COPING WITH RETIREMENT CHALLENGES IN UGANDA
A CASE STUDY OF FORMER CIVIL SERVANTS
IN LUWERO DISTRICT

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Abstract

Retirement is an inevitable but critical life transition for any civil servant. Normally for many civil service retirees, exiting work force brings unprecedented changes in their social and economic lifestyle which poses enormous challenges for which they have to devise coping mechanisms. However, the challenges and coping strategies developed depend on pre-retirement planning at individual or institutional level.

The study intended to explore the strategies/mechanisms former civil servants employ to cope with retirement challenges. The intention was to highlight the plight of former civil servants in order to come up with suggestions relating to pro-retirement welfare policies and programmes. The specific objectives of the study were to; establish existing circumstances for retirement and retirement provisions for civil service retirees; establish retirement challenges encountered as well as investigate the coping mechanisms former civil servants employ to address retirement challenges.

This study employed a cross sectional exploratory design using both qualitative and quantitative approaches. The mixed approach ensured validity and reliability of the study. Findings are outcomes of eleven in-depth interviews, twenty one focus group discussion participants, eight key informants and fifty primary respondents in addition to documentary reviews and observations.

The key findings of the study included, but were not limited to the following; The main available retirement provisions include; monthly pension and commuted pension gratuity; others are survivors’ benefits, transport and severance packages. These are, however, inadequate and are therefore not a guarantee to meet the welfare needs of civil service retirees. Equally, preparation for retirement as a mitigative measure in Uganda is undeveloped; and, besides, the pension sector
is mired with either budgetary oversights or inadequate allocations. Significantly, the study found out that all respondents (100%) faced retirement challenges. 90% of them revealed that they were facing social and economic challenges in retirement. The main economic challenge discovered was lack of regular and steady income source (38%) while the chief social challenges included: loss of social status (36%) and failure to meet social obligations (34%). However, the burden of challenges depended on individual circumstances, level of retirement preparation, and institutional failures. Only a few retirees claimed to have a better retirement life, for they have multiple income sources and smaller families.

The study further uncovered that involvement in agriculture (68%) is the main economic coping mechanism for former civil servants. Other strategies include; sale of assets, and contract employment. The most popular social coping mechanisms employed were; dependency on relatives, children, and friends (30%); and joining social networks (26%).

The study finally recommends as follows inter alia; that the government expeditiously transform retirement scheme from a non contributory to a contributory one, as well as establishing a separate retirement benefit regulatory authority to improve pensions management; decentralizing pension administration; creating an up-to-date inventory of all pensioners and an automatic system to establish annual retirees. The retirement provision should be indexed to inflation and cost of living. Further, government should provide adequate budget and accord due consideration to retirement planning.