

Assessing the Effectiveness of Voluntary Retirement among Civil Servants: The Case of Colleges of Education in Ashanti-Brong Ahafo (ASHBA) Regions

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Abstract: - The study perused the effectiveness of voluntary retirement amongst civil servants in Colleges of Education, within Ashanti and Brong Ahafo Regions (ASHBA). Quantitative and qualitative research approaches in the form of closed and open ended research questions were used in conducting the study.

The research population was 200, out of which 156 respondents were purposively selected as the sample size from thirteen (13) Colleges of Education, nine (9) in Ashanti and four (4) in Brong Ahafo regions respectively.

The research unraveled that voluntary retirement is not effective amongst civil servants in Ghana. One hundred and thirty one (131) respondents, representing 84% believed voluntary retirement was not effective amongst civil servants. This is evidenced by the fact that, within the last ten (10) years, no civil servant went on voluntary retirement within the researched organizations. The researchers thus recommended that greater incentives should be put in place to entice people to go on voluntary retirement just like Malaysia that has lower cost of housing and living so that employment avenues could be engineered for the younger generation.

I. BACKGROUND

Globally, retirement is one of the chief life transitions that symbolizes entering into a new period in life. Retirement can mean different things to different people the world over. As the literature of retirement suggests, while some may view retirement as a time to relax after a life of work, others may do things they never had the chance to do when they were younger. Others may also see retirement as an opportunity to support their children as they take important steps in their adult lives - buying their first home or having children of their own. However, for many people around the world, these aspirations may not be easy to achieve as the financial reality of life after work is less rosy (HSBC, 2015).

Generally, the retirement age ranges between 55-75 years (Skoog & Ciecka, 2010; Vo et al., 2015) but that of Ghana is 60 years for statutory retirement and 55 for voluntary retirement. As one retires, she/he parts from a significant activity that affects many of his/her life domains. Retirement

is often accompanied by a decline in life-satisfaction, self-evaluation, and quality of life (Dingemans & Henkens, 2015; Hershey & Henkens, 2014). Moving into retirement is a major life event and a successful adjustment to this critical stage is important for maintaining a good quality of life in old age (Damman, Henkens, & Kalmijn, 2015; Froidevaux, Hirschi, & Wang, 2016).

Statement of the Problem

By and large, the world is gradually moving towards lower fertility rates, longer life expectancy, and a growing population of post-retirement age persons. The world's population of persons aged 60 plus, has been augmenting steadily in recent years quite attributed to improvements in healthcare delivery and civilization. For example, in 1990, persons aged 65 and more years totalled 180 million in the world. This figure augmented to 245 million in the year 2000, and is envisaged to be 564 million in the year 2025, (Adenutsi, 2009).

There has been a consistent strong trend in early retirement in many countries in recent years. For instance, in Eastern and Central Europe, effective retirement age is 57 years for men and 53 years for women. In Turkey, many people retire below age 50 or even below age 40. Public sector employees in many countries today can retire at age 55 or even earlier. In France, as of the year 2007, the retirement age for a teacher was 38 years after employment, whereas for trained engineers, it is 50 years of age. The story is however, different in Ghana where people are unwilling to go on voluntary retirement and would even go the extra mile to change their dates of birth so as to stay longer in employment. The resultant effect is that unemployment is in its looming ascendancy leading to increased social vices since the devil would often find work for the idle hands (Esther Agbodeka, 2019).

The average Ghanaian worker goes on retirement at age 60, whilst voluntary retirement begins at age 45. For instance, the CIVIL SERVICE ACT - 1993 (PNDCL 327), Section - 72 captioned "Voluntary retirement" stipulates "A person holding a civil service post other than on a limited

engagement may, in accordance with clause (2) of article 199 of the Constitution, retire from the Service at any time after attaining the age of forty-five years” whilst under the Courts and Court Officers Act 1995, the retirement age of ordinary judges of the Supreme Court was reduced from 72 years to 70 years. Judges appointed prior to the coming into operation of that Act may however, continue in office until aged 72.

Furtherance to the above, studies in Ghana are widely centered on history of social security by Kpessa (2011), the inefficiencies of pension administration and whether pension schemes are sustainable by Kumado and Gockel (2003) with little literature on voluntary retirement amongst civil servants. It is often said by men of old that “If you fail to plan, then you plan to fail”. To this end, the study is on “Examining the effectiveness of voluntary retirement amongst civil servants in Colleges of Education in Ghana”

Purpose of the study

The purpose of the study was to examine the effectiveness of voluntary retirement among civil servants in Colleges of Education in Ghana.

Significance of the Study

The study is significant as it would help policy makers to review the laws on voluntary retirement to boost employment opportunities for the younger generation and also serve as apt literature on the subject matter.

II. KEY TERMS

Pre-retirement: A period before or prior to retirement.

Retirement: To make (someone) stop working permanently or a partial or complete withdrawal from career work accompanied by a change in the source and reduction in amount of income. In Ghana, we retire at 60 years and voluntary is 55 year; an act a state of retiring from work.

Voluntary retirement: This occurs when an employee willingly opts not to work again for an employer especially at age 55.

III. RESEARCH DESIGN

The research design for the study was both qualitative and quantitative using structured and unstructured research questions respectively.

Saunders et al. (2012) postulate that the choice of a research design should be guided by the specific objectives of the study, the type of research questions, methods for data collection and the how data will be analyzed. Therefore, the study shall adopt the grounded theory and case study.

Population

The population for the study comprised 200 civil servants from 13 Colleges of Education located in Ashanti and BrongAhafo(ASHBA) regions

Sample and Sampling Techniques

According to Marshall (1996), the essence of sampling is to draw a representative portion from the population so that the results of studying the sample can then be generalized back to the population.

The sample for the study would be 156 comprising the Principals, Vice Principals, Finance Officers, Assessment Officers, Heads of Department(6) and Quality Assurance Committee members(2) totalling 12 respondents from 13 sampled Colleges. One major trait of qualitative research is that the sample size should be representative enough of the population so as to draw tentative but objective research findings, leading to generalization of a given phenomenon.

Table 3.1: Distribution of Sample Size Using Targeted Respondents

Region	No. of Colleges	No. included in Sample size	% Inclusion
Ashanti	9	9	69
BrongAhafo	4	4	31
Total	13	13	100

Authors' Construct(2019)

Sources of Data

The main source of data for the study was questionnaire. Questionnaires consist of well formulated questions designed to probe and obtain responses from respondents (Twumasi, 2001). It may be structured, semi-structured questionnaire or both. Questions were open-ended and provided an opportunity for the researcher to seek enough clarification on issues that were not clear and not understood. Wilson (2010), described primary data as data that is derived from its original source, thus from the respondents. This mitigate any form of misinterpretations and misrepresentations by the researcher, leading to objective and reliable findings for a given generalisation.

IV. FINDINGS

Of the research questions administered, 112 respondents, representing 72% were males and 49% aged between 47-57 years, 69% were from Ashanti Region.

Research Question 4. Do you have plans going on voluntary retirement now or in the future?

117 respondents, depicting 75% indicated they had no plans to go on voluntary retirement. The reasons were varied, comprising lack of preparedness for the future, no alternative source of income, plethora of family dependency and no established home to stay as shelter.

Research Question 5. Do you think there is adequate compensation for those who go on voluntary retirement?

This question garnered a whopping 81% no, 11% did not know the provisions on incentives present for voluntary retirement goes, 6% believed you would rather not get all your entitlements if one goes on voluntary retirement and only

2% believed there was adequate compensation except that it was woefully inadequate.

This definitely might be the reasons civil servants are unwilling to go on voluntary retirement in Ghana.

Research Question 6. How effective is voluntary retirement among civil servants?

One hundred and thirty one (131) respondents, representing 84% believed voluntary retirement was not effective amongst civil servants. Ten(10) percent did not know if there was effective voluntary retirement while 6% believed voluntary retirement was effective.

This is in contrast with best practices evolving around the globe. For instance, there has been consistent strong trend in early retirement in many countries in recent years. For instance, in Eastern and Central Europe, effective retirement age is 57 years for men and 53 years for women. In Turkey, many people retire below age 50 or even below age 40. Public sector employees in many countries today can retire at age 55 or even earlier. In France, as of the year 2007, the retirement age for a teacher was 38 years after employment, whereas for trained engineers, it is 50 years of age. The story is however, different in Ghana where people are unwilling to go on voluntary retirement and would even go the extra mile to change their dates of birth so as to stay longer in employment. The resultant effect is that unemployment is in its looming ascendancy leading to increased social vices since the devil would often find work for the idle hands (Esther Agbodeka, 2019).

V. RECOMMENDATION

Based on the aforementioned, the researchers recommended that adequate incentives be put in place such as affordable housing policy so as to entice civil servants to go on voluntary retirement and pave way for the younger generation. African younger generation is unemployed not because of lack of skills, but because the older generation have hijacked the employment avenues thereby compelling the younger generation to engage in menial jobs and social vices to earn a living.

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