

*Short Communication*

## **Post-Retirement Experience among Retirees: A Case Study in Malaysia**

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### **ABSTRACT**

Retirement influences the social relation, financial circumstances, time flexibility and well-being. The autobiographies of 26 Malaysians retirees from the book 'Who Says I am Retired' were analysed. The significance of this study is to enrich the information on planning for life after retirement, emphasizing the importance of active ageing. Many retirees pursued a professional career after their mandatory retirement to live with dignity and independence. Many men retirees were actively involved in community work compared to women. The retirees felt that there should be no such thing as retirement while some expressed that they were not actually retired from work but rather transit from one phase of activity to another. Notably, Malaysian retirees are undergoing evolution from true, old-style retirement to the modern.

*Keywords:* Ageing, post-retirement, retirees

### ARTICLE INFO

*Article history:*

Received: 11 October 2019

Accepted: 31 March 2020

Published: 25 September 2020

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### **INTRODUCTION**

Malaysia is undergoing a demographic shift, where the United Nations (UN) has projected that Malaysia will become an ageing nation by 2030. There will be almost four times the expansion of the aged population in 2050 in which the UN has estimated that 23.6% of Malaysians will be over 60 years. The reduced fertility rate

and higher life expectancy in Malaysia, consecutively lead to increased older persons in the total population. As such, Malaysians are expected to live another 15 years or more after their retirement, as many people are relatively fit to remain in the workforce. On that account, the Malaysian government has increased the legal retirement age to 60 for maintaining financial security (Yusoff & Yusof, 2013). Increased percentage of the older population will lead to significant social and economic changes including the heightened burden on the healthcare, welfare and pension systems and shrinking labour forces. Recently, the concept of active ageing has gained increased attention, where *Dasar dan Pelan Tindakan Warga Emas*, describes active ageing as a process of optimizing opportunities and empowerment of older adults in the family, community and society for enhancing their wellbeing.

Retirement is referred to as an exit from an organizational position or career path of substantial duration, taken by people following their middle age, and taken with the purpose of declined psychological commitment to work later (Feldman, 1994). Transitioning into retirement is a key life event, which implies an individual's entry into old age, where one is no longer in paid employment and left more or less to one's own devices. At the individual level, this extended lifespan after retirement might not just indicate an increase in "good" years of life but also more "bad" years.

Also, the post-retirement phase offers a diverse range of experiences and changes concerning daily activities and hobbies. This is viewed as a unique phase, full of diversity in which it is considered as a transition from an active working lifestyle, which mainly involves reorganization of daily activities (van Solinge & Henkens, 2008). The way people use their time over retirement may vary largely based on the socio-demographic factors (Sprod et al., 2017).

In recent years, post-retirement employment is recognized as one way of participating in the labour market (Burkert & Hochfellner, 2017). Nevertheless, policymakers are not effectively including this type of work in their political strategies and reforms yet. In the Malaysian context, however, it is common for many retirees to continue working. Notably, the adequacy of retirement wealth is essential for retirees to maintain their standard of living. The wealth-need ratio demonstrated that 69 percent of households in Malaysia have an adequate retirement income, specifying that more than 30 percent of households will not be able to sustain the present level of spending during retirement (Alaudin et al., 2017). Evidence has shown that the majority of older Malaysians rely on their children for financial support (Tey et al., 2015). Another survey conducted in 2014 demonstrated that 95% of the aged parents in Malaysia received support in the form of financial assistance, companionship to the required places, food or other goods and household chores from

their children (National Population and Family Development Board [NPFDB], 2014).

The feelings of loneliness were negatively linked to coresidence with adult children and involvement in religious activities among Malaysians. Moreover, the study revealed the crucial role of the family institution in reducing the issue of loneliness among older adults (Teh, 2014). A survey reported that 74.8 percent older people in Malaysia were frequently involved in the mosque/religious activities, followed by 30.1 percent who engaged themselves in the neighbourhood association activities, 24.4 percent participated in the sports/recreational events and 15.2 percent participated in the community-based activities (NPFDB, 2014).

This paper discussed the life activities and experiences of Malaysian retirees as well as the meaning of retirement, suggestions, and advice in terms of preparedness for retirement and old age to the younger generation.

## METHODS

The data collection process was commenced in 2015 via invitation through letter communication to the study participation. The study respondents were from a broad range of work, mostly academicians, and professionals from the corporate sector as well as the civil services. The analysis was based on the essays compiled from 26

Malaysians aged 60 and older about their perspectives on retirement and experiences before and after retirement, extracted from the book 'Who Says I am Retired' (Mansor et al., 2018). The participants, which consisted of 15 females and 11 males had had illustrious careers and contributed much to their respective fields during their working years and continued to have a blessed life in retirement. The essays were written based on guided key themes, which formed the main content of the book, thus the study explored the meanings of retirement from the perspectives of the retirees, how they spent their retirement years in the economic and social spheres as well as their advice to the younger generation and/or suggestions to the government about active ageing and living in retirement in Malaysia.

## RESULTS AND DISCUSSION

As Malaysia is heading towards an ageing nation, nearly 1.2 million people are estimated to be aged 60 and above by 2030, in which a higher number of Malaysians will be entering into post-retirement life. Furthermore, the increasing gap between retirement age of 60 years and life expectancy, will lead to a longer duration of post-retirement life where valuable manpower and expertise go untapped. As such, during this time, retirees are facing the risk of a decline in their health and overall wellbeing. Moreover, the Employees Provident Fund (EPF) stated that most

retirees in Malaysia exhaust their EPF savings within five years after retirement. As such, most retirees pursue to explore job prospects to sustain themselves and their family.

The current study revealed that the majority of the respondents had a positive attitude towards retirement. It should be noted that the majority of the retirees in this study had a sound retirement planning. Notably, retirement planning involves awareness and a better understanding of the problems in life, where individuals' perception is crucial to achieving the highest retirement satisfaction (Xiao, 1998).

Table 1 demonstrates that study participants comprised more females than males, a higher number of Malays

followed by Chinese and Indians. The majority of the participants were in senior positions in the government service before their retirement (Table 1). Half of the participants indicated their satisfaction with the mandatory retirement, while 27 percent were dissatisfied with the government policy of fixed mandatory retirement age in Malaysia. Many offered ambivalently or negatives views on having mandatory retirement. As mentioned by one participant,

*“You must take this thing about retirement that befalls you like some disease and throw it away as far as you can.”*

Hence, it was not surprising that a high proportion of them (84.6 %) continued working after their mandatory retirement.

Table 1  
*Characteristics of the study participants*

Variable	Category	% (n)
Ethnicity	Malays	65.4 (17)
	Chinese	19.2 (5)
	Indians	15.4 (4)
Gender	Male	42.3 (11)
	Female	57.7 (15)
Pre-retirement employment	Government	62.0 (16)
	Private sector	38.0 (10)
Pursuing professional career post-retirement	Yes	84.6 (22)
	No	15.4 (4)
Satisfaction on mandatory retirement	Yes	50.0 (13)
	No	26.9 (7)
	Neutral	23.1 (6)

Meanwhile, another study conducted in Malaysia demonstrated that one-third of retirees continued working after retirement because of economic reasons (Malaysian Research Institute on Ageing [MyAgeing], 2018). This is mainly because working beyond retirement age could enhance mental health as mentioned by the study participants. Similarly, a previous study revealed that post-retirement work could enhance the mental health of older people, however, this depends on lifestyle patterns, self-esteem and own values (Maimaris et al., 2010). Evidence has shown that there is a significant association between willingness to leave the workforce, satisfaction with being out of the work function, and subsequent satisfaction with retirement (Kremer, 1985). On the other hand, anxiety concerning the nature of retirement is inversely linked with the anticipated experience and positively correlated with a later planned retirement age (Lim & Feldman, 2003). Evidence has shown that individuals who feel that retirement will be an encouraging experience are presumed to be concerned in early retirement and are also more satisfied following retirement (Gall et al., 1997; Taylor-Carter et al., 1997).

Evidence has shown that only 40 % of Malaysians are financially ready for retirement (Lin, 2017). With the changing and challenging landscape of the economy and the ever-rising cost of living, most retirees must continue to remain productive beyond the mandatory retirement. Besides, similar to other countries in Asia, the former practice of extended family is weakening in

Malaysia, the tradition of children taking care of older people living with them is gradually declining (Kock & Yoong, 2011). Moreover, a previous study reported that only 38% of children are prepared to support their ageing parents (Yip, 2013). This suggests that older Malaysians have to be independent and can no longer solely expect financial support and care from their children. Consistent with this, the majority of the retirees have opted to work after retirement to remain financially independent, be able to support the family and to continue contributing to society. This is the result of not just being educated but more importantly their understanding of the benefits of being active throughout their life course. As said by one participant,

“Working past retirement age, whether in the social or the economic sphere, definitely helps one to stay physically and mentally healthy through the stretching of the brain and the brawn.”

Social support is one of the important factors that influence satisfaction after retirement and linked to one’s adjustment to retirement (Taylor et al., 2008). It should be noted that supportive interactions with friends and family, as well as community involvement, have been linked with life satisfaction among retirees (Levitt et al., 1985). In general, positive forms of social support are regarded as a buffer, which reduced the effect of possible stressful events on the well-being of an individual (Cutrona et al., 1986). The participants also revealed what retirement meant to their everyday life

by describing common or typical activities. Participants wrote about their morning and evening participation in social and religious activities. These activities could be regular daily, weekly or periodical. Figure 1 illustrates the common activities of retirees. An equal proportion of females (50%) and males (50%) were actively involved in social activities and spending time with children or grandchildren (69.2%) in their retirement. While more female retirees (61.1%) indicated their interest to pursue religious activities such as attending religious classes and courses compared to male retirees (38.9%), the opposite is true on the time they spent on traveling (males 57.1% and females 42.9%). Some retirees purposefully arranged circumstances they were likely to enjoy, while others remained to stay with family and friends. The findings were in agreement with a

previous study, which revealed that many retirees actively participated in community actions particularly religious activities and volunteerism (MyAgeing, 2018). The study also reported that the majority of the retirees were keen to visit their relatives and friends (76%) and vacation (domestic-62%, overseas-37%) (MyAgeing, 2018).

The active participation in various activities could be because living a longer and healthier life have resulted in a new demographic bubble of dynamic, determined individuals who are progressively making a substantial contribution to the society via working, caring, volunteering and involving in entrepreneurial activities. Similarly, this act of self-fulfilment or productivity is also evident in millions of UK citizens in recent years who are around the same retirement age (Collie, 2015).

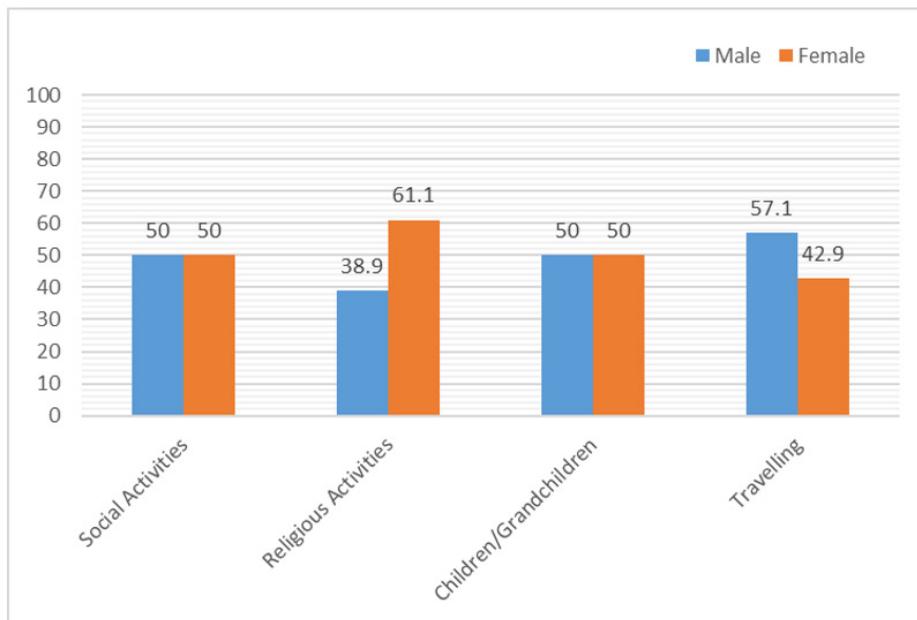


Figure 1. Routine activities among the study participants

The participants were also asked about what retirement meant to them and their responses in which the most common reply was that retirement should not exist. The participants expressed that they were not actually retired from work or that there should be no such thing as retirement. A previous study reported that in modern society, the term “retirement” does not actually exist. Retirement made people think: financial instability, freedom to pursue their own life schedule and activities; opportunity to contribute to society and a chance to enjoy and be happy with fruits of their labour (Ekerdt & Koss, 2016). This is indeed consistent with the findings of this article where retirement means the door of opportunities is open wide for them to pursue other things that bring purpose and meaning to their lives.

In general, with the shift in the concept of retirement, people themselves may want to continue working by taking up other informal or part-time jobs. Notably, delaying retirement elevates lifetime incomes by increasing the asset accumulation duration, facilitates the reduction in the retirement duration and permit retirees to support their post-retirement consumption.

The study has limitations, having been based on a small and samples in Malaysia in which the results might not be generalized to the overall retirees in the region with different cultures and practices. Nevertheless, useful lessons can be learned from the experiences of these

individuals who have contributed much to their respective working worlds before their retirement and continue to remain active and productive in their retirement years.

Overall, the retirees who participated in this study demonstrated shared personalities of having a good self-efficacy, enthusiasm in helping people, and being passionate about their work and social engagement.

## CONCLUSION

The findings demonstrate that Malaysia is also undergoing evolution from true, old-style retirement to the modern non-retirement similar to other countries, which is fundamentally driven by two main factors: productivity and money. The retirees’ contributions to society and humanity whether directly or indirectly should be an inspiration to those nearing their time to exit from the official world of work that there are endless opportunities out there for anyone to live their retirement life to the fullest. Notably, the intervention programs for preparing the retirees for financial and emotional facets of retirement are essential to ensure the well-being of the older people in Malaysia. The strategies and programs enhancing intergenerational relationships and communication between family and community as well as youths and older adults could eradicate the issues of loneliness, hence promote the wellbeing of the retirees. There is no universal social protection coverage for older adults in

Malaysia, hence, federal support to older persons for economic independence may require foresight or revisions of political policies. The National Social Welfare Policy (1990) and the National Policy for Elderly (1995) are the two policies governing the well-being of older people in Malaysia (Zaimi, 2007). With the current state of the demographic shift towards an ageing nation, there should be a comprehensive framework covering the overall well-being including the physical, mental and social well-being of the ageing population in Malaysia.

## ACKNOWLEDGEMENT

We would like to thank the study participants in this study.

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