and most likely they received it periodically, not regularly.

The statement ‘the counselling offered by the unit encourages us to save and invest as part of plans towards retirement’ recorded a mean score of 3.201, which indicates that the respondents agreed with that statement. The mean is a bit higher than the mean point. The standard deviation value was 1.173, which demonstrated the fact that respondents share diverse views.

The statement ‘the quantum of idea offered on pre-retirement counselling to staff had a mean score of 2.842 and a standard deviation score of 1.242 showing a minimal divergence of views expressed by the respondents. Taking the mean score into consideration, which is below 3, the responses of the respondents imply that they did not gain many ideas about retirement. Besides, the item on the fact that ‘pre-retirement counselling has increased employees’ level of confidence towards retirement’ had a mean score of 2.758 which is an indication that the respondents disagreed with the statement. The respondents did not consider the knowledge gained from the pre-retirement counselling services as substantial enough to increase their level of
confidence. A standard deviation of 1.252 indicates that there is heterogeneity in their responses. The final statement that 'the counselling units offer services on retirement planning' had a mean score of 2.701 which indicated a disagreement since it is below the threshold. A standard deviation of 1.116 indicates that there is heterogeneity in their responses.

The grand mean and standard deviation values were 2.867 and 1.219 respectively. This result shows that the respondents disagree that there were adequate pre-retirement counselling services in the public sector organisations for their employees and their views were diverse. One can therefore say that the employees of the two organisations do regard the pre-retirement counselling services as inadequate to help them plan for and enjoy their retirement in future. The result of the study is consistent with Wilson and Aggrey's (2012) study which found that teachers in Sekondi did not receive adequate retirement counselling while in active services. Their study revealed that the teachers who were involved in the study only had counselling services on conditions of service. This means that other essential information on health, social, and psychological, among others, that should be of interest to the prospective retirees are denied them. Again, the result confirms Mambwe and Mwape's (2016) study which concluded that very few people are exposed to retirement preparation programmes while in active service. The most likely consequence of inadequate retirement counselling offered to workers of organisations is inadequate planning and preparation and then unwelcome retirement life.

The second objective of the study was to ascertain differences or otherwise in the provision of pre-retirement counselling services to the employees of the two organisations. This was done for policy and practical significance. A hypothesis was formulated to find out if there exist differences in the pre-retirement counselling services of the two public sector worker groups. The hypothesis is:

**Ho: There is no statistically significant difference in the pre-retirement service provided by the Ghana Education Service and the Ghana Health Services for their respective workers.**

To achieve this objective of the study, independent samples t-test was employed. This analysis helped to test the hypothesis. Table 3 gives details of the results of the test conducted.

The results as shown in Table 3 indicate that there is a statistically significant difference (t = -1.008, p = .000) in the pre-retirement counselling services provided by GES and GHS for their respective employees. This is because the sig. value is .000, which is smaller than p < .05. This leads to a rejection of the null hypothesis and concludes that there is a statistically significant difference in the pre-retirement counselling services provided by the GES and the GHS for their respective employees. The results further show that the mean value for GES (M = 63.92, SD = 10.34) is higher than that of GHS (M = 62.64, SD = 13.41). Therefore, the pre-retirement counselling services provided by GES for its employees were more than what GHS did for its employees.

**Table 3. Pre-retirement counselling services provided to the public sector workers.**

<table>
<thead>
<tr>
<th>Sector</th>
<th>N</th>
<th>Mean</th>
<th>SD</th>
<th>Df</th>
<th>T</th>
<th>P</th>
</tr>
</thead>
<tbody>
<tr>
<td>GHS</td>
<td>169</td>
<td>62.64</td>
<td>13.41</td>
<td>312.88</td>
<td>-1.008</td>
<td>.000</td>
</tr>
<tr>
<td>GES</td>
<td>199</td>
<td>63.92</td>
<td>10.34</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CONCLUSIONS**

The issue of retirement is dear to the heart of every formal sector worker as it marks the end of active service. That is why adequate preparation needs to be done prior to retirement. However, not all employees have the privilege to gain more knowledge on essential issues to plan well for retirement. This idea makes it necessary for organisations through the human resource departments to educate and counsel their employees on life after work including health, physical, social, psychological and financial issues that they would experience when they go on retirement. It is therefore prudent for the officers in charge of offering this vital service to employees in the organizations to be diligent in that effort. The conduct of this research is therefore essential as it sought to disclose the extent to which the public sector organizations are living up to expectations. The results have demonstrated that the two organisations need to step up their efforts to pave way for enhanced retirement lives of their employees.

The study which focused on pre-retirement counselling services for public sector workers had two objectives to achieve. The results showed that there were not enough pre-retirement counselling services for employees of the two organisations. The lack of strong pre-retirement counselling services means that there might not be fruitful retirement for the employees. The inadequate counselling services and plans can end them in untold hardship such as abject poverty, desperation, socially unsound and financial handicap during retirement. The result can be seen where teachers engage in tedious and extra
activities and health workers do locum when they are, in fact, too weak for those activities. Again, a lack of proper planning among some workers may put them in a position to reduce their retirement age which when eventually fails leads to stress, dejection and frustration. Early death then becomes the end result.

This research, therefore, supports the clarion call by Wilson and Aggrey (2012) that counselling which gives ideas on effective planning towards retirement ought to be provided to workers early enough to help them retire prepared and happy. When workers gain good knowledge about retirement and start planning early enough, the likelihood that they would live a healthy and productive life during retirement is high.

It is also put forward that the counselling units of GES and GHS ought to step up their game and adopt more pragmatic and innovative strategies to educate their workers on retirement and how best they plan their retirement. In such counselling and education programmes, coverage should not only be on financial issues but also on physical, health, social and psychological ones as retirement challenges go beyond finance.

Public sector organisations ought to utilize the services of retirement counsellors and psychologists for the benefit of their employees. The experts should utilize modes like conferences, seminars, symposia and talk shows for retirement counselling sessions for employees of public sector organisations. These events need to be organised frequently for workers to help them plan well for retirement. During such programmes, retirees could also be invited to share their experiences during active work and retirement for those in active service to learn from them.

REFERENCES


