CONSUMER EDUCATION STRATEGIES IN FINANCIAL MANAGEMENT FOR A REWARDING RETIREMENT PERIOD AMONG STAFF OF FCT COLLEGE OF EDUCATION, ZUBA-ABUJA

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Abstract
In most contemporary societies, Retirement has become an interesting topical issue for research. It is an important phase of transition in life characterized by new adjustments and changes in daily living, new relationships, and vocation. It is a period, when an individual exits a paid job after service and upon the attainment of a specified age. Every worker both in private and public establishments looks forward to the retirement period. Of the greatest challenges that face typical employees throughout their working career is financial so they have to prepare for retirement well ahead of time. This study, therefore, investigated consumer education strategies as a stimulus for financial management for a rewarding retirement period. This study was guided by two research objectives and two research questions, respectively. The study adopted a descriptive survey research design. The population was made up of 200 respondents; comprising 100 academic staff and 100 non-academic staff of FCT College of Education Zuba, Abuja. All the population in the study constituted the sample, and the census sampling technique was used. A structured questionnaire titled "Consumer Education and Financial Management Questionnaire" was the instrument for the collection of data. The content validity of the instrument was determined. The internal consistency was derived through the use of the Test-retest method of reliability. The reliability index was obtained through Cronbach's alpha (0.89). Out of the 200 questionnaires administered, 178 were returned valid, representing an 89% success rate. Data collected was imputed into the SPSS (25) software package where descriptive statistics, in the form of tables were generated. The study discovered among others, that many employees do not have effective financial management preparation for the retirement period and most of them wait until they retire before they start thinking of accommodation and even where to relocate. The study concludes that consumer education strategies are effective in financial management for a rewarding retirement period. The study however recommended among others that consumer educators should organize seminars, conferences and workshops for employees to sensitize them on the dangers of inadequate financial management during the retirement period.

Keywords: Consumer education, strategies, financial management, retirement, employees

Introduction
Retirement is one of the phases of life that every employee must attain whether or not they are prepared for it. It is a period when an employee permanently leaves a paid employment.

Nwajagu (2007) sees Retirement period as the withdrawal of service or quitting a paid employment through three ways - voluntarily, compulsorily or by the prevailing statute. Williams (2007) in Eremie (2015) explains the retirement stage as complete or partial disengagement from remunerated work, career or social life. Athley (1980) explains retirement as a ‘process that removes the employee from a job role’. In whatever form or means through which it happens; retirement is a transit the worker from remunerated work to a period of unpaid self-directed activities. Nwajagu (2007)

One significant fact about retirement is that it makes the employee eligible to enjoy retirement entitlements including social security benefits, and stipulated pensions, among others. Whether in public or private service, it is an enviable stage of life, as the employee's role as a paid worker in an organization comes to an end (Agoro, 2009; Ahmed, 2007; Basse & Asinya, 2008).
In most contemporary societies, Retirement has become an interesting topical issue for research. It is an important phase of transition in life characterized by new adjustments and changes in daily living, new relationships, and vocation. Every worker both in private and public establishments looks forward to the retirement period. According to Nigerian labour laws, there are three ways of retiring from a paid employment: ‘voluntary, compulsory and mandatory’. Eremie (2015), explains that in voluntary retirement, the employee concludes the stipulated years of service and disengages from active service. Also, an Employer may remove an employee from service, due to reorganization or other extraneous factors in a process referred to as compulsory retirement. According to established policy, in mandatory retirement an employee exits service upon attainment of the prescribed age of retirement.

Adeniji, Akinnusi, Falola, and Ohunakin (2017), opine that in retirement, a retiree is entitled to gratuity and pension as terminal benefits. The lump sum paid to workers at the point of exit (withdrawal or retirement) from the service is known as Gratuity. Pension is periodic sum paid to an employee disengaged from service after the attainment of specified age (60years) limit or years (35) of service. Gratuity and pension are workers’ retirement benefits put in place to ameliorate the reduction in their finances and living standards due to the stoppage of salary and allowances.

Babasola (2000) argued that the gratuity paid to a worker after retirement is expected to finance post-retirement investments of choice while the retiree earns pension in place of the monthly salary as it was during active service. According to Okechukwu and Ugwu (2011) in Nigeria, retirement is dreaded by workers especially those exiting from the public sector because of the unnecessary delay in the payment of pension and gratuities which in turn leads to untold hardship and death. Eremie (2015) cited Elezuva (1998) and highlighted the retirees’ ordeals from the onset of retirement, as undue stress from the new challenges and expectations as a result of change in earning capacity. Anieto (2013) laments that many retirees are owed humongous pension arrears with no payment time line in sight.

These circumstances notwithstanding, many workers look forward to the relaxation time in retirement as a time to enjoy the new status of life. The issue of sustaining income remains an important factor that influences the choice of retirement age by workers who wish to retire voluntarily. The strongest motive for the decision to exit the workforce is hinged is finances; an early exit is likely if workers have funds to cater for their retirement period, (Snyman, van der Berg-Cloete & White, 2017). Physical or mental health and occupational stress are other motives for retirement. Many retirees are older; they do not have much physical strength to carry out day-to-day business activities that can make them eke a living after retirement. The point here is that their physical strength decreases daily as they continue to grow older. Also, many retirees have anxiety about a residential home as many of them use their gratuities to start up their building construction.

Many workers are afraid of retirement because of the financial challenges they may encounter. This is probably because of their inability to have adequate retirement plans that will guarantee financial independence after retirement. According to Snyman, van der Berg-Cloete and White (2017), retirement planning for a rewarding retirement period requires efficient financial management, the understanding price movements and taxation, simple calculation of interest on funds, hedge funds management, etc. It goes beyond pension funds contributions.

All aspiring retirees look forward to financial freedom. According to Danielsson and Bio (2021), this means acquiring enough savings, investments, or cash to live a meaningful life with family after retirement. Sadly, this is wishful thinking for many workers, after retirement, as they struggle with accumulated debts, medical emergencies, unforeseen expenditure, etc that scuttle the goal of a financially rewarding retirement period. Although Bukoye (2005) however suggested the establishment of Retirement Bureau in each State of the Federation by the Federal Government to assist retirees to deal with attendant problems before, during and after the collection of their pension entitlements.

Pension is the major welfare scheme the society puts in place to weather the storms of old age. According to Onukwu (2017), the failure of the 1979 pension provisions, necessitated the 2004 pension reform, which was later amended as the Nigeria Pension Reform Act of 2014 for all employers and employees of the public and private sectors and organizations that have more than five persons as employees. Onukwu (2017) identified some of the challenges of the pension schemes in Nigeria to include: non-compliance and non-remittance by
State governments, the inability of retirees to access pension benefits, difficulty in opening and owning a Retirement Savings Account (RSA), negative perception of employees about the scheme; confusing contributing ratio by government and employees, uncertainties of the old pension scheme, government’s inability to fund the guaranteed minimum pension (GMP), inadequate induction and orientation at the point of engagement.

Based on these pension challenges that retirees might encounter after retirement from active service, this paper however advocated for consumer education strategies as a stimulus to financial management for a rewarding retirement period. Kolawole (2019) sees consumer education as the process that makes robust information available to people in order to improve their understanding of choices when purchasing goods and services.

Ukpore (2006) affirms that consumer education provides the knowledge and skills required by individuals, families and corporate bodies to become competent consumers in a world that is constantly changing. But for this study, consumer education strategies can be referred to as methods or means by which workers who are also consumers are enlightened on how to accomplish a financially rewarding retirement period.

Consumers earn incomes in different ways, from the public sector as government employees, or the private sector as business people, traders or investors. In whichever way the consumer makes money, they will retire from working. It is therefore important to prepare the minds of these workers for retirement. This could be done through effective consumer education strategies in financial management for a rewarding retirement period. Knowledge and information from consumer education strategies will help employees avoid needless purchases to give way for saving for the retirement period.

**Consumer financial literacy strategy:** Information on “financial literacy” is one of the important consumer education strategies that can help employees achieve a rewarding retirement period. Financial literacy is all about effective financial management by workers during and after active service. Every worker needs information about interest rates, savings and investments (Spacey, 2021). According to Danielsson and Bio (2021), investing wisely remains the best way to grow money during the workers’ active years of service. It is the responsibility of consumer educators to organize seminars and workshops for workers. Consumer educators should make workers understand that financial freedom at retirement may be a mirage bearing in mind the piling of debt, cash emergencies, medical issues, and overspending, during active years of service but this is achievable with fiscal discipline and careful planning (especially by avoiding impulse buying).

**Consumer counselling strategy:** Consumer educators can employ counselling strategies to enlighten employees on efficient financial management for a rewarding retirement period. For example, consumer educators through conferences, workshops, seminars, fliers and media campaigns can advise employees to live below their means while still in service. According to Lacey (2020), imbibing a frugal lifestyle with a mindset of living life to the fullest with less is not difficult. Indeed, many wealthy individuals develop a frugal lifestyle before rising to affluence. Therefore, distinguishing between the things an employee needs and wants is a financially helpful habit to put into practice while still in service. The less an employee spends each year, the more savings become available for financial independence during the retirement period. These are vital information that consumer education strategies provided.

**Consumer protection strategy:** The Consumer Protection Council (CPC) was initially established by Decree No 66 of 1992 under the military government but commenced operations in 1999 when the institutional framework for its take-off was put in place. Later, Decree No 66 was amended by the Legislature in 2004 and it became an act of parliament (Kolawole, 2018). This council was established to check fraudulent practices of producers (including employers of labour) and sellers (including pension fund administrators) of goods to consumers (retirees) who have been long exploited. Through consumer protection strategy, retirees will be protected from all forms of exploitation. Consumer protection strategy is all about ensuring rule of law, justice and peace for workers and retirees. Consumer protection guarantees knowledge and information to guide consumers including retirees on how to seek redress from unscrupulous Pension Fund Administrators. It ensures justice for all categories of consumers.
irrespective of status (investors, traders, retirees, etc.).

**Consumer media campaign strategy:** Consumers have the right to acquire information and knowledge on goods and services in order to make informed choices (Kolawole, 2018).

A consumer media campaign strategy ensures that workers get the correct information (quantity, quality, prices, patency, date of manufacture and expiration) on products they wish to invest in, to secure future funds after retirement. In this sense, the federal and state governments could through the radio and television jingles inform retirees about the state of the economy and the need to plan for rainy days.

**Seminar and workshop strategies:** These are the most important consumer education strategies for achieving financial management for a rewarding retirement for employees. Regular conferences, workshops and seminars that expose employees to the knowledge of different income generating methods apart from paid employment is imperative. Exposure to such knowledge and information through consumer education helps workers avoid wasteful and indiscriminate purchases so as to get value for their hard-earned incomes after retirement.

Consumer education provides information on financial discipline. Employees need to have the financial discipline to spend less than they make. Employees ought to keep their expenses in check and focus on the long-term goal of financial independence at retirement. Many workers incur unnecessary debts and debt equals risk (Lacey, 2020). It inhibits workers’ ability to reach financial independence during the retirement period. It is a consumer education strategy to dish information to employees on the need to find a balance between savings and spending. As employees are considering financial stability for a rewarding retirement period, consumer education strategies like the consumer protection programmes can help employees manage human and material resources for maximum satisfaction. This is because strategies in consumer protection provide all-around protection that safeguards consumers from exploitation during active service.

**Statement of the Problem**

The Retirement phase may become a threat to many workers who have not devised what to do with their time and lives after active service. The myriad of problems faced by many retirees in the Nigerian society require the intervention of every arm of government and the society. These problems are wide ranging: sudden death, loss of monthly remuneration, no decent place of residence, no occupation, deteriorated health, physical immobility, complications from ageing, etc. Worst, many retirees lack money and many are frustrated because of their inability to provide for their households before their retirement. The case is worsened because many retirees are not adequately prepared to face this ultimate phase of life. These problems thus necessitated the current study on consumer education strategies in financial management for rewarding retirement period.

**The objective of the Study**

The specific objectives the study sought to achieve were to:

- Examine the challenges encountered by employees during the retirement period.
- Ascertain consumer education strategies in financial management for a rewarding retirement period.

**Research Questions**

The following research questions were raised to guide the investigation:

- What are the challenges confronted by employees during the retirement period?
- What are the consumer education strategies in financial management for rewarding retirement period?

**Methodology**

The study adopted a descriptive survey research design. The population was made up of 200 respondents comprising 100 academic staff and 100 non-academic staff of FCT College of Education Zuba, Abuja. All the population constituted the sample for the study, using the census sampling technique. A ten (10) items structured questionnaire of 4-point rating scale titled “Consumer Education and Financial Management Questionnaire” was used as an instrument for data collection. Content validity was determined. test-retest method of reliability was used to obtain the internal consistency. The reliability index was obtained through Cronbach's alpha (0.89). Out of the 200 questionnaires...
administered, 178 were returned valid, representing an 89% success rate. Data collected was analyzed where descriptive statistics, in the form of tables, frequencies, mean and standard deviation were generated. An average mean score of 2.50 was used to make the decision. The average mean score of 2.50 and above indicated agreement with the questionnaire items, while the average mean score of less than 2.50 indicated disagreement. The analyses of data were carried out based on the specific objectives and research questions of the study. Discussions of findings were done immediately after each data analysis.

Study Area
The Federal Capital Territory (FCT) College of Education, Zuba is a government funded and higher education located in the FCT, Abuja. It was established in 1997 on the site of the former Government Teachers College Zuba to train teachers needed for teaching in the primary and junior secondary schools. The College has five (5) Schools: Arts & Social Sciences; Education; Languages; Sciences; and Vocational & Technical Education. In addition, the College has the Directorate of Continuing Education and Consultancy Service Unit. It also operates a Continuous education programme to take care of part-time NCE and PGDE students.

Results
Research Question One: What are the challenges encountered by employees during the retirement period?

Table 1: Descriptive statistics on challenges encountered by employees during retirement period

<table>
<thead>
<tr>
<th>S/n</th>
<th>Items</th>
<th>SA</th>
<th>A</th>
<th>D</th>
<th>SD</th>
<th>Mean</th>
<th>S.D</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Financial challenges</td>
<td>608</td>
<td>18</td>
<td>1</td>
<td>8</td>
<td>3.78</td>
<td>.541</td>
<td>Agreed</td>
</tr>
<tr>
<td>2</td>
<td>Deteriorated health condition</td>
<td>141</td>
<td>29</td>
<td>6</td>
<td>2</td>
<td>3.74</td>
<td>.423</td>
<td>Agreed</td>
</tr>
<tr>
<td>3</td>
<td>Anxiety about a residential home</td>
<td>109</td>
<td>53</td>
<td>12</td>
<td>4</td>
<td>3.5</td>
<td>.677</td>
<td>Agreed</td>
</tr>
<tr>
<td>4</td>
<td>Lack of occupation</td>
<td>136</td>
<td>28</td>
<td>5</td>
<td>9</td>
<td>3.63</td>
<td>.321</td>
<td>Agreed</td>
</tr>
<tr>
<td>5</td>
<td>Body weakness</td>
<td>169</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>3.90</td>
<td>.223</td>
<td>Agreed</td>
</tr>
</tbody>
</table>

Average mean score 3.71

Source: Field survey, 2021

Table 1 reveals the responses level of respondents on the challenges encountered by employees during the retirement period. The analysis shows agreement with all items. The average mean score of 3.71 creates the basis for the conclusion that financial challenges, deteriorated health conditions, anxiety about a residential home, lack of occupation and decreased strength are major challenges confronted by employees during the retirement period.
Research Question Two: What are the consumer education strategies in financial management for rewarding retirement period?

Table 2: Descriptive statistics on consumer education strategies in financial management for rewarding retirement period

<table>
<thead>
<tr>
<th>S/n</th>
<th>Items</th>
<th>SA</th>
<th>A</th>
<th>D</th>
<th>SD</th>
<th>Mean</th>
<th>S.D</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Financial challenges</td>
<td>172</td>
<td>6</td>
<td>0</td>
<td>0</td>
<td>3.97</td>
<td>.233</td>
<td>Agreed</td>
</tr>
<tr>
<td>2</td>
<td>Deteriorated health condition</td>
<td>161</td>
<td>11</td>
<td>4</td>
<td>2</td>
<td>3.85</td>
<td>.425</td>
<td>Agreed</td>
</tr>
<tr>
<td>3</td>
<td>Anxiety about a residential home</td>
<td>97</td>
<td>62</td>
<td>11</td>
<td>8</td>
<td>3.39</td>
<td>.687</td>
<td>Agreed</td>
</tr>
<tr>
<td>4</td>
<td>Lack of occupation</td>
<td>137</td>
<td>36</td>
<td>3</td>
<td>2</td>
<td>3.73</td>
<td>.435</td>
<td>Agreed</td>
</tr>
<tr>
<td>5</td>
<td>Body weakness</td>
<td>152</td>
<td>14</td>
<td>9</td>
<td>3</td>
<td>3.77</td>
<td>.551</td>
<td>Agreed</td>
</tr>
<tr>
<td></td>
<td>Average mean score</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.74</td>
<td></td>
<td>Agreed</td>
</tr>
</tbody>
</table>

Source: Field survey, 2021

Table 2 reveals the responses level of respondents on consumer education strategies in financial management for rewarding retirement period. The analysis shows agreement with all items. The average mean score = 3.74, which is above the bench-mark of 2.50 upon which the decision is based creates the basis for the conclusion that consumer financial literacy strategy, consumer media campaign strategy, seminar and workshop strategies, consumer counselling strategy and consumer protection strategy are better consumer education strategies in financial management for rewarding retirement period.

Discussion of Findings

The findings in Table 1 revealed that financial challenges, deteriorated health conditions, anxiety about a residential home, lack of occupation and decreased strength are major challenges confronted by employees during the retirement period. These findings corroborated the earlier reports by Snyman, van der Berg-Cloete & White, (2017) that the strongest motive for the decision to exit the workforce is finances; an early exit is likely if workers have funds to cater for their retirement period. Physical or mental health and occupational stress are other motives for retirement. (Snyman, van der Berg-Cloete & White, 2017). The findings were also in line with the earlier reports by Okechukwu & Ugwu (2011) that in Nigeria, undue delay in the payment of pension and gratuities most often leads to needless hardships and death in some circumstances, especially in the public sector; making retirement a dreadful venture. It also agreed with Anieto (2013) who asserted that pensioners from the public service are owed several months of arrears with little or no hope for immediate payment. This causes financial challenges to retirees after retirement.

The findings in Table 2 revealed that better consumer education strategies in financial management for rewarding retirement period are: financial literacy strategy, consumer media campaign strategy, seminar and workshop strategies, consumer counselling strategy and consumer protection strategy. These findings agreed with Spacey (2021) that information on "financial literacy" is one of the important consumer education strategies that can help employees achieve a rewarding retirement period. Every worker needs information about interest rates, savings and investments. It was also in line with the study by Lacey (2020) that consumer educators can employ counselling strategies to enlighten employees on efficient financial management for a rewarding retirement period. For example, consumer educators through conferences, workshops, seminars, fliers and media campaigns can advise employees to live below their means while still in active service.

Conclusion

Based on the findings of the study, the researcher concluded that financial challenges, deteriorated health conditions, anxiety about a residential home, lack of occupation and decreased strength are major challenges confronted by employees during the retirement period. Also, it is concluded that financial literacy strategy, consumer media campaign strategy, seminar and workshop strategies, consumer
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among Staff of FCT College of Education, Zuba-Abuja

counselling strategy and consumer protection strategy are appropriate strategies in consumer education programmes for financial management for rewarding retirement period.

Recommendations

Based on the findings of the study, the following recommendations were put forward:

1. Consumer educators should organize seminars, conferences and workshops for employees to sensitize them on the dangers of inadequate financial management during the retirement period.
2. The National Orientation Agency as well as the civil service commission and other relevant stakeholders should place media campaigns to enlighten every worker in both public and private sectors on the need to have effective financial management before retirement.
3. Consumer educators should educate workers through fliers on financial literacy as well as the need to invest in lucrative business before retiring from active service.
4. A Consumer Counselling Unit should be established in every workplace in both the private and public sectors to counsel the workers on the retirement plan.
5. Relevant Consumer Protection Agencies should live up to expectations by ensuring that they fight for workers who are owed pension and gratuity by their employers.

References


