



UNIVERSITI PUTRA MALAYSIA

**ANXIETY AMONG RETIRING EMPLOYEES
IN THE WORKPLACE**

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By

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**Thesis Submitted in Fulfilment of the Requirements for the Degree of Doctor of
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Retiring employees are facing problems during the transition period from work to retirement. The loss of job roles, financial insecurity, poor health, dissatisfaction in life, loss of social support and self-esteem as a result of retirement were among the factors that lead to the feelings of anxiety among retiring employees. The purpose of the study was to examine the factors that influence anxiety among retiring employees undergoing transition from work to retirement and to identify the levels of anxiety among employees of different occupational status and gender. Since work performance is an important factor in an organization, the study also examined the relationship between anxiety and the employee's performance in the workplace.



A sample size of 238 respondents was obtained from a population of 610 retiring employees of 14 agencies under the Ministry of Agriculture and Ministry of Rural Development of Malaysia. A self-administered questionnaire was used as a mode of data collection. All instruments used in the hypotheses testing were adapted from previously developed instruments, except the one for the variable performance which was constructed by the researcher. Reliability, Frequencies, Pearson's Product Moment Correlation, t – test and Multiple Regression Analysis were used in the analysis.

The findings indicated that financial insecurity, life satisfaction and social support were negatively related to pre-retirement anxiety. No significant relationships were found between anxiety and health status, self-esteem, the loss of work role and performance. The study also indicated that there was no significant difference in anxiety between higher and lower occupational status, as well as between male and female employees. Financial insecurity, health status, life satisfaction, self-esteem, loss of work role and social support contributed to the variation in anxiety.

The study facilitated an insight into explaining pre-retirement anxiety and retirement phenomenon of government employees in the agricultural sector. In general, the Pre-retirement Transition and Anxiety Model does not fully reflect the retirement phenomenon in the Malaysian scenario. Retirement is seen as a more positive event. Many of the retirement theories in the western scenario does not apply in the Malaysian government sector. The importance of retirement preparation programs to prepare retiring employees during transition from work to retirement as

proposed in the literature was strongly supported. The findings of the study would probably reshape the mandatory retirement policy of the public sector.



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**KEBIMBANGAN DI KALANGAN BAKAL PESARA KERAJAAN
DITEMPAT KERJA.**

Oleh

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Bakal-bakal pesara menghadapi berbagai masalah dalam masa transisi daripada alam pekerjaan kepada alam persaraan. Kehilangan peranan dalam pekerjaan, ketidakkukuhan status kewangan, status kesihatan yang rendah, ketidakpuasan dalam kehidupan, kehilangan sokongan sosial dan penghargaan sendiri adalah diantara faktor-faktor yang menyebabkan kebimbangan dikalangan bakal-bakal pesara.

Kajian ini bertujuan untuk mengkaji faktor-faktor yang mempengaruhi kebimbangan dikalangan bakal-bakal pesara yang sedang melalui transisi daripada alam pekerjaan kepada alam persaraan dan mengenalpasti perbezaan tahap kebimbangan diantara pekerja yang mempunyai kedudukan jawatan tinggi dan rendah, dan juga diantara pekerja lelaki dan wanita. Oleh kerana prestasi sesorang pekerja

merupakan sumbangan yang penting terhadap organisasi, kajian ini juga melihat perkaitan diantara tahap kebimbangan dengan prestasi kerja bakal pesara.

Saiz sampel seramai 238 responden dipilih secara random daripada populasi 610 orang bakal pesara 14 agensi kerajaan di bawah Kementerian Pertanian dan Kementerian Pembangunan Luar Bandar. Soalselidik secara urus-sendiri telah digunakan sebagai kaedah pengumpulan data. Kesemua instrumen yang digunakan dalam pengujian hipotesis merupakan adaptasi daripada instrumen yang telah dibentuk sebelumnya melainkan instrumen yang mengukur prestasi kerja yang telah dibentuk oleh pengkaji sendiri. Ujian reliabiliti, frekuensi, korelasi *Pearson's Product Moments*, ujian t, dan regresi berganda telah digunakan untuk menganalisis data.

Hasil kajian ini mendapati ketidakkukuhan status kewangan, kepuasan dalam kehidupan dan sokongan sosial mempunyai perkaitan negatif yang signifikan dengan tahap kebimbangan. Tidak terdapat perkaitan yang signifikan diantara tahap kebimbangan dengan status kesihatan, penghargaan sendiri, kehilangan peranan dalam pekerjaan dan prestasi kerja. Kajian ini juga mendapati tidak terdapat perbezaan yang signifikan dari segi tahap kebimbangan diantara bakal pesara yang mempunyai status jawatan tinggi dan rendah dan juga diantara bakal pesara lelaki dan wanita. Ketidakkukuhan status kewangan, status kesihatan, kepuasan hidup, penghargaan sendiri, kehilangan peranan, dan sokongan sosial menyumbang kepada variasi kebimbangan.

Kajian ini dapat membantu memberi kefahaman yang lebih berkesan untuk meneroka kebimbangan sebelum persaraan dan fenomena persaraan. Pada amnya

model *Pra-retirement Transition and Anxiety* tidak menggambarkan sepenuhnya fenomena persaraan di Malaysia. Persaraan dilihat sebagai satu *event* yang lebih positif. Kebanyakan daripada teori-teori persaraan daripada negara barat tidak menggambarkan situasi sebenar persaraan didalam perkhidmatan awam di Malaysia. Kepentingan program pra-persaraan untuk membantu pesara dalam masa transisi daripada alam pekerjaan kepada alam persaraan, sebagaimana yang disarankan oleh pengkaji-pengkaji yang lepas sangat dipersetujui dalam kajian ini. Hasil kajian ini berkemungkinan boleh mengubah polisi persaraan wajib di dalam sektor awam.

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TABLE OF CONTENTS

| | Page |
|---------------------------------|--------------|
| ABSTRACT | ii |
| ABSTRAK | v |
| ACKNOWLEDGEMENTS | viii |
| APPROVAL SHEETS | xi |
| DECLARATION FORM | xiii |
| LIST OF TABLES | xviii |
| LIST OF FIGURES | xix |
| LIST OF ABBREVIATIONS | xx |
| | |
| CHAPTER | |
| | |
| I INTRODUCTION | 1 |
| Background of the study | 6 |
| Statement of Problem | 19 |
| Research Questions | 22 |
| Objective | 23 |
| Specific Objectives | 23 |
| Significance of Study | 24 |
| Assumptions | 26 |
| Scope of the Study | 28 |
| Limitations of the Study | 29 |
| Operational Definition of Terms | 32 |
| | |
| II REVIEW OF LITERATURE | 36 |
| Anxiety | 37 |
| Conceptual Issues of Anxiety | 37 |



| | |
|---|------------|
| Components of Anxiety | 40 |
| Related Theories of Anxiety | 41 |
| Concept of Anxiety in Relation with Retirement | 43 |
| Retirement | 45 |
| Evolution of Retirement..... | 46 |
| Concept of Retirement | 46 |
| Retirement Institution..... | 50 |
| Related Theories of Retirement | 51 |
| Retirement from the Gender Perspective | 56 |
| Theory of Transition | 59 |
| Retirement Transition..... | 62 |
| Human Resource Development (HRD) and Retirement..... | 63 |
| The Concept of Human Resources..... | 65 |
| Career Development | 66 |
| Performance | 68 |
| Literature Review Focus..... | 72 |
| Theoretical and Conceptual Framework..... | 90 |
| Research Hypotheses | 98 |
| | |
| III METHODS AND PROCEDURES..... | 99 |
| Introduction | 99 |
| Locality of the Study | 99 |
| Population and Sampling Procedure..... | 100 |
| Pre-Testing of Research Instrument..... | 104 |
| Research Instrumentation | 106 |
| Levels of Anxiety..... | 106 |
| Factors Influencing Anxiety | 107 |
| Performance..... | 110 |
| Validity and Reliability | 111 |
| Data Collection | 112 |
| Data Analysis | 114 |
| | |
| IV FINDINGS AND DISCUSSION..... | 117 |
| Profile of Respondents | 117 |
| Employment Grade | 117 |
| Gender | 119 |
| Ethnic Group | 119 |
| Marital Status | 120 |
| Educational Level | 120 |
| Respondents' view on when they start to think about retirement | 122 |



| | |
|---|-----|
| Distance from Mandatory Retirement | 123 |
| Respondents' Levels of Anxiety, Financial Status, Health Status, Psychological Factors, Role Loss, Social Support and Performance | 124 |
| Levels of Anxiety | 124 |
| Levels of Financial Status | 127 |
| Levels of Health Status | 129 |
| Levels of Psychological Factors | 130 |
| Levels of Self-esteem | 130 |
| Levels of Life-Satisfaction | 132 |
| Levels of Role Loss | 133 |
| Levels of Social Support | 135 |
| Levels of Performance | 136 |
| Relationship Between Anxiety and the Research Variables | 139 |
| Anxiety and Financial Status | 140 |
| Anxiety and Health Status | 142 |
| Anxiety and Self-esteem | 144 |
| Anxiety and Life Satisfaction | 147 |
| Anxiety and Role Loss | 148 |
| Anxiety and Social Support | 151 |
| Relationship Between Anxiety and Performance | 153 |
| Levels of Anxiety between Employment Grades and Gender | 156 |
| Levels of Anxiety between Employment Grades | 157 |
| Levels of Anxiety between Gender | 159 |
| The Contribution of Research Variables in Predicting Anxiety | 162 |

V. CONCLUSIONS, IMPLICATIONS AND RECOMMENDATIONS 164

| | |
|--|-----|
| Conclusions | 165 |
| Concluding Statements | 165 |
| I The Pre-retirement Transition and Anxiety Model does not Fully Reflect the Retirement Phenomenon in the Malaysian Scenario | 166 |
| II Retirement is seen as a More Positive Event as Pre-retirement Anxiety does not Affect the Performance, Self-esteem, Health Status and the Loss of Work Role of the Retiring Government Employees in the Agriculture Sector | 169 |

| | |
|---|------------|
| III. Assumptions Underlying Many of the Retirement Theories | |
| Linking Retirement to Aging does not apply in the Malaysian Scenario where Anxiety Experienced by Relatively Younger Retiring Employees did not Relate to Many of the Explanatory Factors that were Normally Linked to Aging and Retirement..... | 171 |
| IV. Retirement Preparation is an important Human Resource Development Program that can assist Retiring Employees by Providing Knowledge on Financial and Social Aspect, Psychological Changes and other Challenges they are going to Face such as Reentering the Workforce as a Second Career Option, besides Reducing the Feelings of Anxiety..... | 172 |
| Implications | 174 |
| Theoretical Implications | 174 |
| Design Implications | 177 |
| Policy and Practical Implications | 178 |
| Recommendations | 179 |
| Recommendations for Personnel Policy and Management | 179 |
| Recommendations for Future Research | 187 |
| BIBLIOGRAPHY | 190 |
| APPENDICES..... | |
| A Conversion of Total Raw Anxiety to Sten..... | 204 |
| B Questionnaire in English..... | 206 |
| C Questionnaire in Bahasa Malaysia | 221 |
| D Sample of Introduction Letter to the Selected Agencies..... | 237 |
| VITA..... | 239 |



LIST OF TABLES

| TABLES | PAGE |
|--|------|
| 1. Distribution of Respondents Selected According to Agencies .. | 103 |
| 2. Reliability Coefficient of Variables | 113 |
| 3. Percentage Distribution of Respondents by Demographic Characteristics | 118 |
| 4. Percentage Distribution of Respondents by Raw Anxiety Score.. | 124 |
| 5. Percentage Distribution of Respondents by Anxiety Level ... | 126 |
| 6. Percentage Distribution of Respondents by Financial Status ... | 127 |
| 7. Percentage Distribution of Respondents by Health Status ... | 129 |
| 8. Percentage Distribution of Respondents by Self-esteem | 131 |
| 9. Percentage Distribution of Respondents by Life Satisfaction... | 132 |
| 10. Percentage Distribution of Respondents by Role Loss | 133 |
| 11. Percentage Distribution of Respondents by Social Support | 135 |
| 12. Percentage Distribution of Respondents by Performance..... | 137 |
| 13. Summary of and the Correlation Between Anxiety and the Variables of the Study..... | 139 |
| 14. Independent T – Test of Anxiety and Employment Grade And Gender | 156 |
| 15. Multiple Regression Analysis: Predictors of Anxiety | 163 |



LIST OF FIGURES

| FIGURE | | PAGE |
|--------|--|------|
| 1 | Retirement Transition | 61 |
| 2 | The Transition Model | 91 |
| 3 | The Relationship Between Anxiety and Performance | 93 |
| 4 | Theoretical Model of Pre-Retirement Transition and Anxiety | 96 |
| 5. | Theoretical Framework of Pre-Retirement Transition and Anxiety..... | 97 |
| 6. | The Theoretical Model of Pre-Retirement Transition and Anxiety for the Government Sector in Malaysia..... | 168 |



LIST OF ABBREVIATIONS

| | |
|---------|--|
| RISDA | Rubber Industry Smallholders Development Authority |
| MARDI | Malaysian Agricultural Research Development Institute |
| FOA | The Farmers Organization Authority |
| FELDA | The Federal Land Development Authority |
| FELCRA | The Federal Land Consolidation and Rehabilitation Authority |
| KEMAS | The Community Development Department |
| FAMA | The Federal Agricultural and Marketing Authority |
| NAHRIM | The National Hydraulic Research Institute of Malaysia |
| IPAT | Institute of Personality and Ability Testing |
| HRD | Human Resource Development |
| CEUPACS | Congress of Union of Employees of the Public and Civil Service |
| MTUC | Malaysian Trade Union Congress |



CHAPTER I

INTRODUCTION

Retirement refers primarily to the final phase of the occupational life cycle. It is a period following a career of employment in which responsibilities and opportunities of the job are normally at a minimum. Retirement from work might be seen as a two-edged sword. On the one hand, it provides time to do what people do not have the opportunity to do when they were working, such as, travelling, or pursuing leisure activities. On the other hand, it disrupts one's daily routines, reduces income, ends the identification and status provided by the role of a worker, and also poses the problem of filling in all that leisure time with meaningful activities (Thorson, 1995).

People had been having difficulty redefining themselves from full time workers to full time retirees. Thorson (1995) argued that many were seemingly reluctant to step out of their occupational roles that had been highly desirable for them and from which they derived their status and satisfaction. Although many workers eagerly anticipated retirement, but losing occupational roles and status can be traumatic (Girdano and Everly, 1986). Moreover to fill up all the leisure time with worthwhile things may be difficult because of a vague understanding of the retirement role.

In Malaysia, retirees will be a major component of the aging society. It is estimated that in the year 2000, the total aging population (more than 55 years) will



exceed 2 million people which in turn make up approximately 10 percent of the total population of the country (Jabatan Perangkaan Malaysia, 1991). They would certainly have some impacts on the development of the nation.

The increase in the life span of the population implies that a person will spend more years in retirement. A male worker having a life span of 68 years will spend 13 years of his life in retirement while a female worker with 72 years of life span is estimated to spend 17 years of her life in retirement. This period is increasing every year until a point is reached where an older person will spend about 20 percent of his/her life in retirement which translates to anywhere from 10 to 30 years of retirement (Dennis, 1989, cited in Hays, 1994). Dennis noted that when the amount of time from the end of one's career to death could be counted in months, living the good life was a reasonable and highly desirable expectation. But 10 to 30 years of uncertainties may weigh heavily, psychologically on a retiree.

The question is, does an increase of one's age in life spent during retirement imply an increase in one's quality of life? Will the retiree lead a meaningful life and still play a role in the society and contribute to the country as a whole?

There are two stages of time period that should be stressed in dealing with retirement issue, namely, the pre-retirement stage and the post-retirement period. The pre-retirement period mainly involves the relationship with the employer, co-workers and the organization as a whole. The post-retirement period involves the relationship between the retiree and his/her family and the society as whole. The pre-retirement stage somehow or rather does have some effects on the post-retirement period. This is a vital issue that should be addressed upon by individuals in the society and the government itself because as an event in life, all employees will undergo the

retirement transition period whether they like it or not. It is just a matter of time. The society's well being is the responsibility of everyone in Malaysia.

During the transition stage from work to retirement, retiring employees particularly the government employees encounter various difficulties and problems that might make them feel anxious and stressful when approaching retirement. The anxiety experienced by the retiring employees during the pre-retirement transition period would probably have some effect on their performance in the workplace. It has been reported that, there was an age-related decline in technical job performance (Charness, 1985). The decline in performance was not exactly due to retirement but more of the age factor. In a country like Malaysia, the mandatory retirement age for government employees is 55 years, which is relatively younger when compared to other western countries, as well Asian countries, where the retirement age is 65 or more. At the age of 55, a high percentage of the employees strongly believed that they were healthy and could still perform, and in fact they suggested that the age of 60 is a more appropriate mandatory retirement age (Chien, 1990).

One can go through the transition process with ease and the process itself can be smoothen by having made enough preparation before retirement (Atchley, 1976; 1977; 1988; Dennis, 1984; and Richardson, 1993). Thus, it is the responsibility of the organization or the employer to plan pre-retirement program to assist retiring employees to go through the transition period to retirement.

There are retirees who could not afford to live comfortably within their means and maintain their standard of living with the major problem being financial instability. Apart from the economic problem, retirees also face various problems in terms of their health condition, the loss of their status, loss of work roles, lack of

recognition, reduction of self-image, the feeling of loneliness, and disruption of routines. The loss will have an effect on the psychology which involves emotional stress, which in turn affect the behavior, minds, and social relationships (Weir, 1968; and Ryes, 1980).

The issue of retirement stress was further emphasized by Phillipson (1990). He believed that as jobs are the central focus for employees, and in a culture which values work, retirement is seen as a problem, and a source of tension for individuals (Phillipson, 1990). He argued that there are people who have suffered stress after compulsory retirement because retirement results in loss of jobs and thus loss of meaningful life.

Retirement is an important event in the life of an employee and the individual needs to prepare himself/herself during the transition period. Life does not stop with retirement and in fact life continues on. To go on living is to undergo a series of actions and a sequence of changes whereby individuals have to adjust themselves with such changes (Oatley, 1990).

Retiring employees are important organization assets. As they are the people in the organization, the concept of human resource developments applies. The term human resource development is related to the development of people within the organization. Human resource development provides individual development focussed on performance improvement related to a current job and provides career development focussed on performance improvement related to future job assignments. It also provides organizational development that results in both optimal utilization of human potential and improved human performance, which together improves the efficiency of the organization (Gilley and Eggland, 1989).