

**PERCEPTION OF RETIREMENT BY TEACHERS IN PUBLIC
SECONDARY SCHOOLS IN NAIROBI COUNTY**

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THE REQUIREMENTS OF THE AWARD OF THE DEGREE OF MASTER
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DECLARATION

I declare that this is my original work and it has not been presented for examination to any other university.

Signature _____

Date _____

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D61/63084/2010

APPROVAL

This research has been submitted for examination with my approval as university supervisor.

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DEDICATION

I dedicate this research project to my husband Michael Muriu and my sons Eric Njuku and Alfred Githui for your continued support, motivation and understanding throughout the period of my study. May this be an inspiration for your future dreams.

ABSTRACT

The purpose of this study was to establish the perception of retirement by teachers in public secondary schools. In Kenya, like many other countries, retirement especially in the public service is mandatory after attaining 60 years of age. Teachers retire after attaining 60 years of age, which is the mandatory retirement age. The major problem is that the majority of the teachers are not ready to stop working until they reach 60 years of age. Majority of the teachers are not prepared for retirement and this causes stress and anxiety. Majority of the teachers take long before they receive their pension benefits after retirement.

The study used the descriptive survey research design. The selected sample size was 13% of the total population. The questionnaires were used as the data collection instrument. Once the questionnaires were administered and collected, the data was analyzed using descriptive statistics based on the objective of the study.

The study found out that majority of the teachers would like to retire at the age of 60 years because it is the mandatory age of retirement. It was pointed out that majority of the teachers are not prepared for retirement and retirement causes stress and anxiety to the retiree especially if not prepared.

In order to solve the above problems, various solutions were raised. First, the teachers should invest early and save to be comfortable during retirement. Teachers should be taught financial management to enable them manage their finances, know the areas to invest in to reap maximum benefits out of their investments. In order for teachers to be comfortable during their retirement days, they suggested that their pay should be improved to enable them to save and to increase their pension. In conclusion, they suggested that the pension should be released immediately after retirement.

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CHAPTER ONE

INTRODUCTION

1.1 Background Study

Employee exit management is the process used within many businesses to terminate employees in a professional manner. It applies to employees who have resigned and those that have been terminated by the company. When an employee is terminated, there are a number of considerations that an organization needs to make in order to clearly end the relationship between the company and the employee. The organization as a legal entity has a responsibility to the employee that may extend beyond the period of employment and this is the primary focus of the exit procedure (Carvin, 2007).

(Houran and Repert, 2007) present a basic framework for employee exit. One should capture crucial knowledge from a departing employee about what it takes to do the job. Vital knowledge is not lost to the organization when people leave and the learning curve of new people joining the organization is shortened. It is necessary to address the practical details of departure. Have a series of standard exit checklists for use. It is important to track the circumstances of employee exit as well as the outgoing perceptions of those employees. A standardized exit survey should be carried out. Employee exit interview should be carried out to provide feedback on why employees are leaving, what they liked or did not like about their employment and what areas of the organization they feel need improved.

Termination is used to describe any situation in which an employee's employment ends. There are four types of termination: voluntary termination, termination for cause, termination for poor performance and layoffs. The employee initiates voluntary termination. An employee may choose to terminate her own employment at her own discretion; it can be due to finding a new job, job dissatisfaction or any other cause. Voluntary termination includes resignation or retirement. Termination for cause occurs when an employee does something to justify being fired. They may include theft, work place violence or harassment. Termination for poor performance happens when an employer chooses to terminate an employee because he simply does not perform his job adequately. This can be for a variety of reasons including an employee's unwillingness to do work, an employee's incompetence or an employee's inability to work. If possible, an employee should be given an opportunity to correct their performance. Layoffs are a form of termination in which employees are terminated through no fault of their own. Common reasons for layoffs include work shortages and corporate restructuring that eliminates certain positions. Employees are terminated during slow periods and hired back during the busy season. The Teachers Service Commission can terminate teacher's employment because of poor performance, desertion of work, sexual harassment of students, indiscipline, theft and mismanagement of school money. Voluntary termination occurs when teachers terminate their employment because of getting a new job, dissatisfaction with their work, sickness or women resigning to join their husbands. This study will focus on retirement as a type of voluntary termination.

1.1.1 Concept of Retirement

According to (Asonibare, 2008) retirement as a concept has both old and new definitions.

According to the old definition, retirement means a worker could not do something any more. He or she is laid off. However, the new definition of retirement means a worker does not have to do something any more. Retirement is stopping to work after an employee attains a certain age and he is not willing to work anymore (Nzuve, 2010). The concept of retirement that we associate with, leisure, travel, family activities, hobbies and educational pursuits is a modern idea. The role of “retiree” and the stage of “retirement” we identify with today is a concept that was created because of the passage of Social Security Act in 1935 in America. According to (Prize, 2000) with the creation of social security, a financial incentive or pension was made available to older workers to encourage them retire from the workforce and to enable younger workers take their place; thus stimulating economic growth and progress. Retirement is a life stage because it is a period of economic inactivity or a change in one’s economic activity. Retirement is a phenomenon characterized by separation of the worker from paid employment. It is essentially a period of adjustment (Oniye, 2001).

Historically, retirement was a stage of life few individuals lived long enough to experience or enjoy. According to (Prince, 2000), in the early 20th century, the average life expectancy was 47 years. As a result, most people worked until they became too sick to continue. However, because of the advanced medical knowledge and resources we enjoy today were not yet available, a majority of people died quickly of acute illness. It was discovered that, before, the overall time spent in retirement was only 7% of adulthood or about 4 years. In the early 21st century, 25% of one’s adulthood could be

spent in retirement. This is because the average life expectancy in 2002 was 76 years, thus those retiring at age 65, on average can expect to spend 18 to 20 years in retirement. The implication is that adequate plans must be made for life after retirement. Organizations that have a comprehensive retirement policy tend to provide pre-retirement assistance for employees who are approaching their statutory retirement age. According to (Teachers Service Guide, 2009) compulsory retirement applies to teachers who have attained 60 years. A notice is issued two years before the date of retirement. Teachers who may retire on age grounds qualify for lump sum and monthly pension. Voluntary retirement applies to teachers who may apply to retire on attainment of 50 years and on completion of 10 years continuous service on Permanent and Pensionable terms.

1.1.2 Concept of Perception

(Okoli, 2006) notes that the relationship people have with everything around them, indeed, everything in life – whether a person, other people, a thing, an event and even themselves, begins in a concept. This mental image of a person, other people, a thing or an event, eventually becomes a consciousness. That consciousness is known as perception or rapid cognition. (Lidsay and Norman, 1997) define perception as the process by which organisms interpret and organize sensation to produce a meaningful experience of the world. Sensation usually refers to the immediate, relatively unprocessed result of stimulation of sensory receptors in the eyes, ears, nose, tongue or skin.

Perception, on the other hand, better describes one's ultimate experience on the world and typically involves further processing of sensory input. In practice, sensation and perception are virtually impossible to separate, because they are part of one continuous

process. Thus in humans it describe the process whereby sensory stimulation is translated into organized experience.

(Robbins,2007) defines perception as a process by which individuals organize and interpret their sensory impressions in order to give meaning to their environment. He, however, notes that what one perceives can be substantially different from objective reality, there need not be, but there is often, disagreement. For example, it is possible that all employees in a firm may view it as a great place to work – favorable working conditions, interesting job assignment, good pay, excellent benefits, and understanding and responsible management – but it is very unusual to find such agreement. He further noted that the study of perception is vital since people’s behavior is based on their perception of what reality is, not on reality itself.

(Moshane, 2006) defines perception as the process of receiving information about and making sense of the world around us. It entails deciding which information to notice, how to categorize this information to notice and how to interpret it within the framework of our existing knowledge. (Cole, 1999) defines perception as the process of organizing, interpreting and integrating external stimuli through the sense, the mental process involved in identifying and subjectively interpreting objects, concepts and behavior, the attainment of awareness, insight and understanding.

(Nelson, 2008) defines social perception as the process of interpreting information about another person. Perception involves the way we view the world around us. It adds meaning to information gathered via the five senses of touch, smell, hearing, vision and taste. Perception is the primary vehicle through which we come to understand our

environment and ourselves. Managers use their perceptions of an employee's behavior as a basis for the evaluation. She also defines selective perception as "our tendency to choose information that supports our viewpoints". Individuals often ignore information that makes them feel uncomfortable or threaten their viewpoints.

In philosophy, psychology, and cognitive science, perception is the process of attaining awareness or understanding of sensory information. According to (Mullins, 1999) perception is influenced by stimuli. These are any physical, visual or verbal communication that can influence an individual's response. He identifies two important stimuli that affect individual behavior as environmental stimuli and organizational stimuli. Key factors that determine which stimuli individual will perceive and how they will interpret are the characteristics of stimuli and the individual's ability to perceive the stimuli. These two influence interaction in determining employee's perception.

1.1.3 Public Secondary Schools in Nairobi County

A school is a place meant for imparting formal education. It brings together diverse groups of people including students, teachers, head teachers, non- instructional staff and parents (Nyongesa, 2007). A school is thus an organization in that it is a consciously coordinated social unit composed of two or more people working towards a common goal (Nzuve, 1999).

The objectives of secondary school education are to prepare students to make a positive contribution to the development of society, and to acquire attitudes of national patriotism, self-respect, self-reliance, cooperation, adaptability and a sense of purpose and self-discipline (Sifuna, 1990). The curriculum covers five major areas: Group one: English, Kiswahili and Mathematics. Group two: Biology, Chemistry, and Physics. Group three:

geography, history, religious education. Group four: agriculture, wood technology, Art & Design, metal technology. Group five: Computer, French, home science, Arabic and Business Studies.

The secondary education aims towards meeting the needs of both the students who terminate their education after secondary school and those who proceed to higher education. In this context, the secondary school curriculum emphasizes job-oriented courses such as business and technical education. There are two categories of secondary schools in Kenya, Public and Private. Kenya currently has 6432 public secondary schools; the public secondary schools are funded by the government or communities and are managed through a Board of Governors and Parent Teachers Associations. The Private schools, on the other hand, are established and managed by private individuals or organizations, including the missionaries. The secondary school curriculum was developed with the 8-4-4 system goal of addressing the following needs; to make a more relevant curriculum that would offer practical skills applicable to a wide range of job opportunities; and to provide equitable distribution of education resources that assure opportunities for all students regardless of their origin, creed, race or region. The pupils that sit for the Kenya Certificate of Primary Education get places in secondary schools. These are categorized into national, provincial, and district schools. Currently, the Teachers Service Commission has recruited 11,000 teachers. Social security for the aging population is usually based on the future earning of the children.

Nairobi is the capital and largest city of Kenya. The city and its surrounding area also form the Nairobi County. The name 'Nairobi' comes from the Maasai phrase Enkare, which translates to 'cold water' the Maasai name of the Nairobi River, which in return

lent its name to the city. However, it is popularly known as the ‘Green City in the Sun’ and it is surrounded by several expanding villa suburbs. Founded by the British in 1899 as a simple rail depot on the railway linking Mombasa to Uganda, the town quickly grew to become the capital of British East Africa in 1907 and eventually the capital of a free Kenyan Republic in 1963. Nairobi is also the capital of the Nairobi District. The city lies on the Nairobi River, and has an elevation of 1795m above sea level. Nairobi is now one of the most prominent cities in Africa politically and financially. Nairobi is an established hub for business and culture. Nairobi is divided into a series of constituencies; these are Makadara, Kamukunji, Starehe, Langata, Dagoretti, Westlands, Kasarani and Embakasi. The main administrative divisions of Nairobi are Central, Dagoretti, Embakasi, Kasarani, Kibera, Makadara, Pumwani and Westlands. The city of Nairobi enjoys the status of a full administrative county. The Nairobi Province differs in several ways from other Kenyan regions. The county is urban. It has only one local authority, Nairobi City Council. Nairobi Province was not divided into ‘districts’ until 2007, when three districts were created. In 2010, along with the new constitution Nairobi was renamed a county. There are about 69 public secondary schools in Nairobi County.

1.2 Statement of the Problem

According to (Nzuve, 2010) many people are not ready to stop working until they reach the mandatory retirement age of 60 years. Majority of the people are not prepared for retirement and they do not know what they will do after retirement. This causes stress and anxiety to the retiree. Retirement means adjusting to a smaller paycheck, adjusting to a new environment and competing with workers for available jobs to earn extra money. Majority of the workers have no plans of how to meet their financial needs after work life is over.

Teachers in secondary schools in Kenya perceive retirement as an end to their working life and a period where they will have to survive on the little money they receive as pension. This money is hardly enough for the upkeep of the family. Many teachers also have children who have not finished schooling and they need to be educated. This causes financial strain on their parents. Many teachers undergo a lot of stress and anxiety because they do not know what they will do after retirement. Most teachers have experience in one job of teaching and they lack experience in other jobs. Majority of the teachers have a problem in getting part time jobs in the business world apart from teaching. Teachers are stressed after retirement because they are on no pay. Majority of them take long before they receive their pension benefits. Retirement also affects the school in the sense that after the teacher retires, the Teacher Service Commission takes time to replace the teacher due to the current shortage of teachers. The learners are left without a teacher and to avoid the students from missing lessons the teachers who share the same subjects are added more lessons to their overwhelming workload. This

overburdens the teachers and there is no extra pay for the added workload (Author, 2012).

Several studies have been done on retirement. (Gachara, 1994) looked at the factors considered important for planned retirement: employees' view and concluded that both the employer and employee need to prepare for retirement. Besides NSSF or Pension Funds, nothing is done to prepare employees for retirement. In preparation for pre-retirement programs, it is very crucial for both management institutions to involve the potential participants, both individuals and organizations. (Gichuki, 2008) carried out a study on factors influencing pensions sector development in Kenya and stated that the main objective of pension scheme is to save for retirement so that one can enjoy in retirement. Gichuki concluded that most pension schemes are still underfunded, with the public sector worst hit. Underfunding has affected development of pension sector since it reduces benefits paid to members and lowering investment income of schemes. (Asonibare and Oniye, 2008) carried out a study on retirement and retirement counseling: issues and challenges. They concluded that all retirees need to be reminded about the reason behind saving and preparing for retirement. Therefore, this study aims to answer the research question, what is the perception of retirement by teachers in public secondary schools in Nairobi County?

1.3 Research Objective

To establish the perception of retirement by teachers in public secondary schools in Nairobi County.

1.4 Value of the Study

The outcome of this study will be of importance in a number of ways. First, it will contribute to the existing body of knowledge on retirement in Kenya. The findings of this study will benefit other researchers and scholars in the field of retirement with literature on this topic. The study will act as an important source of reference besides providing areas for further research where future scholars can research on.

Secondly, the government of Kenya policy makers will also benefit since it will provide important information in understanding the teacher's perception of retirement. They will know what needs to change to improve teacher's lives after retirement. The study will enable government officials to develop policies and strategies on retirement.

Thirdly, it will provide the Teachers Service Commission and the Ministry of Education with a feedback on teachers' perception of retirement. The study will enable the Teachers Service Commission and the Ministry of Education to come up with strategies to improve teachers' lives before and after retirement. Finally, the teachers in public secondary schools will benefit from the study by providing them with in-depth understanding of retirement.

CHAPTER TWO

LITERATURE REVIEW

2.1 Theories of Retirement

There are three aging theories: role theory, continuity theory, and life course perspectives theory. They help to explain the retirement experience of older adults. According to role theory, retirement is an adjustment of one's principal role usually as a paid worker, a role that is central to a person's identity (Kim and Moon, 2001). Roles give people a sense of worth and achievements (Choi, 2001) and help shape their behavior and self-concept (Hooyman and Kiyak, 2000). Further, role theory suggests that retirement can be a stressful event for individuals due to the loss of a fundamental social role. Learning to deal with role loss may cause individuals to feel a sense of vulnerability. Some retired individuals may experience feelings of disconnect and anxiety that may lead to low levels of life satisfaction during retirement (Kim and Moen, 2001; Richardson and Kilty, 1991; Quick and Moen, 1998).

Continuity theory describes retirement as a linear series of life events that gradually lead to a logical career stage and a pleasant experience or transition without maladjustment or distress into retirement (Hooyman and Kiyak, 2000), (Quick and Moen, 1998). It suggests that the circumstances of retired women do not change, but instead they maintain a consistent pattern. Further, as they age, women frequently substitute new roles for lost ones (Atchley, 1988; Hooyman and Kiyak, (2000). Additionally, women's central personality will be more pronounced during the later stage of life (Hooyman and Kiyak, 2000). Continuity theory does not account for individuals who do not consistently work

full-time over their life course. This theory assumes a natural and gradual progression into retirement.

The life course perspective provides a useful theoretical lens for explaining retirement. This perspective emphasizes a non-linear developmental and multidisciplinary approach describing changes as people age over their life course. It also emphasizes the effects of history, social structure and individual meaning of life in aging (Hooyman and Kiyak, 2002). This perspective considers how aging relates to and is shaped by social contexts, history, time period, cultural meanings and locations (Hooyman and Kiyak, 2002). For example, examining an individual's lifetime events such as family history, social norms, access to education, and savings captures a clearer picture of the individual's present circumstances which may influence living conditions during retirement. Unlike role theory and continuity theory that assumes a continual progression in social roles without any disruptions, the life course perspective focuses on the timing of social roles. That is, this perspective recognizes that people may make multiple entries and exits in work roles (Quick and Moen, 1998).

2.2 Types of Retirement

According to (Akinade 1993), retirement is a final stage of life when one leaves an occupation, which one had been involved in for a considerable length of one's working life. Retirement is an inevitable stage of ageing where the individual gradually disengages from the main stream of active work or social life and is eventually replaced by a younger person in most cases. (Alutu, 1995) noted that there are three main types of retirement, namely voluntary, compulsory and forced retirement.

Voluntary retirement occurs when the employee decides to retire from service before the attainment of the stipulated retiring age or years of service. Compulsory retirement occurs when the employee had to retire because he has attained the maximum age of retirement or years of service. Forced retirement, on the other hand, occurs when the employee is made to withdraw from service with or without benefits for example retrenchments.

(Awoniyi, 1997) submitted that retirement could be categorized into two classes: voluntary and involuntary retirement. Retirement is regarded as voluntary if the employee freely and personally decides on it before the attainment of the mandatory retirement age of 60 years of age in Kenya. Retirement is involuntary if the decision is forced on the employee, either on attainment of mandatory retirement age or due to other reasons like mass retrenchment of workers, proven case of ill health, negligence of duty etc.

2.3 Effects of Retirement on Retirees

Time away from work can improve an older person's health or stop its deterioration (Grossman 1972). Retirement has significant effects on the health of both men and women. For men retirement reduces the likelihood of a health improvement by over 8% while for women retirement increases the probability of health improvement by over 15%. Despite the opposite effects for health improvements, retirement preserves the health of both men and women by 2.5% and 3.5% respectively (Neuman 2004). According to (Smith and Kington, 1997) emotional problems and stress negatively affects health. Job characteristics such as heavy physical demands and high stress leads to earlier retirement ages (Filer and Petri, 1988).

When significant growth in the retiree population is experienced, the expected growth in jobs and welfare levels follows. When retirement communities are developed to attract large number of retirees to a local area, both number of jobs and average wage levels may increase. Positive economic benefits can be attained through developing amenities such as retirement communities. The retirees who stay in the same area do not bring additional economic resources into the area upon retirement. Retirees who have economic resources to choose where to retire may bring wealth that generate both an increased demand for services resulting in job growth (Angell and Rowley, 2006).

Retirement brings new relationship issues, and for men who do not find new meaningful activities to replace work, there is the risk of boredom that can lead to depression and other health problems. There are many men retiring today who have been working in one role for many years. For these men, who have not experienced much variation in their daily routine for a long time, such a major change of lifestyle is often very stressful. Retirement brings new challenges to relationships. Both parties may have adjusted to a certain amount of time together each day. With retirement, the time spent in each other's company greatly increases. This intensive contact can disturb the equilibrium of the relationship and bring unresolved tensions to the surface (John, 2007). Tension can arise also out of the increased need for joint decision-making. Whereas, prior to retirement, the routine of work allowed for a clear division of decision-making responsibilities, after retirement, there may be many more decisions that need to be made together. A shift in decision-making can be a source of conflict. According to (Holtzman, 2002) when one is working, your day is shaped by the requirements of your job, and success is based on how well you perform and are rewarded for your work. When one retires, you alone must

plan your day and week. Success depends on your ability to find happiness in satisfying personal interests, human relationships and mental activities. Making a transition from work to retirement involves abrupt changes in what is expected of you and what you expect of yourself. Your role as a worker may be reduced, but your role as a spouse, partner, parent or friend does not stop. These roles may be affected by retirement. Being single both simplifies and complicates the problem of retirement. It simplifies them because you have only yourself to take care of. You can make your own choices. On the other hand, you do not have a partner to share things with or lean on emotionally or financially. Most people have a need to nurture and be nurtured. Being a single retiree may lead to isolation and loneliness.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

This research project used descriptive survey design because it is accurate and provides a reliable description of the characteristics, attitudes or behavior of the respondents. Survey method of research was used because it seeks to obtain information that describes existing phenomena by asking individuals about their perceptions, attitudes, behavior or values. According to (Mugenda and Mugenda, 2003) surveys are also excellent vehicles for the measurement of characteristics of large populations. This study surveyed the perception of retirement by secondary school teachers in Nairobi County.

3.2 Population

The study targeted all the teachers in public secondary schools in Nairobi County. There are 69 public secondary schools in Nairobi County with a population of 1003 teachers. (Ministry of Education, 2012).

3.3 Sample Design

The selected sample size was 130, which is 13% of the total population. (Mugenda and Mugenda, 2003) suggested that the sample size depends on factors such as the type of research design, the number of variables in the study, the method of data analysis and the size of the accessible population. They suggested that for descriptive studies, ten percent of the accessible population is enough for the study. Simple random sampling technique was used to sample the teachers.

3.4 Data Collection

Primary data was collected using a semi-structured questionnaire. The questionnaire had two sections. Section A on demographic data and Section B on Perception of retirement. In the questionnaire both open and closed ended questions were asked to capture both quantitative and qualitative data. The questionnaires were dropped to the following schools. Jamhuri high school, Nembu girls, Kangemi high school, Buruburu girls, Ngara girls, Parklands boys, St. Theresa's boys, Kamiti secondary, Ruaraka secondary, Aquinas , St annes, Dr. Mwenje, Highway, Our lady of Fatima, Eastleigh boys, Nairobi school and MainaWanjigi. The teachers were given one week to fill the questionnaires and thereafter they were collected.

3.5 Data Analysis

After data collection, examination for completeness, reliability and consistency was done on the data. Analysis of data was done by use of descriptive statistics, which is the use of the mean, median, frequencies, and variants for summarizing the qualitative and quantitative data. The findings were presented using tables, charts and graphs with explanations. The findings were interpreted, conclusions drawn and recommendations made.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter presents the data analysis, results and discussions of the research findings. The researcher employed the use of quantitative data analysis procedures to analyze the data. The main purpose of this study was to establish the perception of retirement by teachers in public secondary schools. The data targeted the public secondary school teachers in Nairobi County.

4.2 Response Return Rate

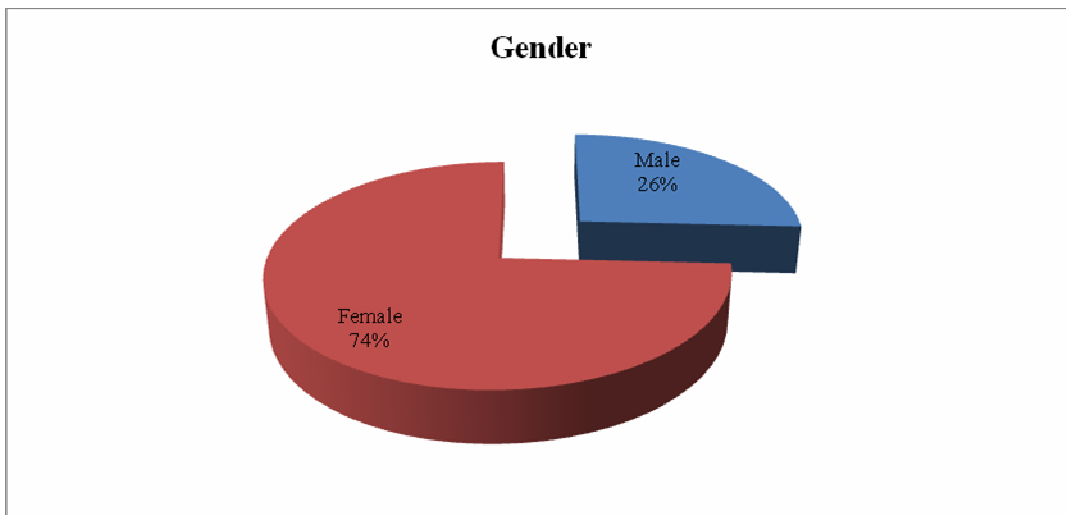
The total response rate is considered as an indicator of the representativeness of the sample respondents (Babbie and Rubin, 2010). The response rate is considered to be a mathematical framework that defines thresholds or limits for the application of data as representative for a given sample (Shields, Hopwood and Chapman, 2007). According to (Mugenda and Mugenda, 2003), a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. In this case, the researcher considered the response as excellent and formed the basis of the analysis. The number of completed questionnaires in this study was 128 out of the targeted sample size of 130. This constitutes an excellent response rate of 98%, which therefore formed a basis for the analysis.

4.3 Demographic Information

4.3.1 Gender Profile

The sex of the respondent is usually an essential factor to consider in any research to ensure that there is gender balance for the purpose of generalization to the population. Figure 4.1 shows that 26% of the respondents were male while 74% of the respondents were female. This portrays a gender imbalanced workforce. This can be attributed to the fact that the population of female teachers in Nairobi County is higher than that of male teachers. This is because female teachers request transfer to join their spouses who are working in Nairobi.

Figure 4.1: Gender

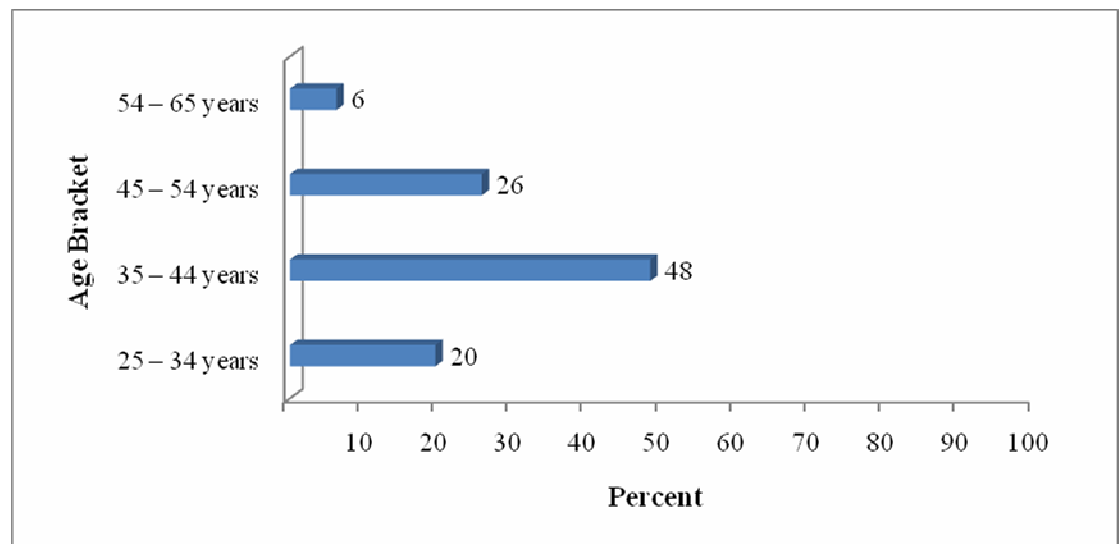


Source: Author 2012

4.3.2 Age of the respondents

The study sought to know the age group of the respondents. The age of the respondent is essential for comparison purposes since some opinions vary with age. Figure 4.2 indicates that majority of the respondents in this study were between 35-44 years by 48%, followed by those between 45-54 years by 26%, then those between 25-34 years by 20% and finally those between 54-65 years by 6%.

Figure 4.2 : Age of the respondents

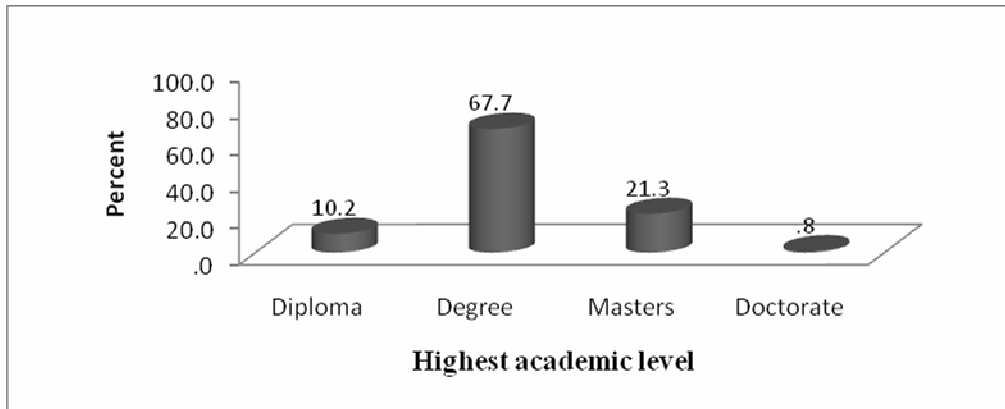


Source: Author 2012

4.3.3 Highest academic qualification

Education level is significant in any study since the opinions vary with respect to one's level of education. The results showed that a majority of 67.7% of the teachers had obtained a bachelors degree, the rest had obtained a masters, diploma and doctorate level by 21.3%,10.2% and 0.8% respectively.

Figure 4.3: Highest academic qualification



Source: Author 2012

4.3.4 Years of work experience

The number of years of work experience was of essence to the study since they aid in identifying the viability of the information given. Table 4.1 indicates that the mean years of experience of the respondents was 16 years with the least having one year of experience and the highest having 46 years of experience. This gives an indication that majority of the respondents had experience in teaching and hence could give information based on their abundant experience. It is also interesting to have a teacher with 46 years of work experience.

Table 4.1: Years of work experience

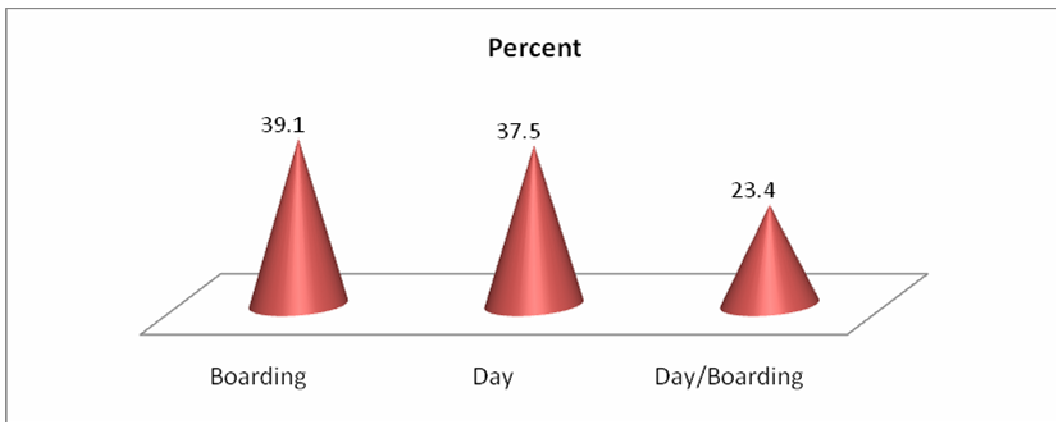
Mean	16
Median	16
Mode	20
Std. Deviation	8.7
Minimum	1
Maximum	46

Source: Author 2012

4.3.5 School Category

In the quest to identify the school category, figure 4.4 indicates that majority of the respondents were from boarding school at (39.1%), followed by those from day school at (37.5%) and finally those from day/boarding schools at (23.4%). This indicates that data was collected from all the categories of schools.

Figure 4.4: School Category

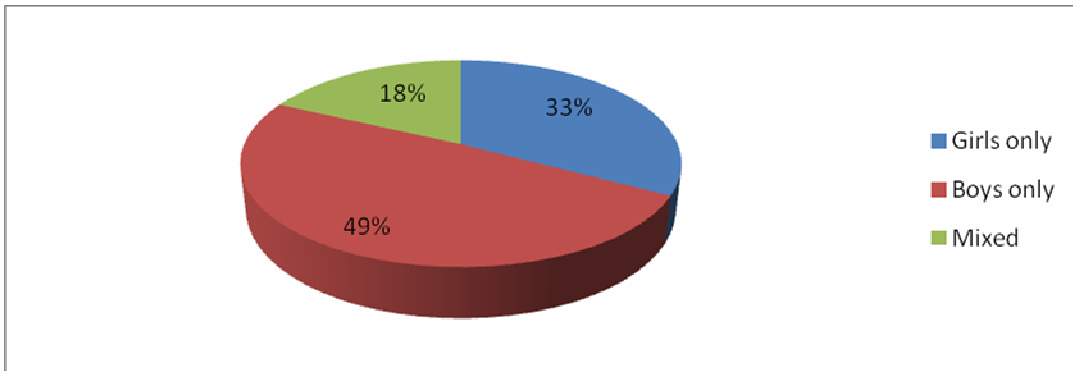


Source: Author 2012

4.3.6 Boys/Girls/Mixed School

The study further sought to identify whether the school is a girls only, boys only or mixed school. Figure 4.5 shows that 49% of the respondents were from boys only school category, followed by girls only school category, who constituted 33% and finally 18% percent coming from mixed school category. The results show that the gender of the schools was taken into consideration.

Figure 4.5: Boys/Girls/Mixed School

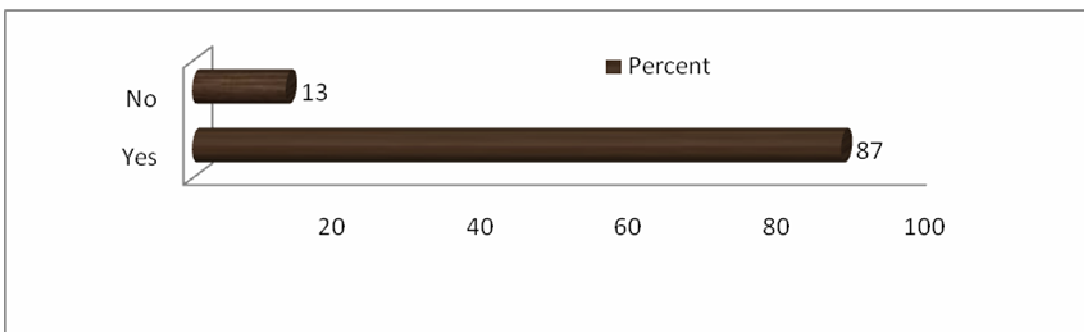


Source: Author 2012

4.3.7 Teachers Employed on permanent and pensionable terms

In an attempt to identify the terms of employment for the various respondents, it was observed that 87% of them were employed on permanent and pensionable terms while 13% of them were not on permanent and pensionable terms. This is indicated by Figure 4.6. The study targeted teachers in public secondary schools. The results indicate that majority of the respondents are employees of the Teachers Service Commission.

Figure 4.6: Teachers employed on permanent and pensionable terms



Source: Author 2012

4.3.8 Terms of employment

The study further sought to identify the terms of employment for those who were not employed on permanent and pensionable terms. Table 4.2 indicates that the Board of Governors (B.O.G) employed (93.8%) while 6.3% indicates volunteers. This finding indicates that secondary schools have got teachers employed by the Board of Governors to cater for the shortage of teachers and ease the workload. It is also interesting to note that there was a teacher volunteer.

Table 4.2: Terms of employment

	Frequency	Percent	Cumulative Percent
B.O.G.	15	93.8	93.8
Volunteer	1	6.3	100.0
Total	16	100.0	

Source: Author 2012

4.3.9 The age one plans to retire and the reasons

The study sought to identify the relationship between the age at which the respondents were planning to retire and the reasons behind the decision to retire at this age. The reasons identified for planning to retire at the specified age included; official government retirement age, one is capable of working till then, few responsibilities then, one is strong enough to do own business, enjoy ones work, one will have invested and saved enough, diminished performance, hopelessness in the profession (much work, less pay) and to rest.

Findings presented in Table 4.3 indicates that majority of those who were planning to retire at 60 years (30.8%) did so since it was the mandatory government retirement age,

majority of those who were planning to retire at 50-59 years were (33.6%), 40-49 years were(1.9%) and 30-39 years were (0.9%). They felt that at this age they would be strong enough to carry out their own businesses. It is clear from the findings that majority of the respondents are planning to retire at 50 years and above.

Table 4.3: The age one plans to retire and the reasons

Reason for the stated retirement age		Age planning to retire (in years)				Total
		30-39	40-49	50-59	60 and above	
Official Government Retirement Age	Count	0	0	3	33	36
	% of Total	.0	.0	2.8	30.8	33.6
Is capable of working till then	Count	0	0	0	5	5
	% of Total	.0	.0	.0	4.7	4.7
Few responsibilities then	Count	0	0	4	1	5
	% of Total	.0	.0	3.7	.9	4.7
Strong enough to do own business	Count	1	2	36	7	46
	% of Total	.9	1.9	33.6	6.5	43.0
Enjoy ones work	Count	0	0	0	6	6
	% of Total	.0	.0	.0	5.6	5.6
Will have invested and saved enough	Count	1	0	1	4	6
	% of Total	.9	.0	.9	3.7	5.6
Diminished performance	Count	0	0	2	0	2
	% of Total	.0	.0	1.9	.0	1.9
Hopelessness in the profession (Much work, less pay)	Count	0	0	4	1	5
	% of Total	.0	.0	3.7	.9	4.7
To rest	Count	0	1	2	2	5
	% of Total	.0	.9	1.9	1.9	4.7
Total	Count	2	2	50	53	107
	% of Total	1.9	1.9	46.7	49.5	100.0

Source: Author 2012

4.4 Perception of Retirement

4.4.1 Retirement and its importance

In order to find out the perception of retirement by teachers, the respondents were asked whether retirement is important and why. Table 4.4 below shows that 98.4% of the respondents consider retirement as important while only 1.6% was not for the idea of retirement. The reasons given to support the importance of retirement include; resting, relaxing and enjoying fruits of one's efforts, to pursue other interests and businesses, to pave way for younger professionals to get jobs and low productivity at this age. For those who supported retirement as an important stage in one's career, 57.4% of them felt that retirement was essential as a time to rest, relax and enjoy the fruits on one's labour. 38.5% felt it is an essential period for one to pursue other interests and businesses, 24.6% felt it is essential for them to retire so that they can pave way for younger professionals to get jobs while 8.2% of them expressed that the teacher's productivity is low at this age. For those who were opposed to retirement as an important stage in one's career (1.6%), identified the need for money to survive as the driving force of sticking to one's job.

Table 4.4: Retirement and its importance

Reasons why retirement is important		If retirement is important		Total
		Yes	No	
To rest, relax and enjoy fruits of one's efforts	Count	70	0	70
	% of Total	57.4%	.0%	57.4%
Pursue other interests and businesses	Count	47	0	47
	% of Total	38.5%	.0%	38.5%
Pave way for younger professionals	Count	30	0	30
	% of Total	24.6%	.0%	24.6%
Low productivity at this age	Count	10	0	10
	% of Total	8.2%	.0%	8.2%
Needs money to survive	Count	0	2	2
	% of Total	.0%	1.6%	1.6%
Total	Count	120	2	122

	% of Total	98.4%	1.6%	100.0%
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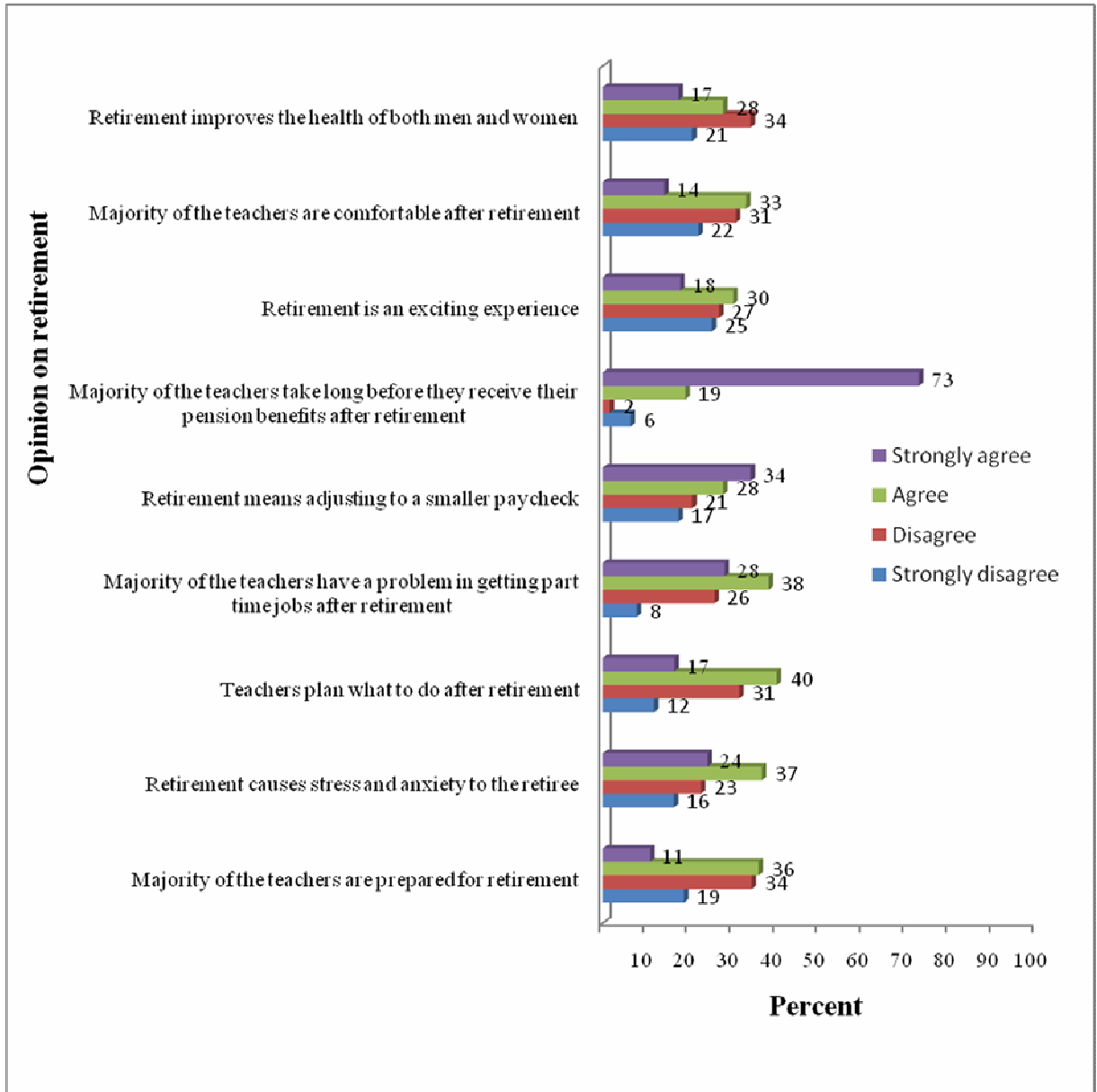
Source: Author 2012

4.4.2 Opinion on retirement

In an attempt to identify the perception of the respondents on retirement, the study sought to know their level of agreement with some of the statements referring to retirement. Statements were rated on 4 likert scale rating stating with 1= strongly disagree, 2 = disagree, 3 = agree, 4 = strongly agree. Data was analyzed and presented in Figure 4.7. 36% of the respondents agreed that majority of the teachers are prepared for retirement and was closely followed by 34% being those who disagreed. From these responses cumulatively high proportions (34% + 19%) of respondents were in opposition that majority of the teachers are prepared for retirement.

Majority of 37% of the respondent agreed that retirement causes stress and anxiety to the retiree, followed closely by 24% strong agreement on the same. Only a cumulative proportion of 39% of the respondents disagreed to this. From the cumulative responses it is clear that teachers plan what to do after retirement, majority of the teachers have a problem in getting part time jobs after retirement, retirement means adjusting to a smaller paycheck and majority of the teachers take long before they receive their pension benefits after retirement by 57%, 66%, 62% and 92% respectively being either in agreement or strong agreement. On the other hand, it is evident from the results that majority of the respondents disagreed and strongly disagreed to retirement as an exciting experience, majority of the teachers are comfortable after retirement and retirement improves the health of both men and women by a cumulative response rate of 52%, 53% and 54% respectively.

Figure 4.7 : Opinion on retirement



Source: Author 2012

4.4.3 Opinion on financial steps taken by teachers to prepare for retirement

The study sought to know the opinion of the respondents on the financial steps taken by the teachers in preparation for retirement. Statements were rated on a likert scale as follows. Strongly disagree, disagree, agree and strongly agree. Analysis of findings on table 4.5 shows that majority of the respondents 40% disagreed that teachers set aside money for retirement, 35% of them agreed, 20% of them strongly disagreed while only 5% of them strongly agreed. The cumulative response showed that 60% of the respondents disagreed that teachers set aside money for retirement.

Similarly, the results showed that majority of the respondents opposed that teachers set aside money in savings account by cumulative response of 55%, teachers set up individual retirement accounts by cumulative response of 80%, teachers invest in stocks by cumulative response of 55%, teachers invest in Mutual funds by cumulative response of 71%, teachers invest in bonds by cumulative response of 70%, teachers contact banks and Sacco's for retirement financial advice by cumulative response of 64%, teachers contact friends and relatives for retirement financial advice by cumulative response of 56%.

On the other hand, it is clear that teachers invest in some other forms of savings and investments. The results showed that teachers join investment groups (chamas) by a cumulative response rate of 89%, teachers start long-term business or expand their businesses by a cumulative response rate of 54%, teachers invest for their children education by a cumulative response rate of 82%, teachers participate in employer's

pension by a cumulative response rate of 69% and teachers save in assets by a cumulative response rate of 75%.

Table 4.5: Opinion on financial steps taken by teachers to prepare for retirement

	Strongly disagree %	Disagree %	Agree %	Strongly agree %	Total %
Teachers set aside money for retirement	20	40	35	5	100
Teachers set aside money in savings account	13	42	38	8	100
Teachers join investment groups (chamas)	2	10	69	20	100
Teachers start long-term business or expand their businesses	9	37	41	13	100
Teachers set up individual retirement accounts	23	57	13	7	100
Teachers invest for their children education	4	13	51	31	100
Teachers participate in employer's pension	13	18	42	27	100
Teachers invest in stocks	9	46	41	4	100
Teachers save in assets	6	19	54	21	100
Teachers invest in Mutual funds	21	50	24	5	100
Teachers invest in bonds	19	51	22	7	100
Teachers contact banks and Sacco's for retirement financial advice	21	43	29	7	100
Teachers contact friends and relatives for retirement financial advice	20	36	34	9	100

Source: Author 2012

4.4.4 Rate of satisfaction with retirement pension

In the quest to determine if the teachers are usually satisfied with the pension given after retirement, the study sought to know the rate of satisfaction with retirement pension. Findings in table 4.6 indicate that forty-four percent of the respondents expressed that the rate of satisfaction with pension is fair, 31.2% indicated that the pension is poor, 24% felt that the pension is good while only 0.8% of the respondents felt that pension gives excellent satisfaction. This indicates that teachers are not satisfied with retirement pension.

Table 4.6: Rate of satisfaction with retirement pension

	Frequency	Percent
Excellent	1	.8
Good	30	24.0
Fair	55	44.0
Poor	39	31.2
Total	125	100.0

Source: Author 2012

4.4.5 The effects of retirement to the school as an organization

The research aided in identifying the effects of retirement to the school as an organization. Table 4.7 shows that majority of the respondents (35.1%) felt that retirement moderately affects the school as an organization; this was followed by 26.1% of the respondents who felt that retirement affected the school as an organization to a great extent. About 19.8% of the respondents felt that retirement of a teacher affected the school as an organization to a little extent while 10.8% of the respondents felt that retirement affected the school to a very great extent. About 8.1% of the respondents felt that retirement did not at all affect the school as an organization.

Majority of those who felt that retirement affected the school as an organization to a very great extent (6.3%), great extent (15.3%) and moderate extent (15.3%) associated it with the reason that replacement of the retired teacher takes time hence heavy workload on the remaining teachers. Majority of those who indicated that retirement affects the school as an organization to a little extent (14.4%) and those who felt that retirement does not at all affect the school as an organization (6.3%) indicated that the retired teachers are eventually replaced hence the impact is minimal. It is therefore evident that retirement of teachers moderately affects the school as an organization since the retirement of a teacher causes temporary disruption in the normal learning of the students, which is eventually corrected once the teacher is replaced.

Table 4.7: The effects of retirement to the school as an organization

		Extent to which retirement affects the school as an organization					Total
		Very great extent	Great extent	Moderate extent	Little extent	Not at all	
Replacement takes time hence heavy workload on remaining ones	Count	7	17	17	2	1	44
	% of Total	6.3	15.3	15.3	1.8	.9	39.6
Losing experienced manpower	Count	5	12	10	0	0	27
	% of Total	4.5	10.8	9.0	.0	.0	24.3
It's not an emergency hence schools plan for it	Count	0	1	2	1	1	5
	% of Total	.0	.9	1.8	.9	.9	4.5
They are replaced hence impact is minimal	Count	0	4	14	16	7	41
	% of Total	.0	3.6	12.6	14.4	6.3	36.9
Teachers retire at different times hence impact is minimal	Count	0	1	0	4	0	5
	% of Total	.0	.9	.0	3.6	.0	4.5

Total	Count	12	29	39	22	9	111
	% of Total	10.8	26.1	35.1	19.8	8.1	100.0

Source: Author 2012

4.4.6 Problems experienced by teachers who are about to retire

There are a number of problems that are experienced by teachers who are about to retire.

It was observed from Table 4.8 that majority of the retirees experience adverse stress and anxiety by 65.3% of the respondents. The stress and anxiety was because of unpreparedness by the time they retire. Financial constraint is another problem experienced by the teachers who are about to retire and was supported by 22% of the respondents. 8% and 4.7% of the respondents supported slow processing of pension and inadequate knowledge on financial management respectively.

Table 4.8: Problems experienced by teachers who are about to retire

Problems	Responses	
	N	Percent
Stress and anxiety especially if unprepared	98	65.3
Financial Constraints	33	22.0
Slow processing of pension	12	8.0
Inadequate knowledge on financial management	7	4.7
Total	150	100.0

Source: Author 2012

4.4.7 Solutions to the problems experienced by teachers who are about to retire

There was need to establish the solutions to the problems experienced by the teachers who are about to retire. Table 4.9 indicates that majority of the respondents (28.2%) suggested early savings and investments as the best solution to the problems associated with retirement. Approximately 28.2% of the respondents suggested that teachers require guidance and counseling on life after retirement. It was further observed that there is need for timely advice on financial management to the teachers by 25% of the respondents supporting this. The rest suggested quick release of pension, improved salaries for teachers to enable them to save and better retirement package by 8%, 8% and 2.7% respectively.

Table 4.9: Solutions

Solutions	Responses	
	N	Percent
Early savings and investments	53	28.2
Timely advice on financial management	47	25.0
Quick release of pension	15	8.0
Better retirement package	5	2.7
Improved salaries for teachers to enable them to save	15	8.0
Guidance and counselling on life after retirement	53	28.2
Total	188	100.0

Source: Author 2012

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMEDATIONS

5.1 Introduction

This chapter presents the summary, conclusions, recommendations, and suggestions for further research. The main purpose of this study was to establish the perception of retirement by teachers in public secondary schools in Nairobi County.

5.2 Summary

The findings from the demographic data Figure 4.1 indicated that the gender of the respondents was 26% male while 74% were female. This indicates a gender-imbalanced workforce. This is because female teachers are many in Nairobi County. Figure 4.2 indicated that majority of the respondents in this study were between 35-44 years of age at 48%, those between 45-54 years were 26%, those between 25-34 years were 20% and finally those between 54-65years were 6%. From the findings in Figure 4.3, the respondents with the highest academic qualifications were at doctorate level with 0.8%, followed by masters degree at 21.3%, degree at 67.7% and finally diploma at 10.2%. The findings in Table 4.1 indicated that the mean years of work experience of the respondents was 16 years with the highest having 46 years of experience and the lowest 1 years of experience. Majority of the respondents who filled the questionnaires were from boarding school at 39.1 %, followed by day school at 37.5% and day/boarding at 23.4% as indicated by figure 4.4. In addition, 49% of the respondents were from boys only school followed by girls only school at 33% and 18% coming from mixed schools as illustrated by figure 4.5. Figure 4.6 indicates that 87% of the teachers were employed on permanent

and pensionable terms while 13% of them were not on permanent and pensionable terms. Out of those not employed on permanent and pensionable terms, Board of Governors employed 93.8% while 6.3% represents a volunteer as illustrated by Table 4.2.

The study sought to identify the relationship between the age at which the respondents were planning to retire and the reasons behind their decision. From the findings in Table 4.3, the results showed, that majority of those who were planning to retire at 60 years (30.8%) did so because it was the mandatory government retirement age for the civil servants in Kenya. This finding supports earlier findings by (Nzuve, 2010) who stated that many people are not ready to stop working until they reach retirement mandatory age of 60 years. The teachers who were planning to retire from 50 years to 59 were (33.6%); 40-49 years (1.9%) and 30-39 years (0.9%) felt that they would be strong enough to carry out their own businesses. From the findings it was clear that majority of the respondents are planning to retire at 50 years and above. From the findings in Table 4.4, 98.4% of the respondents consider retirement important while only 1.6% considered retirement as not important. Out of 98.4% who considered retirement to be important, 57.4% felt that retirement was essential as a time to rest, relax and enjoy the fruits of their labour, 38.5% felt that retirement is an essential period for one to pursue other interests and business, 24.6% felt that it is essential for them to retire so that they can pave way for younger professionals while 8.2% expressed that the teacher's productivity is low at this stage. 1.6% who were opposed to retirement identified the need for money to survive as the driving force of sticking to one's job.

In an attempt to establish the perception of the respondents on retirement, the respondents were given statements on retirement to measure their opinion. Figure 4.7 indicates their

opinion on retirement. 47% of the respondents agreed that majority of the teachers are prepared for retirement while 53% disagreed. 61% of the respondents agreed that retirement causes stress and anxiety to the retiree while 39% disagreed. 57% of the respondents agreed that teachers plan what to do after retirement while 43% disagreed. From the findings 66% of the respondents agreed that majority of the teachers have a problem in getting part time jobs after retirement while 34% disagreed. 62% of the respondents agreed that retirement means adjusting to a smaller paycheck while 38% disagreed. 92% of the respondents agreed that majority of the teachers take long before they receive their pension benefits while 8% disagreed. 52% of the respondents disagreed that retirement is an exciting experience while 48% agreed. 55% of the respondents disagreed that retirement improves the health of both men and women, while 45% agreed.

The study also sought to know the opinion of the respondents on the financial steps taken by teachers in preparation for retirement. Table 4.5 showed that 60% of the respondents disagreed that teachers set aside money for retirement while 40% agreed. 55% of the respondents disagreed that teachers set aside money in savings account while 46% agreed. 89% of the respondents agreed that teachers join investment groups (chamas) while 12% disagreed. 54% of the respondents agreed that teachers start long-term business or expand their business while 46% disagreed. 80% of the respondents disagreed that teachers set up individual retirement accounts while 20% agreed. 82% of the respondents agreed that teachers invest for their children education while 17% disagreed. 69% of the respondents agreed that teachers participate in employer's pension while 31% disagreed. 55% of the respondents disagreed that teachers invest in stocks while 45%

agreed. 75% of the respondents agreed that teachers save in assets while 25% disagreed. 71% of the respondents disagreed that teachers invest in mutual funds while 29% agreed. 70% of the respondents disagreed that teachers invest in bonds while 29% agreed. 64% of the respondents disagreed that teachers contact banks and Sacco's for retirement financial advice while 36% agreed. 56% of the respondents disagreed that teachers contact friends and relatives for retirement financial advice while 43% agreed.

To determine if the teachers are satisfied with the pension given, the following were the findings in Table 4.6. 44% of the respondents felt that the pension was fair, 31.2 indicated it was poor, 24% felt the pension was good while 0.8% felt that it was excellent. The researcher aided in identifying the effects of retirement to the school as an organization. From the findings in Table 4.7, majority of the respondents who felt that retirement affects the school as an organization to a very great extent (6.3%), great extent (15.3%) and moderate extent (15.3%) associated it with the reason that replacement of retired teachers takes time hence heavy workload on the remaining teachers. 24.3% of the respondents said that the school loses experienced manpower as a result of retirement.

From the findings in Table 4.8, the respondents raised the problems experienced by teachers who are about to retire. 65.3% of the respondents said that majority of the retirees experience stress and anxiety because of unpreparedness by the time they retire. 22% of the respondents cited financial constraints as another problem experienced by teachers who are about to retire. 80% of the respondents said that the processing of pension was slow while 47% cited inadequate knowledge on financial management. Solutions to the above problems were raised in Table 4.9 as follows. 28.2% of the respondents felt that teachers should start saving and investing early. 28.2% suggested

that teachers require guidance and counseling on life after retirement. 25% felt that teachers should be given timely advice on financial management. 8.0% felt that teachers salaries should be improved to enable them to save and 8.0% felt that the retirement pension should be released immediately after retirement and lastly 2.7% felt that teacher's retirement package should be improved.

5.3 Conclusion

From the findings, it is clear that the majority of the teachers would like to retire from 50 years to 60 years mainly because they will be strong enough to do business after retirement and 60 years is the official government retirement age. This is in support of earlier findings by (Nzuve, 2010) who stated that many people are not ready to stop working until they reach the mandatory retirement age. According to Teachers Service Commission, teachers can retire from the age of 50 years up to 60 years of age. In addition, we can conclude that retirement is important because it gives an individual time to rest, relax and enjoy the fruits of their labour. Moreover, retirement is important because it gives one time to pursue other interests or to engage in business. Finally, retirement paves way for younger professionals to get employment. This supports earlier findings by (Prize, 2000) who stated that with creation of Social Security Act, pension was made available to older workers to encourage them to retire from the workforce and enable younger workers take their place.

From the findings we can conclude that majority of the teachers are not prepared for retirement. This supports earlier findings by (Nzuve, 2000) who stated that the major problem is that majority of the workers are not ready to stop working until it is too late or they have not even prepared for retirement. Both the employer and employee should

make adequate plans for retirement. From the findings, we can also conclude that retirement causes stress and anxiety to the retiree. This supports role theory, which suggests that retirement can be a stressful event for individuals to feel a sense of vulnerability. Some retired individuals may experience feelings of disconnect and anxiety that may lead to low levels of life satisfaction during retirement (Kim and Moen, 2001; Richardson and Kilty, 1991, Quick and Moen, 1998). Majority of the teachers have a problem in getting part time jobs after retirement mainly because they have experience in one job of teaching. Retirement means adjusting to a smaller paycheck because teachers survive on monthly pension. After retirement majority of the teachers take long before they receive their pension benefits and this contributes to the perception that retirement is not an exciting experience.

From the findings majority of the teachers are not comfortable after retirement mainly because of low pay. Teachers are not able to save for retirement and what they invest in is little to sustain them. This explains the reason why teachers are fighting for better pay from the government. If teachers were paid well they would be in a position to save, invest and have a comfortable retirement since their retirement package will be high. According to (Nzuve, 2000) both the employee and the employer should make adequate plans for retirement. It is the responsibility of employers to make retirement plans for their employees. From the findings, retirement does not improve the health of both men and women. This finding does not support (Grossman, 1972) finding that time away from work can improve an older person's health or stop its deterioration.

From the findings, we can also conclude that teachers join investment groups such as chamas to improve their financial well-being. In addition, teachers start long-term

businesses to supplement their earnings. Teachers do invest for the education of their children through buying insurance policies from various insurance companies. Teachers do save in assets such as land or buildings. On the other hand, teachers do not set aside money for retirement, or in savings accounts. They also do not set up individual retirement accounts. Teachers do not invest in stocks, bonds and mutual funds. They need to be sensitized to invest in the stock market apart from assets.

Finally, teachers do not contact banks, Sacco's, friends and relatives for retirement financial advice. There is need to educate teachers on the need to seek financial advice on retirement in order to enjoy their sunset years. From the findings, we can conclude that teachers are not satisfied with retirement pension. There is need for the government to improve teachers' salaries so that they can receive good pension after retirement. Teachers should also be encouraged to join private pension schemes instead of just relying on the government pension. According to (Asonibare and Oniye, 2008) all retirees need to be reminded about the reason behind saving and preparing for retirement. From the findings, it is evident that retirement moderately affects the school as an organization, since retirement of a teacher causes disruption in teaching. The Teachers Service Commission takes time to replace the retired teachers, the remaining teachers are overburdened with lessons, and it does not provide extra pay for the added workload.

In addition, teachers who are about to retire face financial constraints. This may occur because of some teachers still shouldering burdens of educating their children. It is advisable to bear children during the early years to avoid financial constraints during retirement. Teachers also face financial constraints because of delayed pension. (Gachara, 1994) concluded that besides NSSF and pension funds, nothing is done to prepare

employees for retirement. In preparation for pre-retirement programs, it is very crucial for both management institutions to involve the participants, both individuals and organizations. The government should process pension early such that after retirement one can go home with a cheque. Another problem faced by teachers is lack of financial management. Teachers should be taught financial management as part of their course work in institutions of learning. This will enlighten them on areas to invest their money especially the stock market.

5.4 Recommendations

From the findings, I recommend that the government should improve teachers' salaries and benefits. This will enable teachers to have money so that they can save and invest in assets, stocks, bonds, and mutual funds. This will enable them to save for retirement and majority of the teachers will be comfortable after retirement. It will also remove stress and anxiety to retirees. The pension benefits will also increase if the teachers pay is increased.

Another recommendation is for the government to release pension benefits immediately after one retires. This will eliminate financial stress on the retirees if they go home with a cheque immediately after retirement. In addition, I do recommend that the Ministry of Education should offer financial management as a core unit to student teachers who are in training institutions. The Teachers Service Commission should educate teachers who are already in service through, seminars, and workshops. They should enlighten the teachers on the need to save for retirement and to offer retirement counseling to teachers early from 40 years of age and not two years to retirement in order to prepare teachers adequately for retirement.

5.5 Suggestions for further research

From the research findings, I suggest that other areas of research should be carried out on financial management. It will give an insight whether teachers have any knowledge on financial management. A research study should be carried out on the retired teachers to determine whether they are comfortable with retirement and retirement pension. Further research can be done to determine if the Teachers Service Commission prepare teachers for retirement.

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APPENDIX I
LETTER OF INTRODUCTION

JACQUELINE W. GITHUI,

P.O BOX 40584-00100,

NAIROBI.

12THOctober, 2012.

Dear Respondent,

RE: RESEARCH PROJECT

I am a postgraduate student at University of Nairobi. As part of the requirements of the Masters in Business Administration degree, I am required to carry out an independent research. The research is titled “Perception of Retirement by Secondary Teachers in Nairobi County.” To enable me to successfully carry out the study, a questionnaire is provided which will be the major basis of findings of the research.

You are kindly requested to respond to the questions as directed and do as honestly as possible. I understand you have a busy schedule and your participation in the evaluation is greatly appreciated and information given will be treated in confidence.

Yours faithfully,

Jacqueline Githui.

APPENDIX II
QUESTIONNAIRE

SECTION A: (DEMOGRAPHIC DATA)

Tick the appropriate answer or fill in the spaces provided.

1. What is your gender?

Male

Female

2. Indicate your age bracket from the choices below.

25 – 34years

35 – 44years

45 – 54years

54 – 65years

3. What is your highest academic qualification?

Diploma

Degree

Masters

Doctorate

4. How many years of work experience do you have? _____

5. In which category does your school belong?

Boarding

Day

Day/Boarding

6. Indicate whether your school is boys/girls/mixed.

Girls only

Boys only

Mixed

7. (i) Are you employed on permanent and pensionable terms?

Yes

No

(ii). If no specify?

8. (i) At what age do you plan to retire? _____

(ii) Give reasons for your answer to the question above. _____

PART B: PERCEPTION OF RETIREMENT

1. Is retirement important and why?

2. To what extent do you agree with the following statements concerning retirement?

Tick either 1, 2, 3, or 4 where 1 = strongly disagree 2 = Disagree 3 Agree 4 = strongly agree

	1	2	3	4
Majority of the teachers are prepared for retirement.				
Retirement causes stress and anxiety to the retiree.				
Teachers plan what to do after retirement.				
Majority of the teachers have a problem in getting part time jobs after retirement.				
Retirement means adjusting to a smaller pay check.				
Majority of the teachers take long before they receive their pension benefits after retirement.				

Retirement is an exciting experience.				
Majority of the teachers are comfortable after retirement.				
Retirement improves the health of both men and women.				

3. To what extent do you agree with the following financial steps taken by teachers to prepare for retirement? Tick where appropriate.

	Strongly disagree	disagree	Agree	Strongly agree
Teachers set aside money for retirement.				
Teachers set aside money in savings account.				
Teachers join investment groups (chamas)				
Teachers start long-term business or expand their businesses.				
Teachers set up individual retirement accounts.				
Teachers invest for their children education.				
Teachers participate in employer's pension.				
Teachers invest in stocks.				
Teachers save in assets.				
Teachers invest in Mutual funds.				
Teachers invest in bonds.				
Teachers contact banks and Sacco's for retirement financial advice.				
Teachers contact friends and relatives for retirement financial advice.				

4. How would you rate your satisfaction with retirement pension?

- a) Excellent []
- b) Good []
- c) Fair []
- d) Poor []

5. (i) To what extent does retirement affect the school as an organization?

- a) Very great extent []
- b) Great extent []
- c) Moderate extent []
- d) Little extent []
- e) Not at all []

(ii) Explain the reasons for your answer above _____

6. (a) In your own opinion, which problems are experienced by teachers who are about to retire.

(b) Suggest solutions to the above problems.

APPENDIX III

PUBLIC SECONDARY SCHOOLS IN NAIROBI COUNTY

- 1 AQUINAS HIGH SCHOOL – Boys Boarding
- 2 HIGHWAY SECONDARY SCHOOL – Boys Day
- 3 HURUMA GIRLS’ HIGH SCHOOL – Girls Day & Boarding
- 4 OUR LADY OF MERCY SECONDARY SCHOOL SOUTH B – Girls Day
- 5 OFAFA JERICHO HIGH SCHOOL – Boys Boarding
- 6 NILEROAD SECONDARY – Girls Day
- 7 ST. TERESA’S BOYS SECONDARY SCHOOL – Boys Day
- 8 MAKONGENI SECONDARY SCHOOL – Mixed Day
- 9 RUARAKA HIGH SCHOOL – Mixed Day
- 10 BURUBURU GIRLS SECONDARY SCHOOL – Girls Boarding
- 11 OUR LADY OF FATIMA SECONDARY SCHOOL – Mixed Day
- 12 BABA DOGO SECONDARY SCHOOL – Mixed Day
- 13 C.G.H.U SECONDARY SCHOOL – Mixed Day
- 14 EASTLEIGH HIGH SCHOOL – Boys Day
- 15 MAINA WANJIGI SECONDARY SCHOOL – Mixed Day
- 16 UHURU SECONDARY SCHOOL – Boys Day
- 17 KAMUKUNJI SECONDARY SCHOOL – Mixed Day
- 18 O.L.M SHAURI MOYO GIRLS SEC. SCHOOL – Girls Boarding
- 19 JAMHURI HIGH SCHOOL – Boys Day
- 20 PARKLANDS SECONDARY SCHOOL – Boys Day
- 21 PUMWANI SECONDARY SCHOOL – Boys Boarding
- 22 NGARA GIRLS’ HIGH SCHOOL – Girls Boarding
- 23 ST TERESA’S GIRLS SECONDARY SCHOOL – Girls Day
- 24 NDURURUNO SECONDARY SCHOOL – Mixed Day
- 25 MURANG’A ROAD MIXED DAY SECONDARY SCHOOL – Mixed Day
- 26 PUMWANI GIRLS SECONDARY SCHOOL – Girls Day
- 27 LANG’ATA HIGH SCHOOL – Mixed Day
- 28 KAREN ‘ C ‘ SECONDARY SCHOOL. – Mixed Day
- 29 OLYMPIC HIGH SCHOOL – Mixed Day
- 30 RAILA EDUCATIONAL CENTRE – Mixed Day
- 31 DAGORETTI HIGH SCHOOL – Boys Boarding
- 32 UPPER HILL SCHOOL – Boys Boarding
- 33 MOI GIRLS’ SCHOOL NAIROBI – Girls Boarding
- 34 PRECIOUS BLOOD RIRUTA – Girls Boarding
- 35 MUTUINI HIGH SCHOOL – Boys Day
- 36 RUTHIMITU SECONDARY SCHOOL – Mixed Day
- 37 NEMBU GIRLS HIGH SCHOOL – Girls Boarding
- 38 RUTHIMITU GIRLS SEC SCHOOL – Girls Day
- 39 DAGORETTI MIXED SEC SCHOOL – Mixed Day
- 40 PARKLANDS ARYA GIRLS HIGH SCHOOL – Girls Boarding

- 41 STATEHOUSE GIRLS H. SCH – Girls Boarding
- 42 KANGEMI HIGH SCHOOL – Boys Boarding
- 43 HOSPITAL HILL HIGH SCHOOL – Mixed Boarding
- 44 ST. GEORGE’S GIRLS’ SECONDARY SCHOOL – Girls Boarding
- 45 NAIROBI MILIMANI SECONDARY SCHOOL – Boys Day
- 46 LAVINGTON MIXED SECONDARY SCHOOL – Mixed Boarding
- 47 HIGHRIDGE MIXED SECONDARY SCHOOL – Mixed Boarding
- 48 KAHAWA GARRISON SECONDARY SCHOOL – Mixed Day
- 49 KAMITI SECONDARY SCHOOL – Mixed Day
- 50 KAYOLE SECONDERY SCHOOL – Mixed Day
- 51 EMBAKASI GIRLS SECONDARY SCHOOL – Girls Boarding
- 52 PETER KIBUKOSYA SECONDARY SCHOOL – Mixed Day
- 53 KAYOLE SOUTH SECONDARY SCHOOL – Mixed Day
- 54 DANDORA SECONDARY SCHOOL – Mixed Day
- 55 MUHURI MUCHIRI BOYS HIGH SCHOOL – Boys Boarding
- 56 HON. DR. MWENJE SECONDARY SCHOOL – Mixed Day
- 57 USHIRIKA SECONDARY SCHOOL – Mixed Day
- 58 JEHOVA JIRE SECONDARY SCHOOL – Mixed Boarding
- 59 DRUMVALE SECONDARY SCHOOL – Mixed Boarding
- 60 ST. GEORGE ATHI SECONDARY SCHOOL – Mixed Boarding
- 61 STAREHE GIRLS SECONDARY SCHOOL – Girls Boarding
- 62 PANGANI GIRLS SECONDARY SCHOOL – Girls Boarding
- 63 KENYA HIGH SCHOOL – Girls Boarding
- 64 MOI FORCES ACADEMY – Boys Boarding
- 65 GOOD SHEPHERD SECONDARY SCHOOL – Girls Boarding
- 66 LENANA HIGH SCHOOL – Boys Boarding
- 67 KARIOBANGI NORTH SECONDARY SCHOOL – Girls day
- 68 RUAI GIRLS SECONDARY SCHOOL – Girls Boarding
- 69 ST. ANNES GIRLS SECONDARY SCHOOL – Girls Boarding